

# Public Document Pack



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To: Cllr Rosetta Dolphin (Chair)

Councillors: Sean Bibby, David Evans, George Hardcastle, Patrick Heesom, Cindy Hinds, Kevin Hughes, Dennis Hutchinson, Joe Johnson, Vicky Perfect, Paul Shotton and Owen Thomas

4 November 2020

Dear Sir/Madam

**NOTICE OF REMOTE MEETING**  
**ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE**  
**TUESDAY, 10TH NOVEMBER, 2020 at 10.00 AM**

Yours faithfully

Robert Robins  
Democratic Services Manager

Please note: Due to the current restrictions on travel and the requirement for physical distancing, this meeting will not be held at its usual location. This will be a remote meeting and 'attendance' will be restricted to Committee Members. The meeting will be recorded.

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

## A G E N D A

### 1 **APOLOGIES**

**Purpose:** To receive any apologies.

### 2 **DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**

**Purpose:** To receive any Declarations and advise Members accordingly.

### 3 **MINUTES** (Pages 5 - 12)

**Purpose:** To confirm as a correct record the minutes of the meeting held on 21 September 2020

### 4 **EMERGENCY SITUATION BRIEFING (VERBAL)**

**Purpose:** To update on the latest position and the risks and implications for Flintshire and service and business continuity.

### 5 **FORWARD WORK PROGRAMME AND ACTION TRACKING** (Pages 13 - 22)

Report of Environment Overview & Scrutiny Facilitator

**Purpose:** To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.

### 6 **NORTH WALES ECONOMIC AMBITION BOARD - FINAL GROWTH DEAL** (Pages 23 - 220)

Report of Chief Officer (Planning, Environment and Economy) - Leader of the Council and Cabinet Member for Education

**Purpose:** To present the key documents required for approval to reach Final Deal Agreement for the North Wales Growth Deal with the UK Government and Welsh Government.

7 **BUDGET 2021/22 - STAGE 1** (Pages 221 - 244)

Report of Chief Officer (Streetscene and Transportation), Chief Executive, Chief Officer (Planning, Environment and Economy), Corporate Finance Manager - Cabinet Member for Planning and Public Protection, Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside

**Purpose:** That the Committee review and comment on the Streetscene and Transportation and Planning, Environment and the Economy cost pressures and overall budget strategy. And advises on any areas of cost efficiency it would like to see explored further.

8 **RECOVERY STRATEGY (PLANNING, ENVIRONMENT & ECONOMY PORTFOLIO)** (Pages 245 - 262)

Report of Chief Officer (Planning, Environment and Economy) - Cabinet Member for Planning and Public Protection

**Purpose:** To provide oversight on the recovery planning for the Committee's respective portfolio(s)

9 **RECOVERY STRATEGY UPDATE (STREETSCENE AND TRANSPORTATION PORTFOLIO)** (Pages 263 - 282)

Report of Chief Officer (Streetscene and Transportation) - Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside

**Purpose:** To provide oversight on the recovery planning for the Committee's respective portfolio(s)

10 **MID-YEAR PERFORMANCE INDICATORS FOR RECOVERY, PORTFOLIO AND PUBLIC ACCOUNTABILITY MEASURES** (Pages 283 - 300)

Report of Environment and Social Care Overview & Scrutiny Facilitator - Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside

**Purpose:** To review the levels of progress in the achievement of activities, performance levels and current risk levels as identified in the Council Plan.

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## **ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE** **21 SEPTEMBER 2020**

Minutes of the meeting of the Environment & Economy Overview & Scrutiny Committee of Flintshire County Council held as a remote attendance meeting on Monday, 21 September 2020

### **PRESENT: Councillor Rosetta Dolphin (Chair)**

Councillors: Sean Bibby, Chris Dolphin, David Evans, Patrick Heesom, Cindy Hinds, Dennis Hutchinson, Joe Johnson, Vicky Perfect, Paul Shotton and Owen Thomas

**APOLOGY:** Councillor George Hardcastle

**CONTRIBUTORS:** Councillor Carolyn Thomas, Deputy Leader and Cabinet Member for Streetscene & Countryside; Councillor Chris Bithell, Cabinet Member for Planning & Public Protection; Chief Officer (Planning, Environment & Economy); Chief Officer (Streetscene & Transportation); Chief Executive and Head of Democratic Services

**IN ATTENDANCE:** Team Leader – Democratic Services, Overview & Scrutiny Facilitators and Democratic Services Officer.

### **1. APPOINTMENT OF CHAIR**

The Facilitator advised that it had been confirmed at the Annual Meeting of the County Council that the Chair of the Committee should come from the Independent Alliance Group. The Committee was advised that Councillor Rosetta Dolphin had been appointed to this role for the municipal year.

#### **RESOLVED:**

That the appointment of Councillor Rosetta Dolphin as Chair of the Committee be noted.

### **2. APPOINTMENT OF VICE-CHAIR**

Councillor Joe Johnson nominated Councillor David Evans as Vice-Chair of the Committee and this was seconded by Councillor Paul Shotton. There were no further nominations. On being put to the vote, this was carried.

#### **RESOLVED:**

That Councillor David Evans be appointed Vice-Chair of the Committee.

### **3. DECLARATIONS OF INTEREST (INCLUDING WHIPPING)**

None were received.

**4. MINUTES**

The minutes of the meeting held on 13 July 2020 were approved, as moved and seconded by Councillors Sean Bibby and Chris Dolphin.

**RESOLVED:**

That the minutes be approved as a correct record and signed by the Chair.

**5. EMERGENCY SITUATION BRIEFING (VERBAL)**

The Chief Executive explained that the current situation was fluid. He and his Chief Officer colleagues would be ensuring that Members received short up to date verbal briefings at the start of meetings. He also commented that it may yet be necessary to reinstate the situational briefings which had been delivered to members during the first six months of the emergency.

**RESOLVED:**

Noted.

**6. TERMS OF REFERENCE OF THE COMMITTEE**

The Head of Democratic Services introduced the report on the Terms of Reference of the Committee advising that all of the Committees have been changed as a result of the review. The following Regeneration Services have been transferred to this Committee from the former Community & Enterprise Committee:-

- Communities First
- Economic Development and Tourism
- Enterprise
- Regeneration Partnership
- Rural Development Plan
- Visit Wales

The recommendations in the report were moved by Councillor Paul Shotton and seconded by Councillor Sean Bibby

**RESOLVED:**

That the terms of reference, as agreed by Council and appended to the report, be noted.

**7. RECOVERY STRATEGY (PLANNING, ENVIRONMENT & ECONOMY PORTFOLIO)**

The Chief Executive presented a report to provide the Committee with oversight of recovery planning for its portfolio areas as part of the strategy for the resumption of full democratic governance. Feedback from each of the

Overview & Scrutiny committees on the risk registers, recovery priorities and revised performance indicator targets for their respective areas would be reported to Cabinet prior to publication of a full Recovery Strategy.

A presentation showing the handover from response to recovery covered the following points:

- Recommendations from Cabinet
- Objectives of the Recovery Strategy
- Response Objectives
- Examples of local achievements in Response
- Recovery - handover arrangements
- Regional and Local Recovery Structures
- Recovery Objectives - Services
- Recovery Activities
- Community Recovery
- Council Plan and Performance
- Democratic Governance of Recovery

The Chief Officer (Planning, Environment & Economy) went through the Community Recovery section of the report, which had been split into two sub-groups Economy and Vulnerability and Poverty. He gave further background to the Sub-Regional Community Recovery group, which is a joint Public Service Board initiative between Flintshire and Wrexham. Four recovery themes had been identified for action and he advised that this was Joint Lead for the Environment and Carbon Reduction workstreams. He gave two examples of what they proposed to do to help the Environment; Green Spaces which was to improve the quality, provision usage, accessibility to promote green spaces and secondly Carbon Reduction to address the challenges of climate change at a local level.

The Chief Executive referred to the Council Plan that was refreshed on an annual basis but due to the emergency disruption, which kicked in mid-March, was not presented in April. He explained that Cabinet had extracted from it and updated the key things that were essential to recovery between now and next Spring when the Council and its Services would hopefully be re-stabilised due to the massive disruption and produced a draft Council Plan attached to the report

Also attached was an updated version of the Key Performance Indicators relating to the two portfolios indicating where changes had to be made to ambition and targeting in year due to the interruption by the emergency or by some of the data that no longer applied.

The Chief Officer (Planning, Environment & Economy) explained the format of the report which was purely based on the Recovery of Planning, Environment and Economy together with 4 appendices attached. He made reference to the 14 recovery objectives that were listed which were set in July 2020 some of which had already been addressed.

He reported that the bulk of the portfolio were not identified as critical services, although still working, with the exception of Trading Standards, Licensing, Environmental Health Functions and Food Safety Functions as well as Health and Safety who were assisting the establishment of PPE model which all had to continue.

He pointed out the risks:-

- 20 open risks spilt over Portfolio Management, Workforce, External Regulations, ICT & Systems; Portfolio Service and Performance
- Specific Recovery risks shown as \*
- Number of red risks reduced by 20% since June
- 40% of risks now decreasing, compared to 25% in June

and focused on 3 of them:-

Workforce - PE07 - Impact on service delivery due to the resilience of staff and succession planning was going down due to the redeployment of staff, external recruitment and engagement of consultants explaining that September was a month for recovery in that area.

External Regulation - PE13 - Another example of a risk reducing was Welsh Government had accepted the revised delivery agreement for the Local Development Plan.

PE-14 - Previously going down but now stabilised at amber due to the recruitment of two temporary Environmental Health Officers to assist with the planned and reactionary programmes of inspections whilst also enforcing national and local Covid 19 restrictions, regulatory activity and TTP work.

In response to a question raised by Councillor Owen Thomas the Chief Officer (Planning, Environment & Economy) reported that they were in a better position than a year ago to know what the impact of Ash Dieback was. During lockdown, with the roads being quiet, they had managed to go out doing survey work and early reports show that it hadn't progressed as quickly this year as they first thought but initial survey work showed extensive areas of Ash Dieback growing close to some major roads eg A5104 leading to Corwen had extensive Ash Trees showing signs of the disease. The complication was that only 5% were within Flintshire's land ownership and they would need to track who owned the land to make them aware of the fact that they had these diseased Ash trees on their land. Now that the survey work has been done they have a much better idea of where the trees were, and what status they were at to inform future planning.

Councillor Chris Dolphin wanted clarification about future lockdowns querying if Officers would be going out on their own to view sites and not necessarily speak to anyone. The Chief Officer (Planning, Environment & Economy) clarified that before undertaking any site visit Officers needed to do a thorough risk assessment, which remains a requirement. The first question asked was it essential to go on visit or can the information be gained in some other way. If the answer was no then the Officer wouldn't undertake the site

visit. Throughout lockdown there were two members of staff within the Development Management Service who were identified as critical staff and if any really important cases were flagged up then site visits were undertaken safely and also followed through on enforcement on a number of cases. Throughout lockdown, the first two quarters of this year, Flintshire served more enforcement notices than last year due to triage visits. On one particular case drone footage was commissioned which in normal circumstances wouldn't have been used he also added that Building Control visits had been carried out via video conference.

The recommendations in the report were proposed by Councillor Chris Dolphin and seconded by Cllr Paul Shotton.

**RESOLVED:**

- (a) That the full set of immediate strategic priorities for recovery of the portfolio as set out in the report be agreed, together with the risk analysis and mitigating actions both live and planned; and
- (b) That a forward work programme for the Committee be rebuilt for the remainder of the 2020/21 Council year with recovery planning at its core.

**8. RECOVERY STRATEGY (STREETSCENE AND TRANSPORTATION PORTFOLIO)**

The Chief Officer (Streetscene & Transportation) gave a presentation which provided background on risks had been identified. Together with his Senior Management Team they had identified 47 different risks across Finance, Workforce, Property Assets, Governance/Legal, External Regulation, ICT & Systems, Service Delivery, Highway Policy, Fleet, Waste Strategy and Parking and Enforcement of which 2 had been closed but were reviewed weekly. Moving into winter months new risks were emerging and would continue to be monitored.

He provided further information on the following specific areas:

Finance

ST09 – Market for resale of recycled material extremely volatile. Reporting that there are huge swings in the prices they receive for plastic, paper and glass etc and unfortunately most of them are slipping creating a substantial pressure for business but also creating issues for staff in finding ready markets for the material.

ST10a – Overall waste arising up by between 10 – 20% due in part to the number of people working from home, spending more time at home and not going on holidays resulting in waste not being taken elsewhere. Tonnage is up which is causing pressure in terms of additional gate fee but also more work for the staff when collecting waste on the side of the road.

Workforce

ST12 – Reduced numbers of frontline workers and contractors to deliver services safely due to increased sickness levels.

ST17a – Increased risk of ill health due to mental health and well-being, personal and/or family issues.

Councillor Paul Shotton thanked Streetscene for returning to a more normal situation particularly on grass cutting in his area. He advised that the Interim Supervisor had been in touch with Connah's Quay Members to put forward their areas which were in need of a serious clean up similar to the one that happened in Shotton.

Councillor Carolyn Thomas advised of a Recycling Campaign that Welsh Government were launching, working in partnership with Local Authorities called 'Be Mighty Recycle Campaign'. She added there would be a lot of publicity about it to encourage people to recycle and get the rates back up again which would hopefully stop littering as well.

The Chair asked a question about the second recommendation. She questioned what would happen to everything else that would have been part of the Forward Work Programme. The Head of Democratic Services advised that a member of his team had been identifying items which were in the Forward Work Programme of both the former Environment and Community and Enterprise Overview & Scrutiny Committees with regard to ongoing items which would be fed into the forward work programme for the Committee. There would be an emphasis on recovery items but the forward work programme would also recognise that regular items do still need to come to Committee and also issues dealing with regulatory functions.

The Chief Executive added that thought was needed to be given about risks that the Chief Officer (Planning, Environment & Economy) and the Chief Officer (Streetscene & Transportation) had highlighted as they also figured in the immediate Forward Work Programme perhaps in a way they wouldn't have done so before. Also looking at current risks business continuity needed looking at for the winter as there could be a very challenging winter ahead. Some services might have to take a step backwards to a partial delivery.

He advised that Special meetings were being set up for November specifically to deal with the budget.

The recommendations in the report were proposed by Councillor Paul Shotton and seconded by Councillor Chris Dolphin.

**RESOLVED:**

- (a) That the full set of immediate strategic priorities for recovery of the portfolio as set out in the report be agreed, together with the risk analysis and mitigating actions both live and planned; and
- (b) That a forward work programme for the Committee be rebuilt for the remainder of the 2020/21 Council year with recovery planning at its core.

**9. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE**

There were no members of the press and public in attendance.

(The meeting started at 10.00 am and ended at 11.24 am)

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**Chair**

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## ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday 10 <sup>th</sup> November 2020
<b>Report Subject</b>	Forward Work Programme and Action Tracking
<b>Cabinet Member</b>	Not applicable
<b>Report Author</b>	Environment & Economy Overview & Scrutiny Facilitator
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Environment & Economy Overview & Scrutiny Committee.

The report also shows actions arising from previous meetings of the Environment & Economy Overview & Scrutiny Committee and the progress made in completing them. Any outstanding actions will be continued to be reported to the Committee as shown in Appendix 2.

### RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Facilitator, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.
3	That the Committee notes the progress made in completing the outstanding actions.

## **REPORT DETAILS**

<b>1.00</b>	<b>EXPLAINING THE FORWARD WORK PROGRAMME AND ACTION TRACKING</b>
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none"><li>1. Will the review contribute to the Council's priorities and/or objectives?</li><li>2. Is it an area of major change or risk?</li><li>3. Are there issues of concern in performance?</li><li>4. Is there new Government guidance of legislation?</li><li>5. Is it prompted by the work carried out by Regulators/Internal Audit?</li><li>6. Is the issue of public or Member concern?</li></ol>
1.03	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following a meeting of the Corporate Resources Overview & Scrutiny Committee in July 2018, it was recognised that there was a need to formalise such reporting back to Overview & Scrutiny Committees, as 'Matters Arising' was not an item which can feature on an agenda.
1.04	It was suggested that the 'Action tracking' approach be trialled for the Corporate Resources Overview & Scrutiny Committee. Following a successful trial, it was agreed to extend the approach to all Overview & Scrutiny Committees.
1.05	The Action Tracking details including an update on progress is attached at Appendix 2.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	None as a result of this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	In some cases, action owners have been contacted to provide an update on their actions.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	None as a result of this report.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – Draft Forward Work Programme Appendix 2 – Action Tracking for the Environment & Economy OSC.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Minutes of previous meetings of the Committee as identified in Appendix 2.  <b>Contact Officer:</b> Margaret Parry-Jones Overview & Scrutiny Facilitator <b>Telephone:</b> 01352 702427 <b>E-mail:</b> <a href="mailto:Margaret.parry-jones@flintshire.gov.uk">Margaret.parry-jones@flintshire.gov.uk</a>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<b>Improvement Plan:</b> the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.

