
NORTH WALES CJC ECONOMIC WELL-BEING SUB-COMMITTEE
16/05/2025

Present:

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

Co-opted Members (Non-voting) - Paul Spencer (Bangor University), Professor Joe Yates (Wrexham University) and Gwenllian Roberts (Grŵp Llandrillo Menai).

Chief Officers - Dylan Williams (Isle of Anglesey County Council), Sioned Williams (Cyngor Gwynedd), Rhun ap Iarll (Conwy County Borough Council), Neal Cockerton (Flintshire County Council) and Alwyn Jones (Wrexham County Borough Council).

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

Ambition North Wales - Alwen Williams (Interim Chief Executive of the North Wales Corporate Joint Committee), Hedd Vaughan-Evans (Head of Operations), David Mathews (Land and Property Programme Manager), Meghan Davies (Energy and Net Zero Programme Manager), Sandra Sharp (Energy and Net Zero Project Manager) and Nia Medi Williams (Senior Executive Officer).

Also in attendance:

Item 9 Andrew Hudson (Director, Zip World) and Lucy Dean (QUAD Consultancy)

1. APOLOGIES

Apologies were received from:-

- Councillor Nia Jeffreys (Cyngor Gwynedd) with Councillor Menna Trenholme deputising.
- Dafydd Gibbard (Cyngor Gwynedd) with Sioned Williams deputising.
- Graham Boase (Denbighshire County Council)
- Aled Jones-Griffith (Grŵp Llandrillo Menai) with Gwenllian Roberts deputising.
- Yana Williams (Coleg Cambria).
- Eiliw Hughes (Growth Deal Programme Manager).
- Sian Pugh (Assistant Head of Finance).

2. DECLARATION OF PERSONAL INTEREST

There were no declarations of personal interest.

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 11 April 2025, as a true record.

5. CO-OPTION TO THE ECONOMIC WELL-BEING SUB-COMMITTEE

The report was presented by the Monitoring Officer.

DECISION

- 1. To co-opt a Member from the Eryri National Park Authority (non-voting) on the Economic Wellbeing Sub-Committee to support its functions and responsibilities.**
- 2. That the following member from Eryri National Park Authority be co-opted to the Economic Well-being Sub-Committee relevant to strategic planning matters only:**
 - Councillor Edgar W. Owen, Chair of Eryri National Park Authority**

REASONS FOR THE DECISION

On 21 March, the North Wales Corporate Joint Committee agreed that the membership of the Economic Well-being Sub-Committee would consist of six Council Members of the North Wales Corporate Joint Committee, together with a representative from each of those bodies represented on the North Wales Economic Ambition Board, to be appointed as non-voting co-opted members.

DISCUSSION

Members were reminded of the decision to postpone the co-option of a Member of the Eryri National Park Authority during this Sub-committee meeting, held on 11 April 2025 to verify technical matters. It was noted that it was pleasing that those matters had now been resolved. It was confirmed that Councillor Edgar Owen had been nominated to be a Co-opted Member (non-voting) of this Sub-committee. It was elaborated that the Co-option arrangements would be confirmed by the Monitoring Officer should Members confirm this nomination.

6. NWEAB'S REVENUE OUT-TURN AND CAPITAL POSITION FOR 2024/25

The report was presented by the Statutory Finance Officer.

RESOLVED

- 1. To note the NWEAB out-turn report for 2024/25 which includes the use of £714,395 from the North Wales Growth Deal grant to demonstrate a neutral position for the year.**
- 2. To note the position of NWEAB's funds.**
- 3. To note NWEAB's end of year capital review on 31 March 2025.**

REASONS FOR THE DECISION

To inform the Economic Well-being Sub-Committee of the financial position of the NWEAB for revenue and capital in 2024/25.

The role and function of the NWEAB was transferred to the CJC on 1 April 2025, which included staff, resources, commitments and financial assets, including the Growth Deal and funding.

DISCUSSION

The Report was presented for information purposes to the Sub-committee, confirming that it would be presented to the Corporate Joint Committee at its meeting on 13 March 2025 for approval.

It was reported that the final revenue out-turn position for the year 2024/25 was an underspend of approximately £386,000. It was explained that this underspend was an increase on the underspend anticipated when reporting on the position in December 2024, which was approximately £205,000. Details were provided on the main headings of the budget as follows:

- **Portfolio Management Office** - It was explained that the final net underspend on this heading is £75,140 as a result of an underspend on employee expenditure. It was elaborated that the true salary inflation in 2024/25 was 3%, where an increase of 6% had been budgeted. Attention was drawn to the fact that an extension to the Shared Prosperity Fund budget until the end of March 2025 had allowed three officers to be funded within the UKSPF heading instead of the core budget as budgeted.
- **Employee Expenditure** - It was noted that part of the underspend within this heading had been used to fund temporary advisory staff whilst work was being done to appoint a Programme Manager after the post became vacant.
- **Support Services by the Accountable Body** - Reference was made to the underspend of £41,730 which mainly derived from underspend on support from the Finance Service.
- **Joint Committee** - It was reported that there was an underspend of £48,935 in this heading, with an underspend seen on every relevant line of the budget within the heading.
- **Projects** - It was explained that the final net underspend on this heading was £65,034 as a result of capitalised costs previously considered within the 'Developing Project Business Cases' budget line. Despite this, it was acknowledged that a high demand for external legal advice on many projects had led to overspending within the 'Developing Project Business Cases' line.
- **Grants** - It was noted that an overspend was seen in the Local Area Energy and the Shared Prosperity Fund projects. It was elaborated that an extension on both projects until the end of March 2025 had led to a net overspend of £96,820. It was explained that the overspend associated with the Local Area Energy project was being funded by the remaining grant funding. It was elaborated that the underspend seen as part of the plans associated with the Shared Prosperity Fund was being used to fund the overspend on the Fund's employee costs, as well as contribute towards the overheads of the Portfolio Management Office.
- **Transfers to Reserve Funds** - It was noted that there was an unbudgeted expenditure of £2.8million within this field. It was explained that the North Wales Economic Ambition Board had approved the use of the interest accrued on the Growth Deal Balances in 2024/25 to fund additional roles in accordance with the requirements of the governments, as well as project development costs from 2025/26 and to retain the Portfolio Management Office's current resources for two additional years beyond March 2026. Attention was drawn to the fact that this heading confirmed that the interest received on balances during 2024/25 would be transferred to specific Resources Fund to fund these costs.

The main income streams were listed for 2024/25, namely contributions from partners, the North Wales Growth Deal grant revenue allocation, contribution from the Corporate Joint Committee for staff secondment, the Welsh Government energy grant, the UK Shared Prosperity Fund and the earmarked reserves fund.

It was explained that £1.1million had been budgeted to draw down from the North Wales Growth Deal Grant for revenue costs, namely the 2.15% that the governments had agreed could be used. However, to leave a neutral situation for the year, it was recommended to take £714,000 from the Growth Deal Grant instead of the £1.1million budgeted.

It was reported that there had been £211,000 in the Reserve Fund on 31 March 2025, reminding the Members that the North Wales Economic Ambition Board had approved the use of £61,000 from this fund as part of the 2025/26 budget, at its meeting on 14 February this year.

Attention was drawn to the fact that there was a total of £29,000 in the Projects Fund at the end of March 2025 and that officers had received the board's approval to use this fund to fund the costs of the Local Energy project ('Developing Project Business Case'). It was confirmed that these costs had been capitalised but that these costs had been funded from the Project Fund reserves as the Full Business Case had not been approved currently.

It was confirmed that the balance of the Interest Fund on 31 March 2025 was £4.7million. Furthermore, it was confirmed that there was £2.8million in the Resources Fund at the end of the financial year following the transfer of the interest received on the Growth Deal Fund during the year.

Reference was made to the end-of-year review of the Capital Programme 2024/25, confirming that there had been a net reduction of £13.3million in the spending due to a slippage on four projects. It was detailed that these projects were the Digital Signal Processing Centre, Smart Local Energy, Holyhead Port and the Former North Wales Hospital Site. It was also noted that revoking the Deeside Anaerobic Centre had also contributed to this reduction. It was confirmed that work on the Centre for Environmental Biotechnology, Enterprise Engineering and Optics Centre and the Tourism Talent Network projects had pushed a proportion of their profile expenditure forward.

In response to an enquiry on comparing the statistics presented in the report with the last few years, the Statutory Finance Officer confirmed that reporting on revenue matters happened on a financial year basis. However, it was confirmed that officers would be able to compare the financial situation with the last few years for comparison when presenting statements of draft accounts to the Corporate Joint Committee. Attention was drawn to the fact that capital matters already showed comparisons over a wide range of years.

7. NORTH WALES GROWTH DEAL - QUARTER 4 PERFORMANCE AND RISK REPORT

The report was presented by the Head of Operations.

RESOLVED

- 1. To identify the Quarter 4 Performance Report and the updated Portfolio Risk Register.**
- 2. To approve the submission of the Quarter 4 Performance Report to the Welsh and UK Governments, along with local authority scrutiny committees.**

REASONS FOR THE DECISION

To submit the Quarter 4 Report (January to March) of the Growth Plan and updated Portfolio Risk Register.

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 Sub-Committee, the reports will be shared with the Welsh Government, the UK Government and local authority scrutiny committees.

DISCUSSION

A number of the Growth Deal's developmental highlights were reported, namely the approval of the Outline Business case for the Responsible Adventures projects, the approval of Full Business Cases of the Cydnerth and Parc Bryn Cegin projects and also presenting a case for change on the Glynllifon project. It was elaborated that renovation work on the Henfaes site had been delivered on time to develop a Centre for Environmental Biotechnology. It was pleasing to note that a grant Funding Agreement had been signed for the Tourism Talent Network. It was also noted that the Shared Prosperity Fund (SPF) project had now closed, looking back on many successes such as the launch of a skills portal, purchasing mobile survey equipment and providing grants to 16 small community organisations.