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### Environment & Economy Overview & Scrutiny Forward Work Programme 2020/21

Date of Meeting	Subject	Purpose of Report/Presentation	Scrutiny Focus	Responsible/Contact Officer	Submission Deadline
<b>8 December</b> <b>10.00 am</b>	Update on Alltami Depot Stores to Give Assurance that New Working Arrangements and Processes are Effective	To receive a progress report	Assurance	Chief Officer Streetscene & Transportation	
	Emergency Situation Briefing (Verbal)	To update on the latest position and the risks and implications for Flintshire and service and business continuity.	Assurance	Chief Officers	
	Recovery Strategy update	To report on specific risks of concern arising from the report received on the 21 <sup>st</sup> September	Assurance	Chief Officers	
	Mold to Broughton Cycleway update	To receive an update on progress	Assurance	Chief Officer Streetscene & Transportation	
<b>12 January</b> <b>10.00 am</b>	Council Plan 20/21	To consider the proposed Council Plan for 2020/21 with specific focus on the Committee’s respective portfolio(s).	Pre-decision scrutiny	Chief Executive	

Date of Meeting	Subject	Purpose of Report/Presentation	Scrutiny Focus	Responsible/Contact Officer	Submission Deadline
<b>9 February</b> <b>10.00 am</b>	Fleet Electrification	To consider proposals for fleet electrification.	Pre-decision scrutiny	Chief Officer Streetscene & Transportation	
	Ash Dieback surveys update (PE12)	To receive a progress report	Assurance	Chief Officer Planning, Environment & Economy	
	Borderlands Line Train Services – Additional Services and Potential Impact on Stops	To receive a progress report on developments.	Assurance	Chief Officer Streetscene & Transportation	
	Planning Enforcement	To receive a progress report	Assurance	Chief Officer, Planning, Environment & Economy	
<b>9 March</b> <b>10.00 am</b>	Regeneration of Town Centres (PE03)	To receive a progress report	Assurance	Chief Officer, Planning, Environment & Economy	
	Recyclable materials income/increased expenditure on disposal of residual waste (ST10)	To receive a progress report	Assurance	Chief Officer, Streetscene & Transportation	
<b>10 April</b> <b>10.00 am</b>	Highway Asset Management Plan	To receive an update on how Flintshire County Council manages the maintenance of its highways to fulfil its statutory obligations.	Assurance	Chief Officer Streetscene & Transportation	

Date of Meeting	Subject	Purpose of Report/Presentation	Scrutiny Focus	Responsible/Contact Officer	Submission Deadline
12 May 10.00 am					
8 June 10.00 am	Year-end Council Plan and Monitoring Report 2020/21	To enable Members to fulfil their scrutiny role in relation to Performance Monitoring	Performance Monitoring	Facilitator	
6 July 10.00 am					

**Site Visit to Parc Adfer (deferred due to COVID-19) – virtual meeting to be held in the new year**

Maintenance of ditches and Watercourses – workshop to include Natural Resources Wales involvement in December - date to be confirmed.

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**ACTION TRACKING FOR THE ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE**

Meeting Date	Agenda Item	Action Required	Action Officer(s)	Action taken	Timescale
21.05.19/ 13.10.20	Mold to Broughton Cycleway	Detailed designs to be shared when completed.	Sue Price	Report scheduled on Forward Work Programme for December meeting.	Ongoing
17.09.19	Forward work programme/action tracking	Steve Jones to provide feedback to Committee when pothole trial is completed.	Steve Jones	Update to be circulated.	Ongoing
10.03.20	Minutes	Re: Demand Response Transport roll-out. Cllr Owen Thomas referred to changes to bus services leaving areas without public transport, e.g. Llys Alyn, Rhydymwyn. Steve Jones agreed to arrange for Sarah Blake to meet with Rhydymwyn residents regarding demand responsive transport.	Steve Jones	Sarah Blake to meet with residents once Covid Crisis is over.	Ongoing
13.10.20	Forward Work Programme	Parc Adfer - virtual meeting with Project Manager and Management Team to be arranged in the new year.	Steve Jones		Ongoing

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## ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday, 10 <sup>th</sup> November 2020
<b>Report Subject</b>	North Wales Economic Ambition Board Final Growth Deal
<b>Cabinet Member</b>	Cabinet Member for Economic Development
<b>Report Author</b>	Chief Officer (Planning, Environment and Economy) Chief Executive
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The purpose of this report is to present the key documents required to reach Final Deal Agreement for the North Wales Growth Deal with the UK Government and Welsh Government.

To agree the Final Deal with both Governments, the NWEAB have prepared a suite of documents, namely the Overarching Business Plan, Portfolio Business Case, Draft Final Deal Agreement and Governance Agreement 2.

### RECOMMENDATIONS

1	That the Scrutiny Committee formally endorses and recommends that Cabinet and Council approve the Overarching Business Plan as the document that sets out the arrangements to deliver the North Wales Growth Deal as the basis for entering into the Final Deal Agreement and acceptance of the Grant Funding Letter with the UK and Welsh Governments.
2	That the Scrutiny Committee formally endorses and recommends that Cabinet approves the provisions in Governance Agreement 2 relating to executive functions, recommends that Council approves the provisions relating to non-executive functions, and that Cabinet specifically adopts the delegations and Terms of Reference in “ <i>Governance Agreement 2: Appendix 1</i> ” thereof as the basis for completing the Final Deal Agreement

	and acceptance of the Grant Funding Letter with the UK and Welsh Governments.
3	That the Cabinet formally endorse and recommend that the Council authorise the accountable body, Gwynedd Council, to sign the Grant Funding Offer letter on behalf of the Partners.
4	That the Cabinet formally endorses and recommends that Council approves the method used to calculate the cost of borrowing notionally required to facilitate the negative cash flow for the Growth Deal, and to include a provision within the Council's budget to pay this contribution and the established core and supplementary contributions as set out in GA2 (and in paragraphs 2.5 - 2.7 below).
5	That the Chief Executive in consultation with the Leader, Monitoring Officer and Section 151 Officer be granted delegated authority to agree minor changes to the documents with the Partners as necessary to complete the agreement.

## **REPORT DETAILS**

<b>1.00</b>	<b>EXPLAINING THE NORTH WALES ECONOMIC AMBITION BOARD FINAL GROWTH DEAL</b>
1.01	<b>Background</b>
1.02	The North Wales Growth Deal is a portfolio consisting of 5 programmes to be delivered over the next 15 years. It is to be delivered by the Portfolio Management Office on behalf of the North Wales Economic Ambition Board.
1.03	The Growth Deal is seeking to deliver a total investment of up to £1.1bn in the North Wales economy (£240m from the Growth Deal), to create 3,400 – 4,200 net additional jobs and generate £2.0- £2.4 billion in net additional GVA.
1.04	The five programmes include 14 projects, which have been carefully designed and developed with stakeholders to address specific market failures and barriers to economic growth. Individual project business cases will be developed and will be presented to the NWEAB for approval from January 2021 onwards.
1.05	<b>Overarching Business Plan</b>  The Overarching Business Plan developed by the Portfolio Management Office sets out the arrangements for delivering the North Wales Growth Deal, including an overview of the programmes and projects and to seek approval from each partner for the financial implications of delivering the deal.

1.06	A copy of the Overarching Business Plan is available in <b>Appendix 1</b> .
1.07	The overarching business plan summarises the contents of the Portfolio Business Case and 5 Programme Business Cases. The portfolio business case provides a summary investment proposal for the North Wales Growth Deal, and the Programme Business Cases set out the detail for the programmes. These documents will be presented to both Governments for approval of the Final Deal Agreement.
1.08	The portfolio and programme business cases once approved will be live documents used to manage the delivery of the Growth Deal on an ongoing basis and updated regularly as the programmes and projects develop.
1.09	<b>Final Deal Agreement</b>
1.10	The Heads of Terms Agreement was agreed by the NWEAB, Welsh Government and UK Government in November 2019, with the aim for Final Deal Agreement to be completed in 2020.
1.11	The Draft Final Deal Agreement was developed collaboratively between the NWEAB and both Governments.
1.12	The Final Deal Agreement is the contract between the NWEAB, UK Government and Welsh Government for the delivery of the North Wales Growth Deal.
1.13	The Final Deal will be signed on the basis of the portfolio business case and five programme business cases.
1.14	A copy of the Draft Final Deal Agreement is included in <b>Appendix 2</b> .
1.15	<b>Governance Agreement 2</b>
1.16	Governance Agreement 2 has been developed by the regional Heads of Legal with expert and independent advice by legal advisers Pinsent Masons.
1.17	Governance Agreement 1 was adopted into in order to take forward the formal offer of funding to both Governments. Government Agreement 2 will take the partnership into the implementation stage of the Growth Deal. The agreement is a partnership agreement between the 6 Local Authorities and the Partner University and College bodies. It continues the governance model adopted in GA1 namely a Joint Committee supported by a host authority and provides for the commitments and responsibilities of the Partners to the partnership. It also defines the relationship between the Board and its constituent Partner organisations, the limits of delegation and accountability.
1.18	Governance Agreement 2 is a necessary element for implementing the Growth Deal. It provides assurance to the Governments as to the governance of the partnership. It establishes a legally binding commitment by and to the Partners and Accountable Body which is necessary to enable the Growth Deal Final Agreement and Grant Letter to be agreed.

	Without that assurance the Final Deal Agreement and the Grant Offer Letter could not be entered into on behalf of the Partners.
1.19	A more detailed explanatory summary of Governance Agreement 2 is provided in <b>Appendix 3</b> and a copy of Governance Agreement 2 is included in <b>Appendix 4</b> .
1.20	<b>REASONS FOR THE DECISION</b>
1.21	In 2016 the North Wales Economic Ambition Board adopted A Growth Vision for the Economy of North Wales. Based on the Growth Vision Strategy, a Growth Deal was prepared and agreed by all the partners working with both the UK and Welsh Government and the private sector in October 2018. In November 2019 the NWEAB and the Welsh and UK Governments agreed the Heads of Terms, for a Final Deal Agreement to be completed in 2020.
1.22	The NWEAB are committed to achieving Final Deal Agreement with both Government before the end of December 2020.
1.23	The Portfolio Management Office have developed the documentation required to submit to both Governments to reach Final Deal Agreement. The contents of these documents are outlined within this report, and copies of the documents attached as appendices.
1.24	<b>Covid-19</b>
1.25	Covid-19 has had an immense economic impact on North Wales as in other parts of the UK and globally. The NWEAB has worked closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery. The longer term effects of Covid-19 on the regional economy at this stage is still unknown.
1.26	The Growth Deal is designed to address structural, long-term barriers to economic growth. However, the Board is fully aware that in the short-term a range of actions will be needed to facilitate recovery and alignment between those short term measures and the Growth Deal is key.
1.27	The Growth Deal on its own cannot address all the challenges facing the North Wales economy, particularly in light of Covid-19. However, such a significant injection of capital investment into the North Wales economy through the Growth Deal will be a boost to the construction and related sectors at a time when there is likely to be spare capacity in the economy.
1.28	<b>Final Deal Agreement Process</b>
1.29	To agree the Final Deal with both Governments, the NWEAB have prepared a suite of documents, namely the Overarching Business Plan, Portfolio Business Case, Draft Final Deal Agreement and Governance Agreement 2.
1.30	<b>LEGAL IMPLICATIONS</b>

1.31	The report explains relevant provisions of Governance Agreement 2 (GA2), The Overarching Business Plan (“OBP”) and the Final Deal Agreement. They form part of the legal implications, but in order to avoid duplication are not repeated in this section.
1.32	The recommendations in the report are made pursuant to the powers conferred on the Councils under sections 101, 102, 111 and 113 of the Local Government Act 1972, section 1 of the Local Authority (Goods & Services) Act 1970, section 25 of the Local Government (Wales) Act 1994, section 2, 19 and 20 of the Local Government Act 2000, section 9 of the Local Government Wales Measure 2009 and all other enabling powers now vested in the Councils.
1.33	The provisions of the Local Government and Elections Bill (Wales) 2019 in relation to proposed Corporate Joint Committees (CJC’s) and the recent publication of a consultation document on the proposed regulations are clearly of relevance to the matters addressed in this report. However, the North Wales Economic Ambition Board has been in operation as a formal Joint Committee since January 2019. GA2 does not change this basic governance model but is a necessary component to enable the Partners to commit to the Growth Deal within the given time frame. As a result there is no proposal to make any changes to the recommendations pending the advent of CJC’s although GA2 does acknowledge the provisions of the Bill and the possibility of future review.
1.34	The OBP is a key document in relation to the delivery of the Growth Deal. The content of the Plan serves to create a legitimate expectation that the Programmes will be progressed as set out in the Plan. Accordingly, it is important that each Partner is content with the content of the OBP. Decisions relating to the delivery of the programmes and projects will need to be considered in accordance with the provision set out in GA2 at which stage any legal issues raised in relation to a specific project can be considered and detailed legal advice provided.
1.35	In considering this matter regard should be had, amongst other matters, to the Councils duties under the Wellbeing of Future Generations (Wales) Act 2015. In summary the Act places a duty on public bodies in to act in accordance with the principle of sustainable development so as to ensure that the needs of the present can be met without undermining the ability of future generations to meet their needs. This is in order to improve the economic, social, environmental and cultural well-being of Wales. The OBP explains that the Wellbeing of Future Generations (Wales) Act 2015 will be intrinsic to the development and implementation of the Growth Vision and Growth deal.
1.36	A Well-being and Equality Assessment has been undertaken and is included in <b>Appendix 5</b> . Regard should be had to the same in reaching a decision on this matter.
1.37	Regard has been given to public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to:

	<ul style="list-style-type: none"> <li>a. eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by that Act;</li> <li>b. advance equality of opportunity between people who share a relevant protected characteristic and those who do not;</li> <li>c. foster good relations between people who and share a protected characteristic and those who do not.</li> </ul>
1.38	In Wales, public sector bodies listed are required to take certain steps in order to demonstrate that they have due regard to the public sector equality duty. These Welsh specific equality duties include assessing the impact of policies and procedures on equality (often called Equality Impact-Assessment).
1.39	The Well-being and Equalities Assessment demonstrates that the detail contained in the preparation of and in the draft OBP demonstrates compliance with the well-being 5 ways of working, supports the well-being goals and identifies that the Growth Vision and Growth Deal will a positive impact on all groups and people with protected characteristics.

2.00	RESOURCE IMPLICATIONS
2.01	There is a medium-term temporary funding gap between the expected expenditure profile of the Growth Deal and the expected profile of government funding received over 15 years. The NWEAB, through the host authority, will be responsible for managing this negative cash flow, and have worked with Arlingclose to model the cost of borrowing notionally required to facilitate the negative cash flow for the Growth Deal, and the corresponding annual partner contributions required to meet this cost.
2.02	With a range of assumptions to consider, the NWEAB have forecasted a range of figures, modelled as the best case scenario (Version 1) and the worst case scenario (Version 2), to reflect the timing of finalising the Growth Deal and consequent timing of government grant funding. The difference between the best and worst case scenarios highlights the importance of finalising the Growth Deal by the end of the calendar year. In both versions the other variables, i.e. interest rate and NNDR income have remained the same. The interest rate used was 2.2% and is considered to be a prudent assumption. The NWEAB will utilise its “retained” NNDR grant from Welsh Government to offset against the negative cash flow, with the net total cost (£12.46m - £17.73m) met by the local authorities (proportional to population) for regional NWEAB projects, and with project lead sponsors responsible for the cost in relation to their projects.
2.03	Any changes to the projects, will result in a reserved matter if it means increasing partner contributions (e.g. change from project lead sponsor to NWEAB, lower NNDR yield, higher cost, earlier spend profile).
2.04	With capital projects, there is always a risk of overspending, and controls will be put in place to limit overspending costs on specific projects. For



	regional projects, the Portfolio Management Office would be responsible for controlling expenditure and ensuring sufficient contingency budgets are included in the project business cases. Overspend would be for the Lead Sponsor to deal with in relation to their projects.																																																				
2.05	<p>The table below shows the total (15 years) partner contributions to cover the cost of ‘borrowing’ notionally required to facilitate the negative cash flow.</p> <table border="1"> <thead> <tr> <th>Version</th> <th>Bangor University</th> <th>Glyndwr University</th> <th>Grŵp Llandrillo Menai</th> <th>Coleg Cambria</th> <th>Other Commerical Partners</th> <th>Conwy</th> <th>Denbighshire</th> <th>Flintshire</th> <th>Gwynedd</th> <th>Isle of Anglesey</th> <th>Wrexham</th> <th>Total</th> </tr> <tr> <td></td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> <td>£m</td> </tr> </thead> <tbody> <tr> <td>1</td> <td>1.40</td> <td>0.51</td> <td>0.75</td> <td>0.52</td> <td>2.29</td> <td>1.17</td> <td>0.96</td> <td>1.56</td> <td>1.24</td> <td>0.70</td> <td>1.36</td> <td>12.46</td> </tr> <tr> <td>2</td> <td>1.99</td> <td>0.73</td> <td>1.07</td> <td>0.74</td> <td>3.24</td> <td>1.67</td> <td>1.36</td> <td>2.22</td> <td>1.77</td> <td>1.00</td> <td>1.94</td> <td>17.73</td> </tr> </tbody> </table>	Version	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Other Commerical Partners	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	1	1.40	0.51	0.75	0.52	2.29	1.17	0.96	1.56	1.24	0.70	1.36	12.46	2	1.99	0.73	1.07	0.74	3.24	1.67	1.36	2.22	1.77	1.00	1.94	17.73
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2.08	The Corporate Finance Manager (Section 151 Officer) advises that the level of borrowing required to meet the negative cash flow is prudent and provides good value for money in the context of the timely delivery of such a major Project. The additional annual contributions will be built into the budget for 2021/22 as part of the current ongoing work on the budget process and are deemed affordable.																																																				

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>										
3.01	<p><b>Ways of Working (Sustainable Development) Principles Impact</b></p> <table border="1"> <tr> <td>Long-term</td> <td></td> </tr> <tr> <td>Prevention</td> <td></td> </tr> <tr> <td>Integration</td> <td></td> </tr> <tr> <td>Collaboration</td> <td></td> </tr> <tr> <td>Involvement</td> <td></td> </tr> </table> <p><b>Well-being Goals Impact</b></p>	Long-term		Prevention		Integration		Collaboration		Involvement	
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	Prosperous Wales	
	Resilient Wales	
	Healthier Wales	
	More Equal Wales	Copies of the impact assessments are included in <b>Appendix 5-7</b> .
	Cohesive Wales	
	Vibrant Wales	
	Globally Responsible Wales	

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	<b>CONSULTATIONS UNDERTAKEN</b>
4.02	On 7 <sup>th</sup> of October, 2020 the contents of this report and the documentation was supported by the Executive Officers Group.
4.03	A report and the relevant documents have been circulated to all partner organisations. The covering report and appendices will be presented to all six local authority Scrutiny, Cabinet and Council Meetings.
4.04	A report and the relevant documents will be presented to the NWEAB on 23 <sup>rd</sup> October, 2020. Please find a copy of the Covering Report in <b>Appendix 8</b> and the complete documentation is available <a href="#">HERE</a> .

<b>5.00</b>	<b>APPENDICES</b>
5.01	<p><b>Appendix 1</b> Overarching Business Plan*</p> <p><b>Appendix 2</b> Draft Final Deal Agreement*</p> <p><b>Appendix 3</b> A summary of Governance Agreement 2*</p> <p><b>Appendix 4</b> Governance Agreement 2*</p> <p><b>Appendix 5</b> Future Generations Impact Assessment</p> <p><b>Appendix 6</b> Welsh Language Impact Assessment</p> <p><b>Appendix 7</b> Equality Impact Assessment</p> <p><b>Appendix 8</b> NWEAB Report</p> <p><i>*subject to final edit and proof read</i></p>

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	See appendices

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
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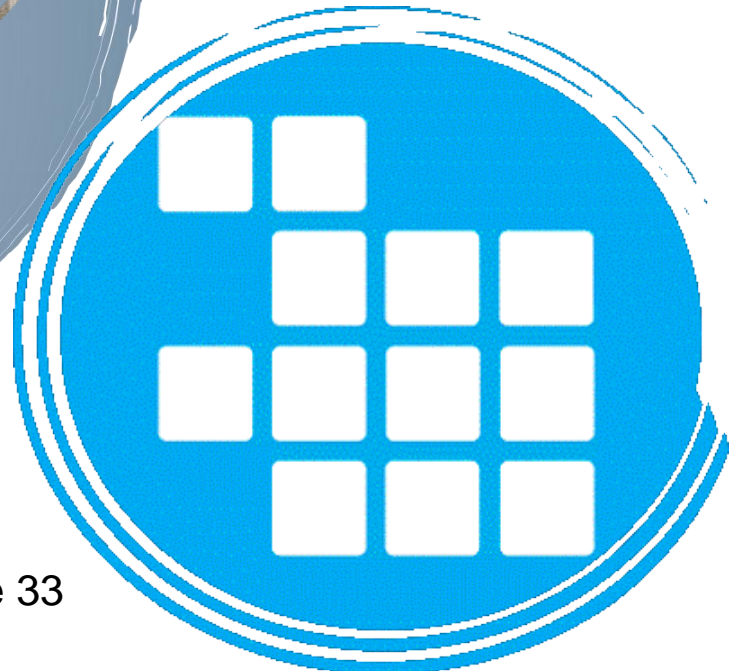
7.01	<b>Contact Officer: Andrew Farrow</b> <b>Telephone: 01352 703201</b> <b>E-mail: Andrew.farrow@flintshire.gov.uk</b>
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<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	

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# NORTH WALES GROWTH DEAL OVERARCHING BUSINESS PLAN

2020-25



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## Foreword

The **Growth Deal** has been developed through close collaboration and commitment, from partners across all sectors including the UK and Welsh Governments, to deliver long-lasting positive investment and change that will enable economic and employment growth for the long-term.

Over the next fifteen years, the deal empowers us to work together and take control of how we invest in our future.

It's a unique opportunity to de-centralise government investment, make those investment decisions locally and demonstrate the value this brings. Ultimately, as part of a broader programme of investment, the Growth Deal will enable us to build a more vibrant, sustainable and inclusive economy for us all in North Wales.

We will be **smart** with our investment - building on our strengths to boost productivity, foster innovation and be competitive in the markets we serve. We already have well-established research and innovation hubs, which are helping us to push the boundaries in discovering new growth areas for our high value manufacturing business. We will invest further to create centres of excellence to enhance our reputation and enable growth in this important industry.

We will tackle the long-term market failure that has been a barrier for commercial investment - making North Wales more investable and unlocking the potential for new high-value skilled jobs, for young people and our future generations to thrive. We'll address the shortage of suitable land and property for business growth and to bring forward sites to provide the employment land and housing we need.

By investing now, we build our **resilience** for the future.

We are **connected** as a region. Our partnership across the six local authorities, universities, colleges and the private sector is well established and growing in strength. We're also driving a step change in digital connectivity by balancing investment in infrastructure and technology. We address those areas most in need of faster and more reliable broadband connections and exploit the potential of 5G access and new digital innovation. Opportunities also lie in our close connections with our neighbouring economies such as the Northern Powerhouse, Ireland and Mid-Wales. We can build stronger economies by working together.

We will strengthen our reputation as a cohesive region; leveraging our partnerships to promote growth in the economy that is scalable, sustainable and inclusive. Our Investment in low-carbon energy projects enable us to contribute directly to the climate change emergency, not only helping to make North Wales a cleaner, greener environment, but also positioning ourselves as one of the leading UK locations within the low carbon energy sector. Not forgetting our foundation economies in agriculture and tourism, we will help to

enable and encourage diversification to improve the long-term future of these key industries, ensuring they have opportunity to develop sustainably and thrive.

We will invest in a way that promotes social value and builds wealth in our communities. We recognise and value our obligation to deliver the Growth Deal in a way that improves and enhances our social, cultural, environmental and economic well-being.

We look forward to leading this important investment in our home and our region, North Wales.



**Dyfrig Siencyn,**  
Cadeirydd | Chair,

Bwrdd Uchelgais Economaidd Gogledd Cymru |  
North Wales Economic Ambition Board



**Mark Pritchard,**  
Is-gadeirydd | Vice Chair,

Bwrdd Uchelgais Economaidd Gogledd Cymru |  
North Wales Economic Ambition Board



**Alwen Williams,**  
Cyfarwyddwr Rhaglen | Programme Director,  
Bwrdd Uchelgais Economaidd Gogledd Cymru |  
North Wales Economic Ambition Board

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The North Wales Growth Deal is a crucial package of capital investments for our region and will bring a substantial boost to the North Wales economy at a time when major market changes such as Brexit and global events including the Covid-19 pandemic, continue to impact our Communities and Economy. The North Wales Mersey Dee Business Council as the regional umbrella body for the private sector in North Wales has from the inception of the developing Growth Deal in partnership with the NWEAB, worked exceptionally hard to ensure that the investments proposed in the Deal are distributed across the region and our sectors to provide the maximum benefit to our businesses.

A Growth Deal that delivers on supporting business and productivity growth for both our home grown SME's and the International businesses based in North Wales in our key sectors e.g. Manufacturing, Tourism & Hospitality, Agriculture and Energy, has the potential to make a once in a lifetime positive impact for us all. It is imperative though that the proposed projects and programmes not only provide the catalyst for growth but with the fundamental tenet that they do so whilst contributing to the region's journey towards a Net Zero Carbon and Circular economy. We look forward to continuing meaningful engagement with the NWEAB on this key investment package.



**Jim Jones,**  
Cadeirydd | Chair,

Cyngor Busnes Gogledd Cymru Merswy Dyfrdwy |  
North Wales Mersey Dee Business Council



**Ashley Rogers,**  
Cyfarwyddwr Masnachol | Commercial Director,  
Cyngor Busnes Gogledd Cymru Merswy Dyfrdwy |  
North Wales Mersey Dee Business Council



North Wales has a unique and powerful coalition of private and public sector leaders who, through the North Wales Economic Ambition Board and the Business Delivery Group have been working as united partners to make sure that the Growth Deal leverages a substantial return on investment.

Members on the Business Delivery Group predominately entrepreneurs, have an independent voice with well-established track records within their sectors and industries which is recognised internationally. Members have influential and extensive business networks in Wales, UK and beyond and very importantly, they have a real passion for North Wales, which is where the majority call home.

To the East we're fortunate to be situated close to two major cities; Liverpool and Manchester, home to two international airports connecting us to the global market, whilst London is just a couple of hours away by train. To the West, the port of Holyhead facilitates our trade via sea-freight and opens up the path to international tourism and Ireland. Every inch of North Wales has a great history, rich culture, fantastic castles and beaches, unique tourist attractions, amazing wildlife and, irrefutably, the most breath-taking natural landscapes on planet Earth.

The Growth Deal programmes are concentrated on areas of the economy in which we have long-established experience and strong expertise; such as Advanced Manufacturing, Renewable Energy and Tourism. As an example, Morlais, the tidal power project on Anglesey has the potential to make North Wales one of the world leaders in tidal energy. There are very few places in the world that are suitable and the investment could put North Wales in the top three biggest tidal power generators in the world.

The Growth Deal also invests in the regions digital infrastructure. This is essential and underpins economic growth. Accessible and reliable high-speed fibre broadband and 5G capability is throughout the whole of North Wales is essential.

Throughout history, North Wales has demonstrated its resilience to combat all past economic shocks and come out battle-hardened and stronger. This recent pandemic has created a devastating social and economic earthquake.

I firmly believe that, North Wales, with a credible economic plan, investment in skills and education, and with determined, well-resourced local leadership, has a great opportunity and the potential to re-establish itself as a powerful economy in Wales, which will be greatly supported by the Growth deal investment over the next 15 years and beyond.



**Askar Sheibani,**  
Cadeirydd | Chair,

Grŵp Cyflawni Busnes | Business Delivery Group

# 1. Executive Summary

1.1 The aim of the North Wales Growth Deal (*hereafter referred to as the Growth Deal*) is to build a more vibrant, sustainable and resilient economy in North Wales, building on our strengths to boost productivity while tackling long-term challenges and economic barriers to delivering inclusive growth. Our approach is to promote growth in a scalable, inclusive and sustainable way in line with the Wellbeing of Future Generations (Wales) Act 2015.

1.2 The Growth Deal is a partnership between the public sector and the private sector, supported by funding from UK Government and Welsh Government. The UK Government and Welsh Government are investing £240million into the North Wales Growth Deal over the next 15 years. The Growth Deal is seeking to deliver a total investment of up to £1.1bn in the North Wales economy (£240m from the Growth Deal), to create 3,400 – 4,200 net additional jobs and generate £2.0- £2.4 billion in net additional GVA.

Spending Objective 1 - Jobs	<b>To create between 3,400 and 4,200 net new jobs in North Wales through the Growth Deal by 2036.</b>
Spending Objective 2 - GVA	<b>To support a net additional GVA uplift of between £2.0 billion and £2.4 billion for the North Wales Economy through the Growth Deal by 2036.</b>
Spending Objective 3 - Investment	<b>To deliver a total investment of up to £1.1 billion in the North Wales Economy through the Growth Deal by 2036.</b>

1.3 This Overarching Business Plan (OBP) is the basis on which Partners are entering into the North Wales Growth Deal (*hereafter referred to as the Growth Deal*). It provides an overview of the deal including the programmes and projects to be delivered. It sets out what the Growth Deal will deliver in terms of outputs and benefits for the region, the financial contributions of each partner and the governance and performance management arrangements to ensure the Growth Deal is delivered.

## The Case for Change

1.4 North Wales is home to nearly 700,000 residents and contributes £14.2 billion to the UK economy each year,<sup>1</sup> representing 22% of the Welsh economy.<sup>2</sup> However, there remains a persistent and growing productivity gap between North Wales and the UK with wide variations in GVA (Gross Value Added) average per person across the region. **Addressing this disparity is an important priority for the Growth Deal.**

1.5 North Wales has a diverse economy with key sectors being manufacturing, energy and tourism as well as public sector jobs. Some of the productivity gap is accounted for by the sectoral structure of the North Wales economy with some areas particularly reliant on relatively low paid sectors including tourism and retail. At the same time, there are

<sup>1</sup> Measured by Gross Value Added (GVA). Source: ONS, 2018 data.

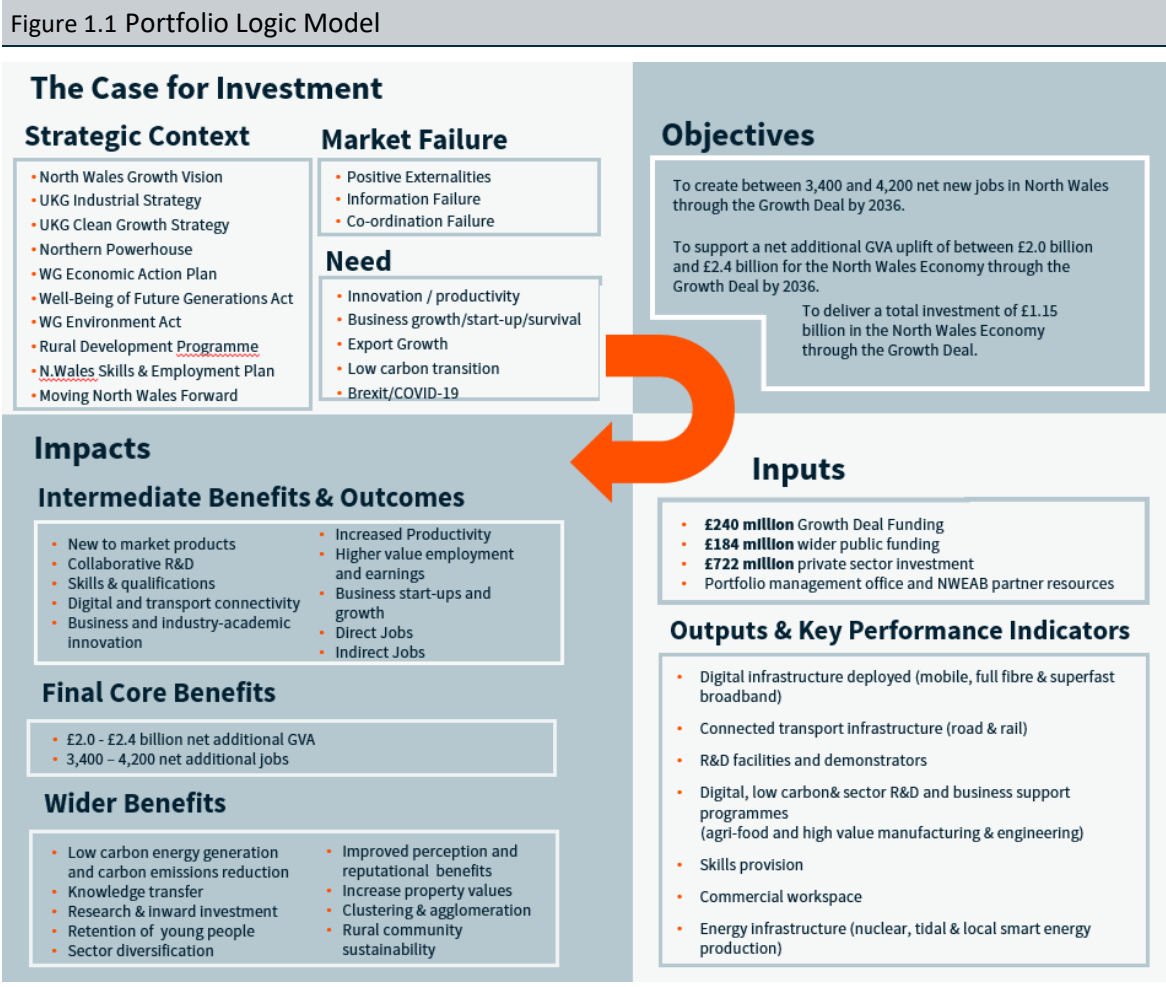
<sup>2</sup> <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gva-by-measure-welsh-economic-region-year>

areas of strength, with 64,000 people employed in high value sectors, defined as manufacturing; information and communication; and professional, scientific and technical activities.

1.6 **Supporting high value sectors and addressing long-term barriers to growth is at the heart of the North Wales Growth Deal.** Key challenges and opportunities have been identified as follows:

- Improving productivity
- Supporting innovation and Research and Development (R&D)
- Supporting the low carbon agenda and driving low carbon growth
- Supply chain integration
- Meeting skills needs
- The need for modern employment floorspace and serviced residential land
- Addressing the digital divide
- Expanding digital research capacity.