Attention was drawn to the fact that many projects currently reported as red on the Portfolio Risk Register, namely Connecting the Last Few %, Full Fibre, NEW H2, Trawsfynydd, Holyhead Port and Kimmel Studio.

It was explained that many projects were operational by now, noting that it was possible to report on some of the resulting advantages. It was detailed that a £15.32million investment had been made within the Growth Deal during the last year, with the total investments being £16.61million. It was acknowledged that these numbers were lower than the targets but it was emphasised that the situation had significantly improved since the previous year as more projects had received approval.

It was elaborated that the projects approved had secured £4.712million in revenue as well as creating 35 posts to date. It was elaborated that 261 individuals had received Training and completed courses to gain qualifications.

It was assured that it was possible to report on this type of data regularly when considering quarterly updates, to review the wider impact that the Growth Deal was having on the region.

The officers were thanked for their work to ensure that these aspects of the Growth Deal were achieved.

Concern was expressed from the Welsh Government on the speed of achieving the Growth Deal as there was approximately 10 years left on the Deal and that there was a need to significantly increase investment statistics to reach the Deal's targets. However, pride was expressed that there had been progress on the Plan's projects over the last year. In response, the Interim Chief Executive of the North Wales Corporate Joint Committee emphasised that it was extremely important that the Welsh Government and the UK Government's officers worked with the Corporate Joint Committee to provide support to ensure that the Plan's targets were achieved in the interests of the Region's economy.

8. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

IT WAS RESOLVED to exclude the press and public from the meeting during the discussion of Item 9-11 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 is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. However, it was acknowledged that there were occasions, in order to protect the financial and commercial interests, that matters related to such information needed to be discussed without being publicised. The report is specifically regarding financial and business matters together with associated discussions. The 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. RESPONSIBLE ADVENTURE - UPDATE ON THE REQUIREMENTS

The report was presented by Zip World and QUAD Consultancy officers.

RESOLVED

- 1. To note the progress made by Zip World towards addressing the recommendations and the company's intention to submit a request for change to remove the e-bus aspects of the project.**
- 2. To invite Zip World to submit its request for change at the next meeting and to provide a further update on the engagement plan and the Local Benefits Plan as a part of this report.**

REASONS FOR THE DECISION

To provide an update against the three requirements set by the Economic Ambition Board in approving the project's Outline Business Case.

DISCUSSION

The Report was discussed.

10. RECOMMENDATIONS FOR THE GROWTH DEAL'S RESERVE LIST

The report was submitted by the Head of Operations and interim Chief Executive of the North Wales Corporate Joint Committee.

RESOLVED

- 1. To agree on the recommendations arising from the results of the Expression of Interest (EOI) assessment and invite those projects to join the Growth Plan Reserve List.**

2. To agree on the proposed process for managing reserve list projects.
3. To agree on the proposed streamlined assurance and approval process and to delegate for the Portfolio Director to make any necessary amendments to secure the approval of the Welsh Government and UK Government, in consultation with the Chair and Vice-chair.
4. That:
 - a. The sub-committee agreed to initiate a process to assess and review the scope and case for extending the current growth plan to include transport projects.
 - b. The Sub-Committee commissions the Portfolio Director to prepare a detailed options report in consultation with the Welsh and UK Government and officials from the Constitutional Councils and Education Partners.
 - c. The options report to be submitted to the Sub-committee with the intention of deciding whether the formal change process should be commenced to ensure agreement for the extended Growth Deal to include Transportation projects.

REASONS FOR THE DECISION

The decision sought responds to the application made by the Economic Well-being Sub-committee in April 2025 to initiate the Expression of Interest (EOI) process and submit the recommendations at this Sub-committee in line with the agreed timetable.

DISCUSSION

The Report was discussed.

11. CLEAN LOCAL ENERGY (SMART LOCAL ENERGY) - FULL BUSINESS CASE

The report was presented by the Head of Operations and the Energy and Net Zero Project Manager.

RESOLVED

1. To approve the Full Business Case for the Clean Energy Fund, Fund Management Plan including Investment Strategies and the Delegated Decision Matrix for the project.
2. To approve the Delegated Decision Matrix for the project.
3. To delegate to the Portfolio Director, in consultation with the Chair, the Vice-Chair, the Section 151 Officer and the Monitoring Officer to confirm the completion of the matters not identified in section 7 and to agree the formal launch of the Fund.
4. That the Economic Well-being Sub-Committee appoints the Portfolio Director to be the accountable officer for the delivery of the project.
5. To approve that capital repaid during the operation of the fund be earmarked for the Reserves Sub-fund to be reinvested in accordance with the Investment strategies. To approve that surplus revenue generated by the project once operating costs have been paid is allocated to fund the operation of the Portfolio Management Office.

6. To request a further update in 6 months' time in order to review relevant partnerships.

REASONS FOR THE DECISION

To seek the Sub-committee's approval of the full business case for the Clean Energy Fund Project.

DISCUSSION

The Report was discussed.

The meeting started at 09:30 and ended at 12:05.

Chair