1.7 A logic model is a way of articulating the context for change and investment. A summary logic model for the Growth Deal is set out in Figure 1.1 below and provides an overview of the strategic drivers, objectives, inputs and impact of the Growth Deal.



Source: Hatch

## COVID-19 Recovery

- 1.8 Covid-19 has had an immense economic impact on North Wales as in other parts of the UK and globally. The Economic Ambition Board works closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery. The longer term effects of Covid-19 on the regional economy at this stage is still unknown.
- 1.9 The Growth Deal is designed to address structural, long-term barriers to economic growth. However, the Board is fully aware that in the short-term a range of actions will be needed to facilitate recovery and alignment between those short term measures and the Growth Deal is key.
- 1.10 The Growth Deal on its own cannot address all the challenges facing the North Wales economy, particularly in light of Covid-19. However, such a significant injection of capital investment into the North Wales economy through the Growth Deal will be a significant boost to the construction and related sectors at a time when there is likely to be spare capacity in the economy.

## The Growth Deal Programmes

- 1.11 The Growth Deal is based on the delivery of 14 transformational projects across 5 programmes. The programmes have been defined as either high growth programmes or enabling programmes. The programmes have been defined as either high growth programmes or enabling programmes.

### High growth sectors to drive productivity in the region

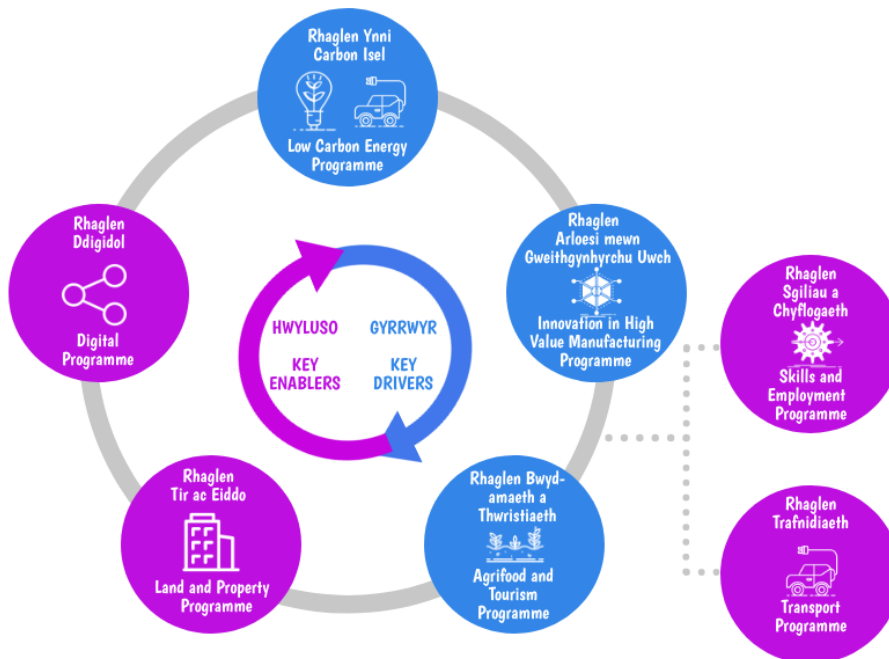
- 1.12 The projects within the Growth Deal aimed at increasing the value and impact of high growth sectors will be focused on three key programmes:
  - **Low carbon energy**
  - **Innovation in high value manufacturing**
  - **Agri-food and tourism**

### Addressing key barriers to enable and achieve economic growth

- 1.13 We have identified enabling sectors through the Growth Deal to tackle key economic barriers and address structural issues that have impacted on productivity and jobs. Delivery in these sectors will create the appropriate conditions for businesses to invest in the region and for the labour market to take advantage of new employment opportunities. A strategic approach will be taken with our investments, ensuring that they are well-targeted in order to enable economic and employment growth across the region. This will be done in partnership with key partners, especially the UK and Welsh Governments.
- 1.14 The projects within the Growth Deal to address key barriers to growth will be focused on two key programmes:
  - **Land and Property**

- **Digital**

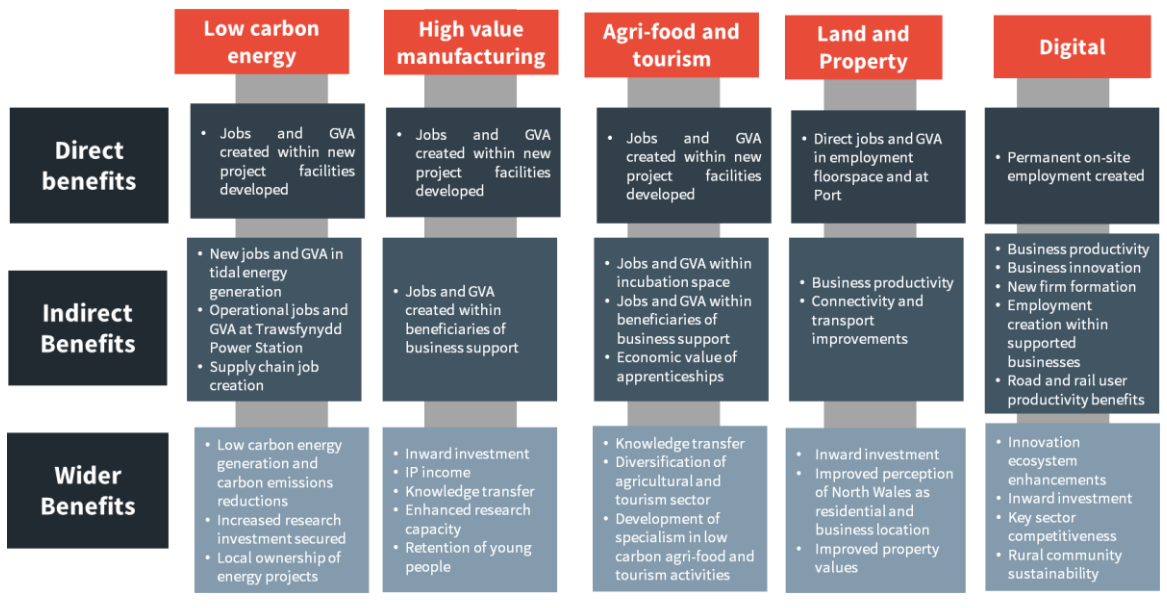
Figure 1.2. The Growth Deal Programmes



Source: North Wales Economic Ambition Board

- 1.15 The Skills and Employment and Strategic Transport programmes sit outside the Growth Deal. The programmes remain key to delivering the wider vision for North Wales and the Economic Ambition Board is working with the Regional Skills Partnership and through its Transport Sub-Board to identify and secure alternative funding sources to deliver these programmes.
- 1.16 All of the programmes and projects contribute to achieving the three key spending objectives. They also generate a set of additional benefits that have been classed as direct, indirect and wider benefits. These are set out in Figure 1.1 below.

Figure 1.3. Benefits Framework



Source: Hatch

## Growth Deal Funding Profile

1.17 The capital funding profile for each programme is summarised in the table 1 below.

Table 1 : North Wales Growth Deal Financial Summary

Programme Area	Government Contribution (£m)	Public Contribution (£m)	Private Contribution (£m)	Total Programme Costs (£m)
Innovation in High Value Manufacturing	13.0	26.5	0.0	39.5
Digital Connectivity	37.0	3.1	1.6	41.7
Agri-food and Tourism	24.5	12.4	4.4	41.3
Land and Property	79.1	1.9	274.4	355.4
Low Carbon Energy	86.4	140.4	441.7	668.5
<b>Total</b>	<b>240.0</b>	<b>184.3</b>	<b>722.1</b>	<b>1,146.4</b>

## North Wales Economic Ambition Board Partner Contributions

- 1.18 No revenue funding is provided through the Growth Deal for the delivery of the projects or the operational running costs of the project once completed. Revenue funding to support the Portfolio Management Office is provided through NWEAB partner contributions (including supplementary local authority contributions) and additional ESF funding has also been secured for the first three years of operation (from May 2020). An amount equivalent to the ‘top slice’ of the annual government grant at 1.5% can also be used to fund this, subject to Welsh Government flexibility to manage funding.
- 1.19 The annual partner contributions towards the Portfolio Management Office (PMO) costs are set out in the table below:

Table 2 : Annual partner contributions towards the PMO costs			
	Local Authority Contribution	HE/FE Annual Contributions	Total Annual Contribution
<b>Annual Core Contributions</b>	£50k per LA	*£25k per partner	£400k
<b>Annual Supplementary Contribution*</b>	£40k per LA	0	£240k

\* this is set at 50% of the Local Authority core contribution as agreed in GA1 (to be succeeded by GA2)

\*\* this contribution is a supplementary contribution agreed by the Councils only

- 1.20 The Growth Deal funding (£240m) grant contribution to the North Wales Growth Deal is provided by the UK and Welsh Government in annual instalments over a 15 year period. The nature of these government grant payments results in a medium term funding gap between the expected expenditure profile of the Growth Deal and the government funding received.
- 1.21 The North Wales Economic Ambition Board, through Gwynedd Council as the host authority will be responsible for managing this negative cash flow. This will be met by the local authorities (proportional to population) for regional NWEAB projects, and with project sponsors responsible for the cost in relation to their projects.
- 1.22 The total (15 year) contributions that will be required from the North Wales Economic Ambition Board partners, to enable the delivery of the Growth Deal, are set as a range for each partner. The best (version 1) and worst (version 2) case scenario below for the partners reflect the timing of finalising the Growth Deal and consequent timing of government grant funding. Any proposed increase in agreed contributions would need to be approved as a reserved matter. The table below shows the total contributions over the 15 year period. Annual contributions are shown in the main report in section 10.7.

Version	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Other Commerical Partners	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	1.40	0.51	0.75	0.52	2.29	1.17	0.96	1.56	1.24	0.70	1.36	12.46
2	1.99	0.73	1.07	0.74	3.24	1.67	1.36	2.22	1.77	1.00	1.94	17.73

## Growth Deal Governance

- 1.23 Having Secured the Growth Deal the Partners have agreed to enter into a second Governance Agreement (GA2) which will support the partnership into the next Growth Deal implementation phase and further development of the Growth Vision.
- 1.24 The agreement, which is a legally binding document, defines the role and function of the North Wales Economic Ambition Board and its delegated powers. It also provides for its decision making structures and democratic accountability. Provision is made for the commitments of the partners to the projects and how these are managed and apportioned. GA2 provides assurance for Gwynedd Council, the host authority, in assuming that role. The underlying arrangements providing for legal and compliance matters within the partnership and the governance of the Portfolio Management Office are also addressed.
- 1.25 GA2 is a key document, providing a clear structure and foundation, for taking the implementation of the Growth Deal forward.
- 1.26 The North Wales Economic Ambition Board has adopted a delivery model based on a best practice approach to portfolio, programme and project management delivery and has established a Portfolio Management Office to deliver the Growth Deal.
- 1.27 Programme and project performance will be monitored on a monthly basis through the relevant programme and project boards with formal quarterly reports submitted to the North Wales Economic Ambition Board, their partners, UK and Welsh Government.

## 2. Purpose

- 2.1 This Overarching Business Plan (OBP) is the basis on which Partners are entering into the North Wales Growth Deal (*hereafter referred to as the Growth Deal*). It provides an overview of the deal including the programmes and projects to be delivered. It sets out what the Growth Deal will deliver in terms of outputs and benefits for the region, the financial contributions of each partner and the governance and performance management arrangements to ensure the Growth Deal is delivered.

## 3. North Wales Economic Ambition Board

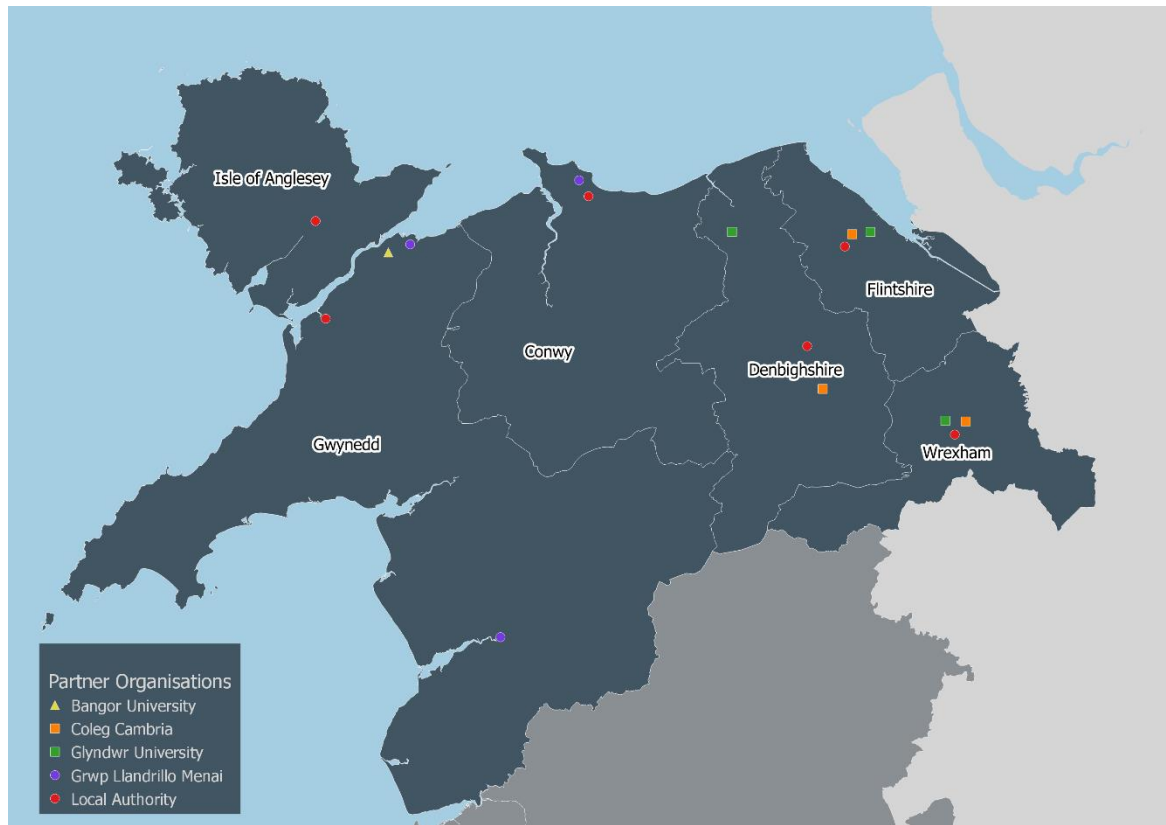
- 3.1 The North Wales Economic Ambition Board (hereafter referred to as Economic ambition Board or the Board) was established in 2012 as a partnership between the



six local authority areas of North Wales comprising the councils of Gwynedd, Anglesey, Conwy, Denbighshire, Wrexham and Flintshire. The Board also includes Bangor University, Glyndwr University, Coleg Cambria and Grŵp Llandrillo Menai.

- 3.2 In early 2019, the North Wales Economic Ambition Board was formally established as a joint committee following the adoption of Governance Agreement 1 (hereafter referred to as GA1) by the partnership. GA1 set out the framework through which the Board would operate in order to secure the Growth Deal.

Figure 3.1 Map of North Wales and NWEAB Partners



- 3.3 The Growth Deal is a partnership between the public and private sectors. The private sector has been strongly represented by the North Wales Mersey Dee Business Council, who, as a founding member of the North Wales Economic Ambition Board, have worked in close collaboration with partners and regional public and private sector stakeholders to shape and influence the Growth Deal proposition. Representing various member organisations including the Chamber of Commerce, Confederation of British Industry (CBI) and the Federation of Small Businesses (FSB), their active involvement in shaping the deal has been invaluable. As of August 3rd 2020, due to challenges caused by Covid-19, the Business Council withdrew membership. The Business Council remain a key stakeholder and will be an integral, more strategic and less operational, partner moving forward.
- 3.4 The private sector remains strongly represented in the Growth Deal through the Business Delivery Group who act as an independent advisory body to the Economic Ambition Board.

## 4. Background to the North Wales Growth Deal

4.1 Growth Deals first emerged from the 2010-2015 coalition government in Westminster as part of its long-term plan to boost local economies. The purpose of City and Growth Deals is to support cities and regions to deliver responsive and flexible local strategies. They are designed to promote decentralisation and stimulate local economic growth by giving more power and flexibility to regions, to make the case for investment, to drive inclusive economic activity and growth.

4.2 In response to this policy, partners across North Wales established the Board in 2012 to develop a regional approach to economic growth and to address the challenges and barriers facing the North Wales economy.

4.3 In 2016 the Economic Ambition Board's partners adopted a Growth Vision for the Economy of North Wales (the Growth Vision).

4.4 The adopted vision is to develop "a confident, cohesive region with sustainable economic growth, capitalising on the success of high value economic sectors and our connection to the economies of the Northern Powerhouse & Ireland."

4.5 The Growth Vision was founded on three key principles:

- **Smart North Wales** – with a focus on innovation and high value economic sectors to advance economic performance.
- **Resilient North Wales** – with a focus on retaining young people, increasing employment levels and skills to achieve inclusive growth.
- **Connected North Wales** – with a focus on improving transport and digital infrastructure to enhance strategic connectivity to and within the region.

4.6 In the 2017 Autumn Budget the UK Government stated that it would begin negotiations to agree a Growth Deal for North Wales. Following this statement the Economic Ambition Board worked collaboratively with Welsh Government, UK Government and representatives of the public and private sector to develop the North Wales Growth Deal, which was outlined in the Proposition Document

4.7 Based on the Growth Vision strategy, the Proposition Document was agreed by the Economic Ambition Board's partners in October 2018. This set out a proposed package of 24 transformational projects across 9 strategic programmes, seeking £334.5m in capital funding plus £8m in revenue funding from the Growth Deal. The programmes were defined as a group of related projects managed in a co-ordinated way to obtain benefits and to deliver the overall vision and aims.

4.8 In the Autumn Budget 2018, the then Chancellor of the Exchequer, Rt Hon Phillip Hammond MP, announced £120 million in capital funding for the North Wales Growth Deal. The Welsh Government confirmed that it would match the UK Government's financial contribution to the North Wales Growth Deal, securing commitment for £240m as a grant contribution in capital funding from governments.

4.9 Following this announcement and in response to the UK Government's desire to see a consolidated portfolio of ambitious projects, and because the funds committed were

less than the proposition's original scope and capital funding only, the Economic Ambition Board developed and agreed a Draft Implementation Plan, setting out a streamlined package of 14 transformational projects, which was submitted to both governments in March 2019.

- 4.10 The Draft Implementation Plan became the basis for the Heads of Terms agreement signed by both governments in November 2019, and securing, in principle, £240m of capital funding for the North Wales Growth Deal. The Heads of Terms committed all parties to complete a Final Deal Agreement (FDA) within 12-15 months, which, once achieved would see funding released from governments to the region. This overarching business plan forms part of the agreed process to achieve the FDA.

## 5. The Case for Change

### The North Wales Economy

- 5.1 There remains a persistent and widening productivity gap between North Wales and the UK with wide variations in GVA (Gross Value Added) average per person across the region. Addressing this disparity is an important priority for the Growth Deal.
- 5.2 North Wales is home to nearly 700,000 residents and contributes £14.2 billion to the UK economy each year,<sup>3</sup> representing 22% of the Welsh economy.<sup>4</sup> Economic performance has been resilient following the financial crisis and during the period of austerity, with real<sup>5</sup> GVA increasing by 20% since 2009. This is compared to 14.9% increase in the Swansea Bay City Region and 12.6% increase in the Mid-Wales Growth Deal area.

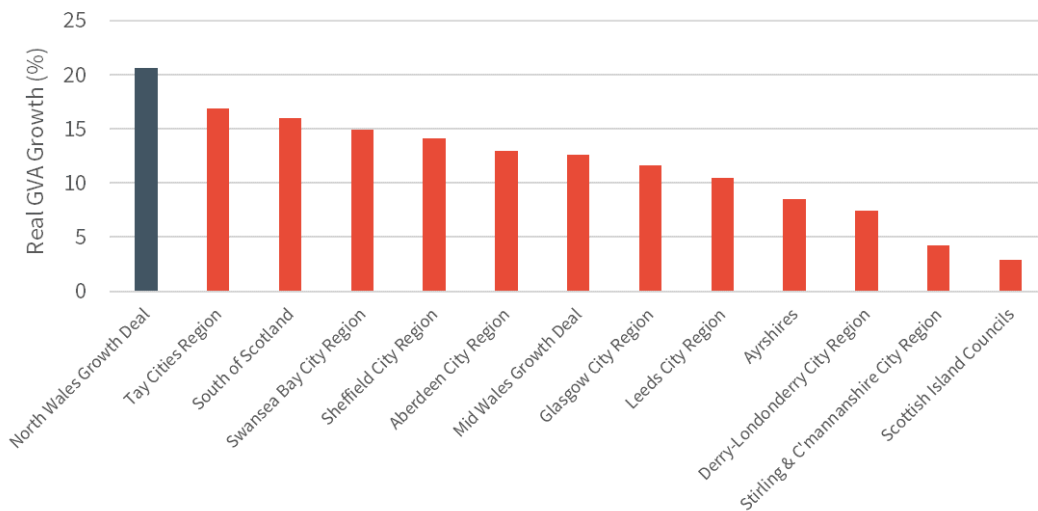
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<sup>3</sup> Measured by Gross Value Added (GVA). Source: ONS, 2018 data.

<sup>4</sup> <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gva-by-measure-welsh-economic-region-year>

<sup>5</sup> i.e. inflation-adjusted.

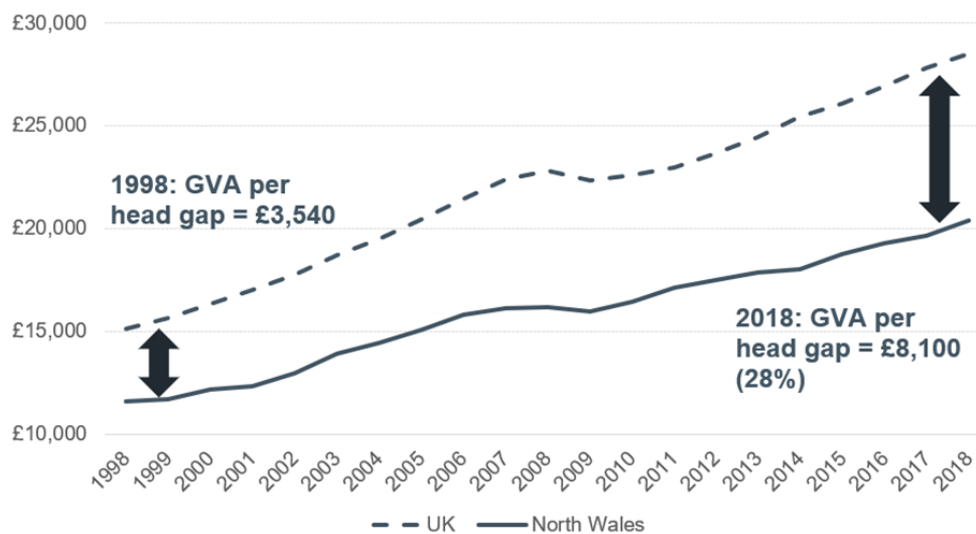
Figure 5.1 Real GVA Growth since 2009 in selected Locations in the UK



Source: Regional GVA, ONS, 2018

5.3 Nonetheless, there remains a persistent and widening productivity gap on the UK. GVA average per person is around 28% below the UK average, at £20,400 per annum. If London and the South East are removed, this gap is reduced but remains at 16%.

Figure 5.2 GVA per Head (£) 1998-2018

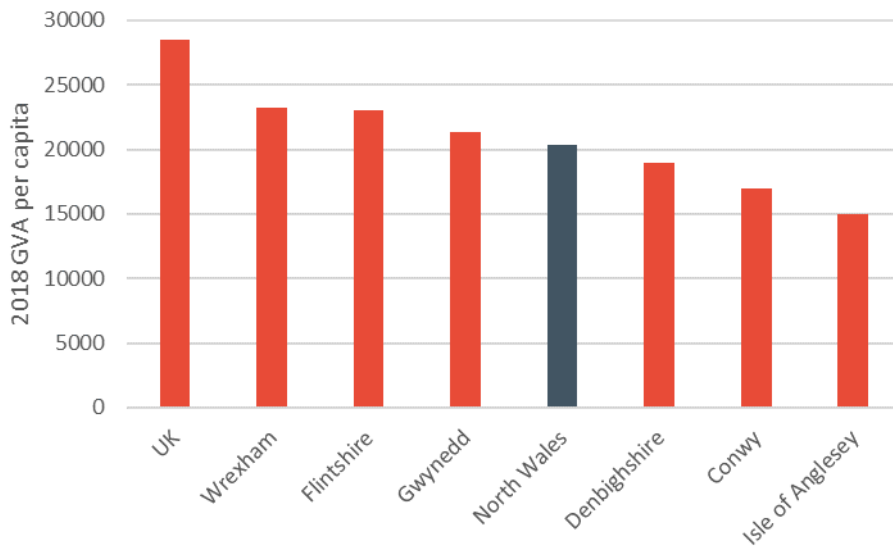


Source: Regional GVA, ONS, 2018

5.4 Within North Wales there are wide variations in GVA per capita, with particularly weak productivity in the Isle of Anglesey (53% of the UK average) but stronger performance in Flintshire and Wrexham (both of which are 81% of the UK average).<sup>6</sup> This is also reflected in average earnings, which lag behind the UK average. Indeed, some local authorities in the West have the lowest earnings in Wales and the UK.

<sup>6</sup> <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gvaperhead-by-area-year>

Figure 5.3 GVA per Head (£), 2018

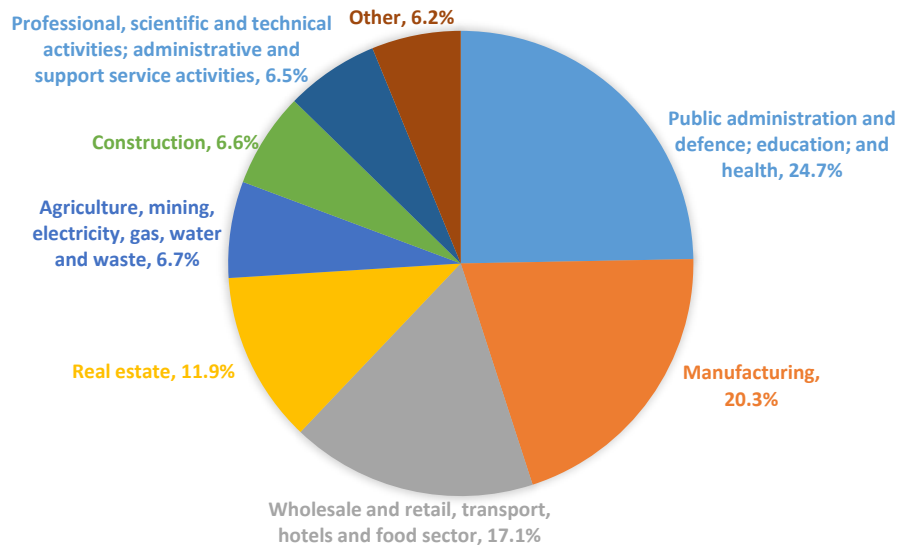


Source: Regional GVA, ONS, 2017

- 5.5 As a consequence of the lower productivity in Anglesey, Gwynedd, Conwy and Denbighshire, these areas have previously qualified for the highest level of EU structural funding intervention.

## Key Sectors

- 5.6 **Supporting high value sectors and addressing long-term barriers to growth is at the heart of the North Wales Growth Deal.**
- 5.7 North Wales has a diverse economy with key sectors being manufacturing, energy and tourism as well as public sector jobs. The public sector accounts for nearly a quarter (24.7%) of the region's GVA. A fifth (20.3%) of the economy is accounted for by manufacturing, which is significantly more important in North Wales than in Wales as a whole (where it accounts for 17% of GVA). Wholesale and retail, transport, hotels and food sector accounts for 17% of the economy of North Wales. The chart below shows the breakdown of industry contribution to 2018 GVA in North Wales.



5.8 A portion of the productivity gap is accounted for by the sectoral structure of the North Wales economy, with some areas particularly reliant on relatively low paid sectors including tourism and retail. At the same time, there are areas of strength, with 64,000 people employed in high value sectors, defined as manufacturing; information and communication; and professional, scientific and technical activities.

5.9 In particular, the Economic Ambition Board recognise the significant potential offered by high value and foundation sectors including:

- **Advanced manufacturing:** 36,000 people work in advanced manufacturing in North Wales, with particular strengths in aerospace, automotive, chemicals and pharmaceuticals, engineering, opto-electronics, food and drink, and metal and steel.<sup>7</sup> This includes anchor employers such as Airbus and Toyota, and areas of research and innovation excellence within the region’s universities. The AMRC (Advanced Manufacturing Research Centre) Cymru, a £20m state-of-the-art R&D facility, recently opened in Broughton and has been described by Welsh Government ministers as a “game changer” for the region.
- **Low carbon energy:** An estimated 16,750 people worked in specialist energy and environmental companies in North Wales in 2016. Wales has committed to a 95% reduction in carbon emissions by 2050. North Wales is already a hub for low carbon energy generation, with the equivalent of 82% of its electricity consumption already coming from local renewable sources. The region hosts over a third of Wales’ renewable energy capacity and also has two nuclear licensed sites, Wylfa and Trawsfynydd. The region’s geography, natural resources and heritage of energy production allow unique opportunities to deploy a broad range of low carbon energy technologies, with resources to scale-up offshore and on shore wind generation, tidal stream energy, tidal range energy, hydro-power, solar and new nuclear generation. This is supported by significant research and innovation capabilities including the Nuclear Futures Institute at Bangor University.

<sup>7</sup> Source: North Wales Regional Skills Partnership

- **Agri-food:** Agri-food is a pillar for the North Wales economy, employing an estimated 20,900 people and contributing £370m in GVA.<sup>8</sup> A fifth of all businesses in Gwynedd and Môn are in agriculture. The Welsh Government planned to grow sales in the Food and Drink industry by 30% to £7 billion by 2020<sup>9</sup>. The revised Action Plan is currently going through a consultation process however, the new Action Plan sets ambitious targets for the Food and Drink sector. This includes ensuring the turnover of the Food and Drink Sector will grow annually to match the change in the Consumer Price Index (CPI), plus an additional 2%.
- **Tourism:** Tourism is another well-established and vital sector for the North Wales economy, with around 37,200 people working in tourism and hospitality in the region, representing 12% of the workforce. The sector has seen increases in visits and expenditure in recent years, with a 4% increase in trips and a 10% increase in expenditure between 2013-2015 and 2014-2016.<sup>10</sup> There has been a welcome growth in adventure tourism, capitalising on the post-industrial landscape and the area's natural assets. According to the latest available STEAM summary data for North Wales the total economic impact of tourism to the North Wales economy is now £3.69billion.
- **Digital:** the deepening effect of digitalisation means that technology is increasingly disruptive and valuable to the North Wales economy, being a driver of both productivity and competitiveness. Whilst the digital sector has established itself as an important generator of employment and economic output, in reality, a much broader base of sectors have been shaped by digital technologies and processes. This is reflected in national policy – the sector has the backing of the UK and Welsh Governments, within respective Digital Strategies, aligning with the opportunity to exploit digital growth as set out in the UK Industrial Strategy. Ensuring that businesses, households and communities, have access to the very best digital connectivity, is seen as key to unlocking North Wales' and growth potential.

## Population and labour market

### 5.10 Investing in skills that match the needs of the region's new employment opportunities is fundamental to the future economic health of North Wales.

5.11 There is an ageing population in the region and a net outward migration of talent from the region. Whilst the population of North Wales is expected to increase to 722,317 by 2039, the share of the population aged 65 or above is expected to increase from 23.6% to 29.8%. This means a smaller share of working age people, which may place pressures on the supply of skills.

5.12 The employment rate amongst working age residents in North Wales stood at 75.9% at March 2020, which was the same as the UK. Over 5 years, between March 2015 and March 2020, 18,300 jobs were added to the economy, a growth of 6.2% for the region.

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<sup>8</sup> Source: North Wales Regional Skills Partnership; Labour Market Insights, June 2020

<sup>9</sup> Source: Welsh Government Action Plan for Food and Drink

<sup>10</sup> Source: Welsh Government August 2018 'Tourism Profile- North Wales (2014-2016)'

The specific impacts of Covid-19 on the North Wales economy and the Growth Deal are set out in section 4.21-4.23.

## Sites and premises

### **5.13 The Growth Deal programme will address the shortages of sites and premises in the region and invest to enable the growth of Holyhead Port.**

5.14 Recent research has identified a lack of modern industrial and employment space across the region. Whilst there are business parks located along the A55 with land available for development, planning restrictions and plot sizes together with the lack of development funding and property values that are lower than build costs, has meant these have seen limited new development since 2008. A recent review by Jones Lang LaSalle (JLL, a leading property consultancy) for Welsh Government found that there was relatively weak and fragmented network of readily developable strategic sites, capable of supporting both local business growth and inward investment.<sup>11</sup> The SQW report for Welsh Government completed in March 2020 confirms the conclusions of the JLL report.

## Holyhead Port

5.15 Holyhead Port is of strategic and economic significance both for North Wales and the UK. The Port is the second busiest Roll on – Roll off ferry port in the UK: in 2018 the Port handled 75% of passengers, 71% of passenger vehicles and 81% of freight vehicles passing through Welsh ports to Ireland<sup>12</sup>. The port has the second highest number of short sea ferry crossings by total number of passengers in the UK.<sup>13</sup> The Port is owned and operated by Stena Line Ports Limited who are also the statutory Port Authority.

5.16 The Holyhead-Dublin route is the principal ferry link to the Republic of Ireland from the UK and serves primarily the North Wales and Central and Northern England markets and is currently operated by Stena Line and Irish Ferries. The ports usage by cruise ships has increased substantially over the past decade from 18 visits in 2013 to 51 in 2018<sup>14</sup>, in the same period passenger visits have increased from 15,000 to 50,000<sup>15</sup>.

5.17 The Holyhead Gateway scheme is a series of targeted investments to address life expired assets essential to the operation of the port and to increase capacity for both vehicle and ship movements for both passenger and freight traffic.

## Digital Connectivity

### **5.18 Enhancing digital connectivity is an important priority for unlocking economic growth.**

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<sup>11</sup> Source : JLL (2017) Priority Property Interventions for Economic Development Report.

<sup>12</sup> DfT Port Freight Stats 2019

<sup>13</sup> DfT Port Freight Stats 2019

<sup>14</sup> Stena Line Ports, 2018

<sup>15</sup> Stena Line Ports, 2018



- 5.19 Demand for high-speed broadband and mobile connectivity in North Wales has kept pace with supply. However, the infrastructure in the region has historically lagged behind the rest of the UK in terms of coverage and capacity.
- 5.20 With the emergence of commercially available fibre optic technology towards the end of the 20th century, the widening of the 'digital divide' now has the potential to increase exponentially. Especially as the difference in affordable bandwidth can now be typically 100s of Megabits per second compared to other regions (e.g. 4.9% premises in Denbighshire with availability of ultrafast at >100Mbps compared to 49% in North West England). All four counties in North West Wales rank in bottom 25% of UK areas for Superfast (>30Mbps) broadband coverage.

### **The economic impact of Covid-19**

- 5.21 Covid-19 has had an immense economic impact on North Wales as in other parts of the UK and globally. The Economic Ambition Board works closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery. The longer term effects of Covid-19 on the regional economy at this stage is still unknown.
- 5.22 Work is underway to define a situational analysis to describe the state of the economy in North Wales during what has been a volatile and challenging period for businesses and employees across many sectors. This period of uncertainty caused by the pandemic is ongoing and with the transition period for leaving the EU ending on the 31 December the outlook for winter is bleak. In terms of strengthening the economy in the long term, the Growth Deal will be a welcomed source of hope and investment for the citizens of North Wales.
- 5.23 Interventions already undertaken and planned to create a reliable and evidence based approach to the situational analysis include a regional survey of businesses which attracted over 1,800 responses. A commissioned report on tourism to identify the strengths, weaknesses and opportunities to preserve and revive and develop the tourism economy sustainably. The appointment of an independent economic partner to co-develop the situational analysis and framework for recovery planning for North Wales. Looking initially at the near-term economic recovery post-Covid but also recognising the need to measure and evaluate the impact of the Growth Deal investment on the North Wales economy in the long term throughout the lifetime of the deal.
- 5.24 The Growth Deal is designed to address structural, long-term barriers to economic growth. However, the Board is fully aware that in the short-term a range of actions will be needed to facilitate recovery and alignment between those short term measures and the Growth Deal is key.
- 5.25 The Growth Deal on its own cannot address all the challenges facing the North Wales economy, particularly in light of Covid-19. However, such a significant injection of capital investment into the North Wales economy through the Growth Deal will be a significant boost to the construction and related sectors at a time when there is likely to be spare capacity in the economy.

## 6. The Growth Deal Programmes

6.1 The aim of the Growth Deal is to build a more vibrant, sustainable and resilient economy in North Wales, building on our strengths to boost productivity while tackling long-term challenges and economic barriers to delivering inclusive growth. Our approach is to promote growth in a scalable, inclusive and sustainable way in line with the Wellbeing of Future Generations (Wales) Act 2015. The Growth Deal is based on the delivery of 14 transformational projects across 5 programmes. The programmes have been defined as either high growth programmes or enabling programmes.

### High growth sectors to drive productivity in the region

6.2 The projects within the Growth Deal aimed at increasing the value and impact of high growth sectors will be focused on three key programmes:

- **Low carbon energy**
- **Innovation in high value manufacturing**
- **Agri-food and tourism**

### Addressing key barriers to enable and achieve economic growth

6.3 We have identified enabling sectors through the Growth Deal to tackle key economic barriers and address structural issues that have impacted on productivity and jobs. Delivery in these sectors will create the appropriate conditions for businesses to invest in the region and for the labour market to take advantage of new employment opportunities. A strategic approach will be taken with our investments, ensuring that they are well-targeted in order to enable economic and employment growth across the region. This will be done in partnership with key partners, especially the UK and Welsh Governments.

6.4 The projects within the Growth Deal to address key barriers to growth will be focused on two key programmes:

- **Land and Property**
- **Digital**

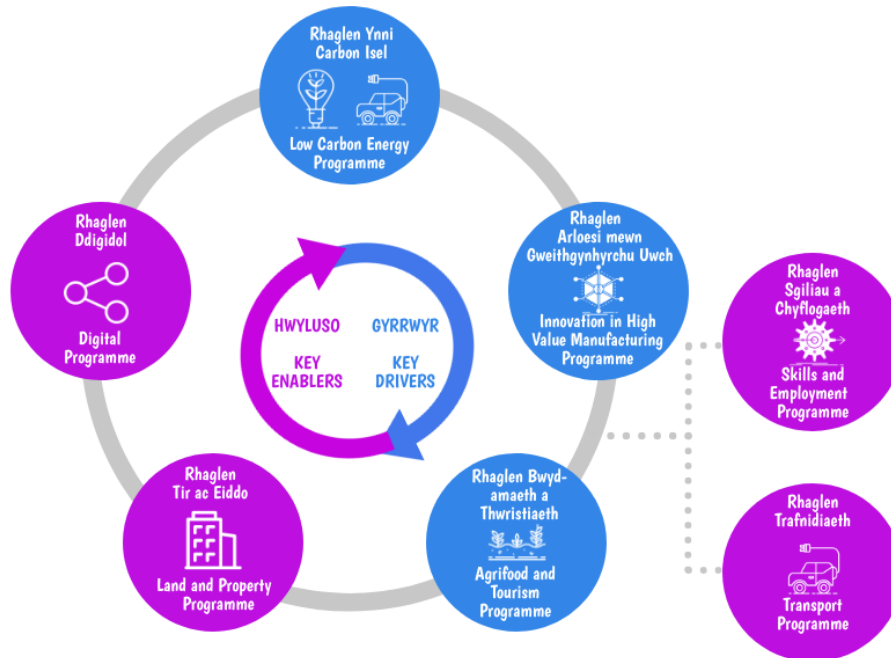
6.5 By focusing delivery on these programmes collectively, the Growth Deal will achieve a greater impact in terms of our ambition and use of resources rather than delivering them in isolation.

6.6 Two further enabling programmes sit outside the scope of the North Wales Growth Deal due to funding constraints:

- **Skills and Employment** - This programme aims to tackle economic inactivity and deliver a co-ordinated and integrated skills and employment approach in the region.
- **Strategic Transport** - This programme aims to enable improved accessibility and connectivity, to and within the region.

6.7 The programmes remain key to delivering the wider vision for North Wales and the Economic Ambition Board is working with the Regional Skills Partnership and through its Transport Sub-Board to identify and secure alternative funding sources to deliver these programmes.

Figure 6.1 The Growth Deal Programmes



Source: North Wales Economic Ambition Board

6.8 All programmes and projects within the Growth Deal will contribute to the achievement of the Growth Vision and the delivery of benefits for North Wales. The benefits from the Growth Deal will support sustainable and inclusive growth across the region – in accordance with the Growth Vision as well as the priorities of the Well-Being of Future Generations (Wales) Act 2015.

### Summary of the Programmes

6.9 The strategic aims to address in each programme, and the types of intervention they are intended to facilitate, are summarised below.

#### Low carbon energy

**Strategic aims:** To unlock the economic benefits of transformational low carbon energy projects and position North Wales as a leading UK location for low carbon energy generation, innovation and supply chain investment.

**Types of intervention:** Enabling works for new low carbon energy generation, enhancing research and innovation facilities for low carbon energy sectors, transport decarbonisation and support for local energy projects.

#### Innovation in high value manufacturing

**Strategic aims:** To consolidate North Wales' position as a powerful and innovative high value manufacturing cluster, building on existing specialisms and leading expertise to create a higher value, more diverse economic base that supports the transition to a low carbon economy

**Types of intervention:** Industry and research collaborations along with the establishment of centres of excellence in targeted technologies to help overcome barriers and market failures in the research commercialisation process.

#### **Agri-food and tourism**

**Strategic aims:** To build a more sustainable, vibrant and resilient foundation economy within the region, optimising opportunities for employment and prosperity through our environment and landscape.

**Types of intervention:** Introducing new technologies & innovation, skills and practices to these sectors, via business support and upskilling.

#### **Land and property**

**Strategic aims:** To address the shortage of suitable land and properties for business growth and to bring forward sites for housing development and to deliver improvements that stimulate investment in the Port of Holyhead and the wider region. These projects will play an enabling role for the other programmes by ensuring that serviced sites are available for investors and developers.

**Types of intervention:** The provision of primary services and enabling works to bring forward commercial and housing development sites, delivery of employment floor space and future proofing and capacity enhancement works to the port of Holyhead.

#### **Digital**

**Strategic aims:** To deliver the step change in digital connectivity needed to ensure North Wales is able to satisfy user demand, maintain pace with the rest of UK, unlock the growth potential of priority sectors and sites and underpin a flourishing innovation ecosystem. Plays an enabling role for other programmes to deliver maximum benefit.

**Types of intervention:** The programme has identified a need to which balance investment in infrastructure and technology, through enhanced fixed broadband footprint at key sites in rural areas, unlocking applications through 5G access, and furthering digital innovation.

## 7. The Projects

7.1 The Growth Deal is based on 14 transformational projects to be delivered across 5 programmes. These projects have been identified by the Economic Ambition Board on the basis that they:

- deliver against the North Wales Growth Vision and are aligned with relevant Wales and UK strategies;
- are spatially targeted across the whole region;
- deliver benefits that will have a positive impact on as many communities as possible across the region;
- are enablers for economic growth;
- support growth and attract private sector investment;
- promote innovation.

Table 4: Summary of North Wales Growth Deal Projects

Programme	Project	Project Sponsor	Project Summary
Innovation in High value manufacturing	Centre for Environmental Biotechnology (CEB)	Bangor University	The Centre for Engineering Biotechnology will be a world-leading centre in the discovery and characterisation of novel extremophilic enzymes of industrial relevance. The Centre for Engineering Biotechnology will provide a strong foundation for attracting world-leading researchers, significant public and commercial research funding, and inward investment to Wales, building on an initial £5mERDF investment into research capacity. The project also aims to draw companies in the biocatalysis sector to North Wales to take advantage of clustering and agglomeration benefits the regions offers due to its well-established specialism in bioengineering.
	Enterprise Engineering & Optics Centre	Glyndwr University	The Enterprise Engineering & Optics Centre will provide facilities (in Wrexham and St. Asaph) targeted to boost high level skills development for the region and enable SME's and large businesses to work in partnership with Wrexham Glyndwr University on commercially driven research and development.
Agri-food and tourism	Tourism TALENT Network	Grŵp Llandrillo Menai	The Tourism Talent Network sets out ambitious plans to future-proof skills provision and increase commercial benefits from one of the most established and fastest growing sectors in the region. The North Wales Tourism Talent Network aims to stimulate public-

Programme	Project	Project Sponsor	Project Summary
			private collaboration to coordinate action on skills and product development to transform and accelerate the growth of the tourism and hospitality sector in the region.
	<b>Glynllifon Rural Economy Hub</b>	Grŵp Llandrillo Menai	The vision is to create a distinctive, world-class Rural Economy Hub at Glynllifon, offering a range of facilities and services to strengthen and enhance the regional economy, specifically through growing the food and drink sector.
	<b>The Llysfasi Carbon Neutral Centre</b>	Coleg Cambria	Llysfasi Carbon Neutral Centre aims to lead North Wales to a resilient future where carbon neutral land management is at the centre of a developing renewable energy sector supporting a sustainable, thriving and healthy community covering the rural/urban mix of the region.
<b>Land and property</b>	<b>Holyhead Gateway</b>	Stena Line	Future proof the Holyhead Port by providing new deep-water heavy loading and cruise facilities, improved vehicular access, guaranteeing the future of the breakwater and providing for the demands of regional energy projects.
	<b>Regional Land and Property</b>	North Wales Economic Ambition Board	<p>Comprised initially of five development sites:</p> <p><b>Denbigh Hospital Site</b>-A planning application has been submitted to bring forward a mixed use commercial and residential development. The Growth Deal funding will assist in the delivery of a cleared and remediated site with primary services.</p> <p><b>Bodelwyddan Strategic Site</b>-A mixed use commercial and residential development site of 137 hectares. The Growth Deal funding will provide the primary services to enable the site to be bought to the market for development.</p> <p><b>Parc Bryn Cegin Strategic Site</b>-Provide industrial floor space to meet known demand for units.</p> <p><b>Wrexham Gateway</b>- Growth Deal funding will provide the necessary statutory consents and deliver primary services to enable the site to be bought to the market for sale and development.</p> <p><b>Warren Hall Strategic Site</b>- Growth Deal funding will provide the necessary statutory consents and deliver primary services to enable the 65-hectare mixed use site to be bought to the market for sale and then development by the private sector.</p>
<b>Digital</b>	<b>Digital Connectivity Project</b>	North Wales Economic Ambition Board	<p>Comprises of four elements:</p> <p><b>Full fibre</b> - This project seeks to deliver full fibre connectivity (gigabit capable) to 28 key business sites across NWEAB. The focus of the project is to provide access to full fibre services that are more affordable, scalable and able to service the needs of SMEs, in lieu</p>

Programme	Project	Project Sponsor	Project Summary
			<p>of and complementing more expensive leased line circuits. Some 4,100 business premises and 450 residential premises able to access gigabit capable full fibre broadband once complete.</p> <p><b>Connected Campus</b> This project aims to accelerate the development of Connected Campuses at 19 key regional economic sites. It will target key sites which present uses cases for 5G and low power Wi-Fi networks in the context of heavy industry, light industry, research sites, commercial sites and across a much larger rural campus (encompassing thousands of farms and agricultural clusters). It is estimated some 2,600 business premises will have access to high bandwidth 5G and low power Wi-Fi services once complete.</p> <p><b>Connected Corridor</b> - This project aims seeks to respond to industry demand and technology drivers by supporting the more efficient operation of supply chains, and major transport operations (such as ports). In total, 156km of road and rail corridor will be connected to 5G/Low Power Wireless Access Networks, along the A55 corridor and adjacent mainline rail route. It is estimated that up to 1.57 million rail journeys and 1.3 million road journeys will benefit from enhanced 5G connectivity once complete.</p> <p><b>Connecting the last few %</b> - This project targets universal superfast coverage across North Wales, which have yet to be served by other means and cannot obtain speeds of at least 30Mbps (download).</p> <p>A lack of reliable and in some cases basic broadband (Ofcom defines as 10Mbps download) is an established and growing challenge facing rural businesses and communities. A widely acknowledged 'digital divide' is affecting residents' access to online services and preventing SMEs from developing and sustaining trade. The growing trend of working from home is also restricted by poor connectivity.</p> <p>Up to 10,100 residential and 4,300 business premises with will access to superfast broadband once complete.</p>

Programme	Project	Project Sponsor	Project Summary
	<b>Digital Signal Processing Centre Project (DSP)</b>	Bangor University	The project will bring together Bangor University researchers to work alongside high-profile international companies and Welsh SMEs enabling them to work together to explore disruptive solutions for 5G. The project will allow the DSP Centre to expand its presence and remit, integrating fully with the National Strategy Project (NSP) and enable the scaling of key assets including a 5G testbed, research capacity and state-of-the-art equipment. The project is expected to create 160 jobs in total.
<b>Low carbon energy</b>	<b>Morlais</b>	Menter Môn	Constructing the infrastructure that connects the Morlais Zone with the electricity grid system, readying the site for private sector developers investing to lease parts of the zone for deploying tidal energy technologies. This would position the zone as the first consented, expandable and technology-agnostic site in the world with up to 180 MW of potential.
	<b>Trawsfynydd Power Station</b>	Cwmni Eginó	The Trawsfynydd site is uniquely placed for a 'First of A Kind' deployment of a Small Modular Reactor (SMR) or Advanced Modular Reactor (AMR) due to its status as a publicly owned asset, its highly skilled workforce, and the supportive community. In combination with the public and private sector, the Growth Deal will contribute funding towards enabling infrastructure for this development, helping to secure jobs as well as position North Wales at the cutting edge of innovation and R&D in a technology that has significant potential for deployment across the UK.
	<b>Low Carbon Energy Centre of Excellence</b>	Bangor University	Developing infrastructure at Bangor University and Menai Science Park, enhancing the North Wales and UK capabilities for innovation in low carbon energy and related areas, helping to create the conditions for new inward investment and business growth in the low carbon energy supply chain in North Wales
	<b>Smart Local Energy</b>	North Wales Economic Ambition Board	To help achieve renewable energy, decarbonisation and local ownership targets, the project will support innovative enabling projects and demonstrators that overcome market failures and unlock private and community sector investments in smart local energy solutions.
	<b>Transport Decarbonisation</b>	North Wales Economic Ambition Board	Support delivery of a demonstrator project involving the production of green hydrogen from low carbon energy sources and its use within regional transport networks.



## 8. Economic Impact

### Spending Objectives

**8.1** The Heads of Terms agreement set out that the Government investment would be used to create up to 4,000 new jobs, support 5% GVA uplift and secure £500million in private sector investment over the 15-year period. In the development of a portfolio and five programme business cases to secure the Final Deal agreement with Welsh and UK Government these have been refined into the following spending objectives for the North Wales Growth Deal. All the programmes and projects within the Growth Deal contribute to these overall objectives.

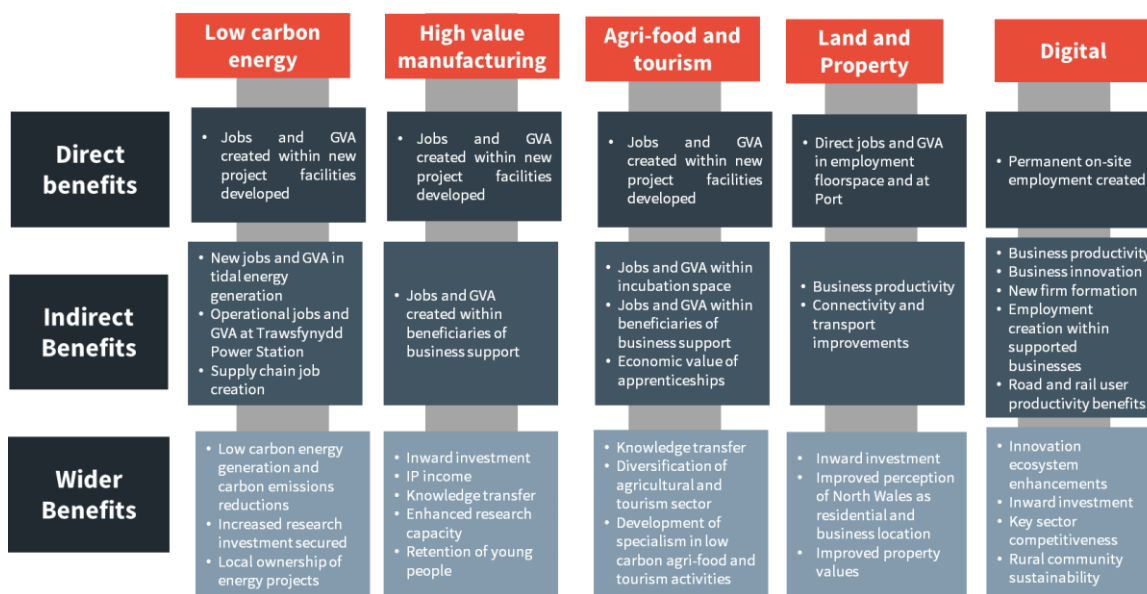
Spending Objective 1 - Jobs	To create between 3,400 and 4,200 net new jobs in North Wales through the Growth Deal by 2036.
Spending Objective 2 - GVA	To support a net additional GVA uplift of between £2.0 billion and £2.4 billion for the North Wales Economy through the Growth Deal by 2036.
Spending Objective 3 - Investment	To deliver a total investment of up to £1.1 billion in the North Wales Economy through the Growth Deal by 2036.

### Benefits Summary

8.2 In developing each of the five programmes for the Final Deal, a high-level assessment of the relevant economic benefits has been produced. Each of the programmes will generate a set of benefits that have been classed as direct, indirect and wider benefits. The precise nature of these vary between the programmes. The key types are summarised below, by programme.

8.3 The core measures across all programmes and projects are jobs and Gross Value Added (GVA) created, reflecting the core spending objectives of the Growth Deal. Growth in GVA is a function of both sectoral growth (with accompanying growth in jobs) and productivity enhancements (e.g. generated by investments in digital infrastructure).

Figure 1.2 Benefits Framework



Source: Hatch

## Net additional benefits

- 8.4 After taking account of likely levels of additionality within the projects and programmes, the Growth Deal programmes are expected to generate a total of **£1.97 to £2.41 billion** in net additional GVA, and **3,400 to 4,200 net additional FTE jobs** per annum at steady state.
- 8.5 A breakdown across all of the projects is provided in Appendix B.

Table 5: Net Additional Economic Benefits (GVA is cumulative to 2036 and expressed in 2020/21 prices, undiscounted; jobs are annual at steady state)

	GVA (£m)	Jobs Created (FTEs)
Low carbon energy	430 - 530	800 – 980
Innovation in high value manufacturing	90 – 110	150 – 180
Agri-food and tourism	230 – 280	310 – 380
Land and property	1,060 – 1,290	1,870 – 2,280
Digital	150 – 190	310 – 380
<b>Total, North Wales Growth Deal</b>	<b>1,970 – 2,410</b>	<b>3,440 – 4,210</b>

Source: Hatch calculations based on project level data. Rounded to the nearest £10m/10 FTEs. Ranges apply a ± 10% margin of error.

## Benefit-cost ratio

- 8.6 Drawing the analysis together, the Growth Deal Programme has an estimated benefit-cost ratio of between **2.8:1 and 3.4:1**, i.e. for every £1 in public sector investment (after Optimism Bias\*) the Growth Deal is expected to return net additional economic benefits of between £2.80 and £3.40. This rises to between £4.90 and £6.00 for every £1 of Growth Deal investment only.
- 8.7 This places the overall Growth Deal into the category of “high” value for money, as defined by Central Government.<sup>16</sup>

	Based on Total Public Sector Cost	Based on Growth Deal cost only
Discounted net additional benefits	£1,370m - £1,670m	
Discounted costs, after optimism bias	£488m	£273m
Net Present Social Value	<b>£930 – £1,140</b>	<b>£1,120 - £1,370</b>
BCR	<b>2.8:1 - 3.5:1</b>	<b>5.0:1 - 6.1:1</b>

Source: Hatch calculations based on project level data

Optimum Bias Note: Prior to calculating the final Benefit Cost Ratio (BCR), we have discounted all costs and benefits at 3.5%, in line with HM Treasury Green Book Guidance

## 9. Growth Deal Funding Profile

- 9.1 The Growth Deal is based on the delivery of fourteen projects across five programmes with an anticipated total capital expenditure of £1.1billion of which £240million is derived from the Growth Deal with the remainder provided by public and private sector partners.
- 9.2 A breakdown of capital expenditure per project is provided in the table below:

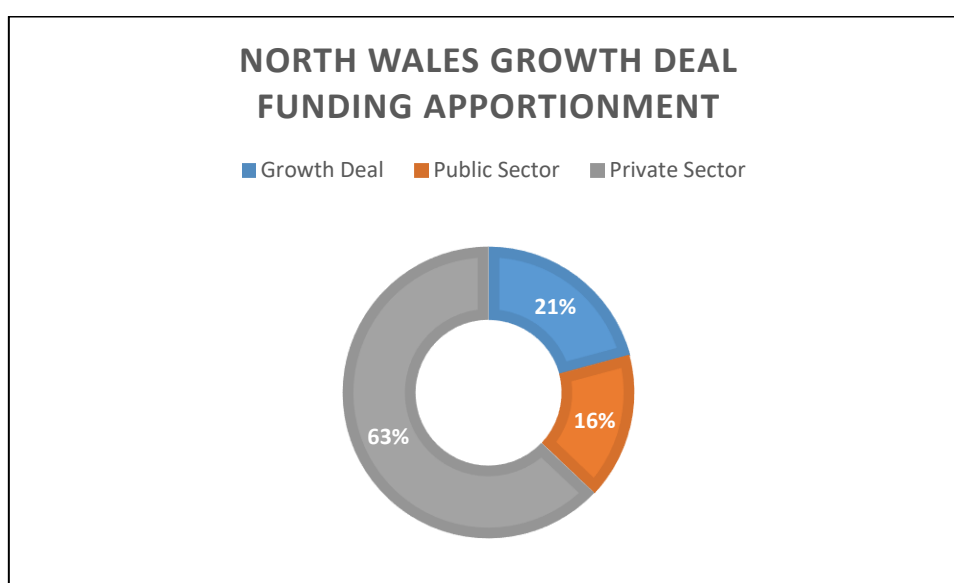
Project	Project Sponsor	Growth Deal Investment (£m)	Other Public Sector Investment (£)	Private Sector Investment (£)	Total Capital Investment (£)
<b>Digital Programme</b>					
Digital Signal Processing Centre Project	Bangor University	3.0	3.1	1.1	<b>7.3</b>
Digital Connectivity Project	Full Fibre at key sites	6.8	-	0.411	<b>7.2</b>
	Connected Corridor	2.2	-	-	<b>2.2</b>

<sup>16</sup> See, for example, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/918481/valuing-for-money-supplementary-guidance-on-categories.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/918481/valuing-for-money-supplementary-guidance-on-categories.pdf)

Project		Project Sponsor	Growth Deal Investment (£m)	Other Public Sector Investment (£)	Private Sector Investment (£)	Total Capital Investment (£)
	Advanced Connectivity ('Connected Campus')	Economic Ambition Board	21.0	-	-	<b>21.0</b>
	Last few %	Economic Ambition Board	4.0	-	-	<b>4.0</b>
<b>Low Carbon Energy Programme</b>						
Morlais		Menter Môn	9.0	27.0	-	<b>36.0</b>
Low Carbon Energy Centre of Excellence		Bangor University	21.0	75.7	1.0	<b>97.7</b>
Trawsfynydd Power Station		Welsh Government	20.0	20.0	360.0	<b>400.0</b>
Transport Decarbonisation		Economic Ambition Board	11.4	11.45	5.7	<b>28.6</b>
Smart Local Energy		Economic Ambition Board	25.0	6.2	75	<b>106.2</b>
<b>Land and Property Programme</b>						
Holyhead Gateway		Stena Line	35.0	-	45.0	<b>80.0</b>
Land and Property Project	Warren Hall	Economic Ambition Board	15.0	-	55.0	<b>70.0</b>
	Former North Wales Hospital, Denbigh	Economic Ambition Board	4.0	-	70.0	<b>74.0</b>
	KSS, Bodelwyddan	Economic Ambition Board	10.0	-	72.0	<b>82.0</b>
	Parc Bryn Cegin	Economic Ambition Board	6.0	-	-	<b>6.0</b>
	Western Gateway, Wrexham	Economic Ambition Board	9.1	1.9	32.4	<b>43.4</b>
<b>Innovation in High Value Manufacturing</b>						
Centre of Environmental Botechnology		Bangor University	3.0	6.6	-	<b>9.6</b>
Enterprise Engineering & Optics Centre		Glyndwr University	10	19.9	-	<b>29.9</b>
<b>Agrifood and Tourism Programme</b>						
Glynllifon Rural Economy Hub		Grŵp Llandrillo Menai	10.0	3.0		<b>13.0</b>

Project	Project Sponsor	Growth Deal Investment (£m)	Other Public Sector Investment (£)	Private Sector Investment (£)	Total Capital Investment (£)
The Llysfasi Carbon Neutral Centre	Coleg Cambira	10.0	2.7	2.7	15.4
Tourism TALENT Network	Grŵp Llandrillo Menai	4.5	6.7	1.7	13.0

<b>GROWTH DEAL TOTAL</b>	<b>240</b>	<b>184.3</b>	<b>722.1</b>	<b>1146.4</b>
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## 10. North Wales Economic Ambition Board Partner Contributions

### Annual Partner Contributions

- 10.1 No revenue funding is provided through the Growth Deal for the delivery of the projects or the operational running costs of the project once completed.
- 10.2 Revenue funding to support the Portfolio Management Office is provided through Economic Ambition Board partner contributions (including supplementary local authority contributions) and additional ESF funding has also been secured for the first three years of operation (from May 2020). An amount equivalent to the 'top slice' of the annual government grant at 1.5% can also be used to fund this, subject to Welsh Government flexibility to manage funding. Any additional Portfolio Management

Office costs directly attributable to the delivery of the projects will be accounted for within project business cases.

- 10.3 The annual partner contributions toward Portfolio Management Office costs are set out in the table below:

	Local Authority Contribution	HE/FE Annual Contributions	Total Annual Contribution
<b>Annual Core Contributions</b>	£50k per LA	£25k per partner	£400k
<b>Annual Supplementary Contribution*</b>	£40k per LA	0	£240k

\* this contribution is a supplementary contribution agreed by the Councils only

## Growth Deal Cash-flow Financing Contributions

- 10.4 A total of £240m grant contribution to the North Wales Growth Deal is provided by the UK and Welsh Government in annual instalments over a 15 year period.
- 10.5 Due to the nature of the annual Growth Deal grant payments from government, there is a medium term temporary funding gap between the expected expenditure profile of the Growth Deal and the funding received.
- 10.6 The Economic Ambition Board, through Gwynedd Council as the host authority, will be responsible for managing this negative cash flow. This will be met by the local authorities (proportional to population) for regional NWEAB projects, and with project lead partners responsible for the cost in relation to their projects (which create assets).
- 10.7 The total (15 years) contributions that will be required from the North Wales Economic Ambition Board partners, to enable the delivery of the Growth Deal, are set as a range for each partner. Version 1 is modelled as the best case scenario and Version 2 as a worst case scenario, to reflect the timing of finalising the Growth Deal and consequent timing of government grant funding. Any proposed increase in agreed contributions would need to be approved as a reserved matter.

Version	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Other Commerical Partners	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	1.40	0.51	0.75	0.52	2.29	1.17	0.96	1.56	1.24	0.70	1.36	12.46
2	1.99	0.73	1.07	0.74	3.24	1.67	1.36	2.22	1.77	1.00	1.94	17.73

- 10.8 The table below shows the annual partner contributions to cover the cost of 'borrowing' notionally required to facilitate the negative cash flow.

Version	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Other Commerical Partners	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total
	£	£	£	£	£	£	£	£	£	£	£	£
1	93,330	34,000	50,000	34,670	152,660	78,010	64,000	104,000	82,670	46,670	90,670	830,680
2	132,670	48,670	71,330	49,330	216,000	111,340	90,670	148,000	118,000	66,670	129,340	1,182,020

## 11. Commercial Strategy

- 11.1 The Economic Ambition Board is committed to maximising the impact of the North Wales Growth Deal.
- 11.2 The primary driver for all projects within the Growth Deal is to deliver economic and social benefits to North Wales in line with the strategic outcomes set out in the portfolio business case. The Growth Deal aims to maximise private sector direct investment and leverage across the portfolio.
- 11.3 There is significant potential across the portfolio to generate a commercial return on investment that could be reinvested in the region. Each project business case will be expected to explore commercial investment opportunities. These opportunities may include provision of Growth Deal funding as a loan, investment or profit share arrangement subject to relevant project state aid advice.
- 11.4 The Economic Ambition Board expects to generate a return on investment across the overall portfolio, with a particular focus on opportunities within the Land and Property and Low Carbon Energy programmes that would subject to UK and Welsh Government agreement be reinvested in the region.
- 11.5 Procurement represents a significant commercial opportunity for the North Wales Growth Deal. Collaborative procurement opportunities will be explored where appropriate across the Growth Deal in line with the procurement strategy outlined below.

## 12. Procurement Approach

- 12.1 The Economic Ambition Board is committed to securing value for money and maximising benefits to the region through the North Wales Growth Deal. Procurement will play a key role in the delivery of the Growth Deal projects but also in the realisation of benefits to the region. This section sets out the approach that the Board will take to procurement, with a particular focus on maximising social and community benefits to be delivered through procurement activity.
- 12.2 The following procurement principles will underpin all Growth Deal procurement activity:
  - **Regional Leadership and strategic approach**  
The Economic Ambition Board will:
    - *have a clear strategy and principles for achieving innovative and sustainable procurement practices with clients, contractors and communities working together*
    - *engage with contractors and supply chain in an open and transparent manner with a two way exchange*
    - *promote and champion collaborative procurement opportunities, supporting innovation and growth*

- *will work with the PSB's and directly support the local wellbeing plans and evolving community resilience plans for the region to recover and build back fairer and better*
  - *promote and champion the delivery of social value and community benefits through procurement activity align with and test key policies such as the socio economic duty and the social partnerships bill.*
  - *embed 'The Wellbeing of Future Generations (Wales) Act 2015' lens into all procurement activity contributing where relevant to the 46 national wellbeing indicators for Wales.*
- **Engagement and supply chain support, and the Foundational economy**
    - *Engage in two way exchange with partners, contractors and communities and ensure local and regional needs and priorities are part of the social value clauses*
    - *Support and improve access for SMEs and support collaboration between SMEs within the region.*
    - *Open and fairness support local supply chains to engage with larger contracts through supply chain briefings and joint bidding opportunities and pipeline of projects.*
    - *Ensure fair and ethical working practices, including prompt payment to contractors and within the supply chain*
    - *Supporting the foundational economy in the region with skills and innovation mapped across the Regional Skills and employment plan.*
- **Skills, Jobs & Growth**
    - *Focus on innovative targeted recruitment and training working with our partners to ensure we support people to retrain, develop new skills through volunteering or contribute to education/apprenticeships.*
    - *Target opportunities and engage with existing mechanisms to support this and target specific groups such as young people or those in areas of deprivation to engage in education and learning/development.*
- **Contribution to education and supporting young people**
    - *Work with evolving projects such as the Children's University to support contractors engage and deliver learning and skills development for young people.*
    - *Support engagement and connections with schools to offer opportunities to all support the new Curriculum 2022 in Wales, with a focus on digital inclusion.*
- **Community resilience and well being**
    - *Work directly with the PSB to include community resilience and wealth building developing assets in our communities to include supporting positive mental health in workforces, supply chain and in communities*



- *Engage with new partnership such as museums, theatres and arts to support developing our cultural and Welsh language considerations in contract opportunities.*
  - *Work with procurement partners and third sector organisations to maximise community wealth building opportunities.*
  - *Support and engage with the third sector in a valued based approach that support resilience in the third sector to work with and support contractors and the supply chain.*
- **Environmental Sustainability and Green Recovery**
    - *Ensure we have environmental considerations in contract opportunities, minimising our impact on the environment and supporting new technologies, approaches and innovation with contractors and the supply chain, with a focus on the circular economy*
    - *Seek to minimise the carbon footprint of projects and support low carbon economy, focused on the commitment by welsh government to achieve a carbon neutral public sector by 2030, reducing greenhouse gases, improving our natural environment and protecting our biodiversity.*
  - **Innovation and new practices**
    - *Test and explore new ways of working with all partners to seek to maximise value from regional collaboration*
    - *Establish effective arrangements for monitoring impact, exploring the most appropriate tool to do this*
    - *Work collaboratively across the partnership to effectively resource procurement activity and focus on developing and delivering new forums to support capacity and capability to use procurement as an effective tool such as community of practices etc.*

## 13. Governance Arrangements

### Governance Agreement 2

- 13.1 Having Secured the Growth Deal the Partners have agreed to enter into a second Governance Agreement (GA2) which will support the partnership into the next phase of implementation of the Growth Deal and further development of the Growth Vision.
- 13.2 The agreement, which is a legally binding document defines the role and function of the Board and its delegated powers. It also provides for its decision making structures and democratic accountability. Provision is made for the commitments of the Partners to the project and how these are managed and apportioned. GA2 provides assurance for the Host Authority (Gwynedd Council) in assuming that role. The underlying arrangements providing for legal and compliance matters within the partnership and the governance of the Programme Office are also addressed.

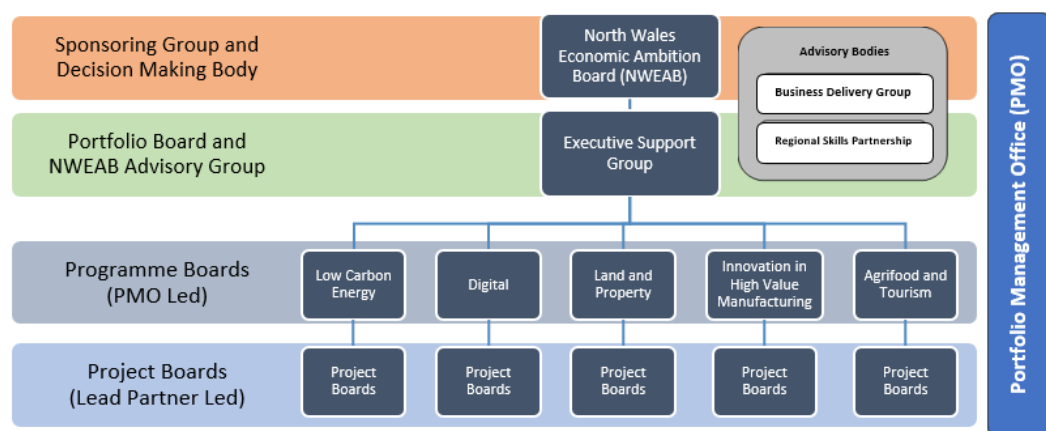
- 13.3 It is a key document providing a clear structure and foundation for taking the implementation of the Growth Deal forward.

### Portfolio, Programme and Project Management Arrangements (PPM)

- 13.4 The Board has adopted a delivery model based on a best practice approach to portfolio, programme and project management as set out in 'Government Functional Standard GovS 002: Project Delivery'. Portfolio, programme and project management is an integrated way of meeting an organisation's ambitions, driving better decisions and increasing the likelihood of successful outcomes.

- 13.5 The diagram below sets the PPM governance delivery structure for the Growth Deal:

Figure 1.3 Growth Deal Delivery Structure



Source: North Wales Economic Ambition Board

### Strategic and Portfolio Level

- 13.6 **North Wales Economic Ambition Board (Sponsoring Group)** - The Economic Ambition Board acts as the Sponsoring Group (Organisation) and the Decision-Making Body. All authority below this level is delegated to relevant parties as required through a formal decision by the Board. A member of the Economic Ambition Board will take on a Lead Member role for each of the programmes and sit on the relevant Programme Board. The Board will be responsible for the consideration and approval of project business cases within the portfolio and with responsibility for delivery delegated to the relevant programme and project boards.
- 13.7 **Executive Support Group (Portfolio Board)** - This group is the advisory body to the Economic Ambition Board but also acts as the Portfolio Board for the Growth Deal to support and challenge the Growth Deal Programme Director to ensure delivery. The group is made up of senior officers from each of the Economic Ambition Board partner organisations. A member of the Executive Support Group will act as a Senior Responsible Owner (SRO) for each of the programmes and lead the relevant Programme Board.

- 13.8 **Programme Director** - The Programme Director is accountable to the Economic Ambition Board for the delivery of the Growth Deal portfolio.

### **Programme and Project Level**

- 13.9 **Portfolio Management Office (PMO)** – The PMO supports and co-ordinates activity across the programmes acting as an information hub and ensuring a consistent approach to reporting, control of risk and issues. It also acts as a valuable assurance function, providing advice and challenge to programmes and projects. Each programme is assigned a Programme Manager from within the PMO.
- 13.10 **Programme Boards** - Each programme will have a formal Programme Board and an appointed Senior Responsible Owner (SRO). These boards will be focused on the development (initially) and delivery of the agreed Programme Business Case, with a specific focus on the benefits and outcomes to be achieved. Programme Boards escalate to the Portfolio Board via the Programme Director.
- 13.11 **Project Boards** - All projects within the Growth Deal will be managed via a Project Board with appointed SROs and project managers in place to ensure delivery. These boards will be focused on the development and delivery of the agreed business case, with a focus on the delivery of specified outputs. Projects and Project Boards will be the responsibility of the Project Sponsor and clear arrangements for the delivery of projects in line with best practice will be set out in each project business case. Projects will report through to the relevant Programme Board. Terms of Reference for Project Boards will be agreed between the Project Sponsor and the Portfolio Management Office to ensure the appropriate links and reporting arrangements between the project and the Programme Board are understood by both parties.

### **Project Approval Process**

- 13.12 The Growth Deal is to be signed on the basis of a portfolio business case and five programme business cases. Once the final deal has been agreed, project business cases can be brought forward for the NWEAB to consider.
- 13.13 Full (5 Case Model) business cases will be developed for each project within the North Wales Growth Deal in line with the 'Better Business Case' guidance developed by Welsh Government and HM Treasury.
- 13.14 Preparing a Project Business Case using the five Case model provides decision makers and stakeholders with a proven framework for structured 'thinking' and assurance that the project provides and strategic fit, maximise public value, is commercially viable, is affordable and is fundable over time.
- 13.15 Project business cases will be required to demonstrate how they deliver against the objectives and aspirations of the North Wales Growth Deal and specifically the relevant programme business case.
- 13.16 It is recognised that through the development and agreement of portfolio and programme business cases between the Economic Ambition Board and UK/Welsh Government that the strategic case for projects will have been established.
- 13.17 Each project business case will be subject to independent gateway reviews at agreed points as agreed with the Welsh Government Assurance Hub.

13.18 Project business cases will first be considered by the relevant Programme Board. Business cases will only be presented to the Economic Ambition Board following endorsement by the Portfolio Board and the Programme Board and the completion of required gateway reviews. The PMO retains the right to commission external reviews of project business cases where required.



### Process for Considering New Projects

13.19 The Growth Deal is a portfolio spanning 15 years and there is potential that not all the current 14 projects will be delivered if the economic benefits of certain projects cannot be demonstrated through project business cases or if new priorities emerge for the region. It is also possible that further funding sources may be identified or income generated through the Growth Deal for reinvestment in new projects.

13.20 Any new or replacement projects will be a matter for the Economic Ambition Board to decide upon within the agreed affordability envelope for the partnership and where the projects deliver against the objectives of the Growth Deal and its programmes. Project proposals that sit outside the agreed funding envelope for the partnership and outside the parameters agreed with UK and Welsh Government would need the approval of individual partners and/or both governments.

13.21 New or replacement project proposals would be assessed at the relevant programme board before consideration by the portfolio board and the Economic Ambition Board. Should the Economic Ambition Board endorse a new project for development, a project business case would be developed in accordance with the process set out above.



### Monitoring and Evaluation

13.22 Programme and project performance will be monitored on a monthly basis through the relevant programme and project boards with formal quarterly reports submitted to the Portfolio Board and the North Wales Economic Ambition Board.

13.23 A Monitoring and Evaluation Plan has been developed for the North Wales Growth Deal. The key components of the Monitoring and Evaluation Plan are set out below:

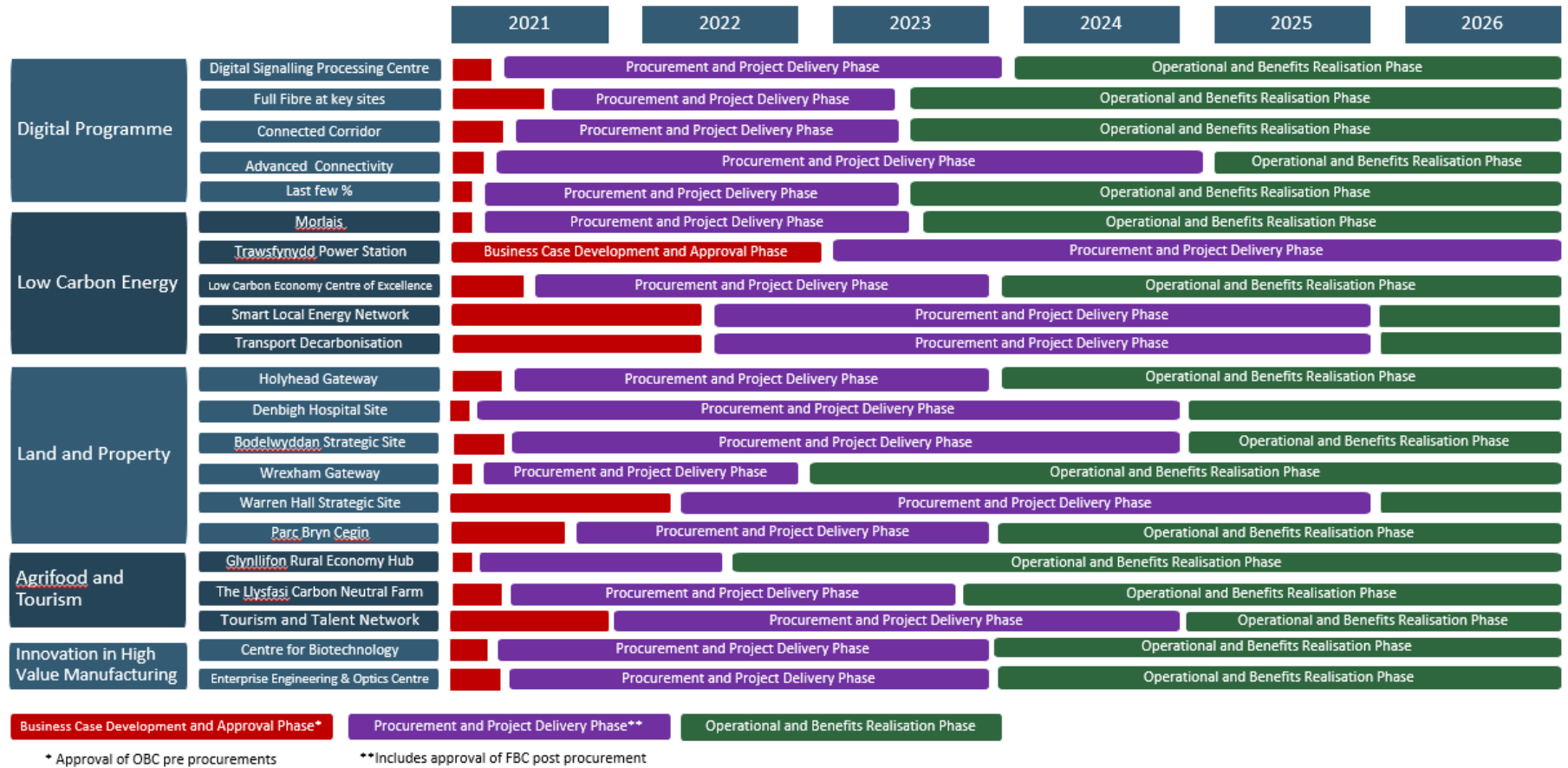
13.24 Monthly Highlight Reports for all programmes and projects;

13.25 Formal Quarterly Reports to the Economic Ambition Board, UK Government and Welsh Government;

- 13.26 Formal Annual Report to Economic Ambition Board, its partners, UK Government and Welsh Government;
- 13.27 Independent economic impact evaluation to be undertaken every 3-5 years against suite of indicators agreed with UK Government and Welsh Government.
- 13.28 Wider benefits to be achieved through procurement, particularly social and community value will be monitored and evaluated to ensure maximum benefit is derived to the region from such activity.
- 13.29 The Economic Ambition Board will work with the Welsh Government to ensure that evaluation against the Wellbeing of Future Generations (Wales) Act 2015 is a key component of all monitoring and evaluation activities.
- 13.30 The Economic Ambition Board is committed to developing an appropriate feedback mechanism for the North Wales Growth Deal with both governments to ensure lessons learned during the delivery of the Growth Deal are captured and shared.

# 14. Growth Deal Project Delivery Timescales

Figure A.1 Growth Deal Delivery Timescale



Source: NWEAB

Explanatory Note on Private Delivery in the Land and Property Programme

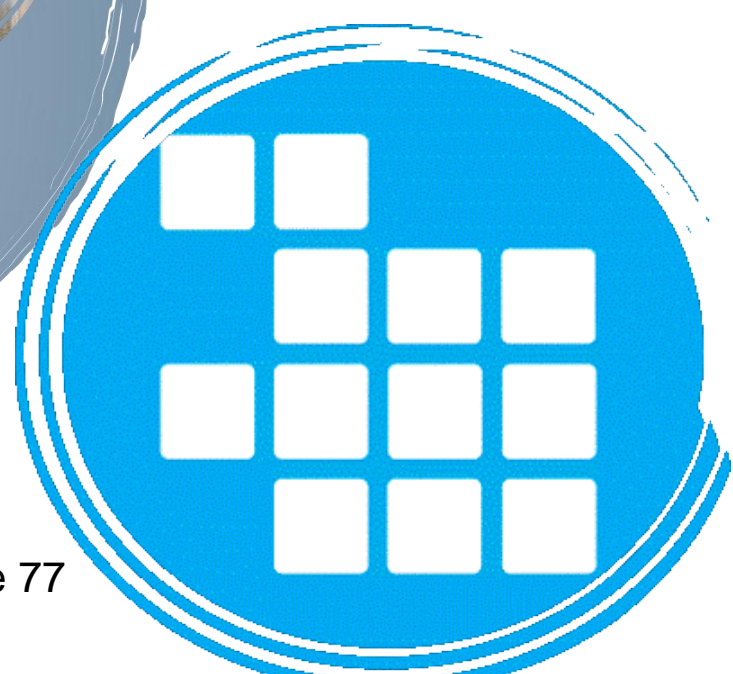
Due to the scale of the proposed development, the following projects will have delivery timescales extending beyond 2026 - Western Gateway, Warren Hall, Bodelwyddan, Former North Wales Hospital. The timetable above refers to the Growth Deal funded elements of these projects. The full indicative delivery timeline for these projects is shown in Table 5.4 of the Financial Case of the Land and Property Programme Business Case



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# NORTH WALES GROWTH DEAL DRAFT FINAL DEAL AGREEMENT



# 1. Table of Contents

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## 2. Definitions

**[Note: To be inserted]**

### 3. Foreword

The **Growth Deal** has been developed through close collaboration and commitment, from partners across governments and sectors, to deliver long-lasting positive investment and change that will enable economic and employment growth for the long-term.

Over the next fifteen years, the deal empowers us to work together and take control of how we invest in our future.

It's a unique opportunity to de-centralise government investment, make those investment decisions locally and demonstrate the value this brings. Ultimately, as part of a broader programme of investment, the Growth Deal will enable us to build a more vibrant, sustainable and inclusive economy for us all in North Wales.

The UK Government and Welsh Government are investing £240million into the North Wales Growth Deal over the next 15 years. Alongside the North Wales Economic Ambition Board partners and the private sector, the Growth Deal seeking to deliver a total investment of up to £1.1bn in the North Wales economy (£240m from the Growth Deal), to create 3,400 – 4,200 net additional jobs and generate £2.0- £2.4 billion in net additional GVA.

Building on the [Heads of Terms](#), signed in November 2019, this document sets out a compelling vision for North Wales. The aim of the Growth Deal is to build a more vibrant, sustainable and resilient economy in North Wales, building on our strengths to boost productivity while tackling long-term challenges and economic barriers to delivering inclusive growth. Our approach is to promote growth in a scalable, inclusive and sustainable way in line with the Future Generations Act.

Our signing of this document reaffirms our joint commitment to achieve the full implementation of the North Wales Growth Deal together over the next 15 years.

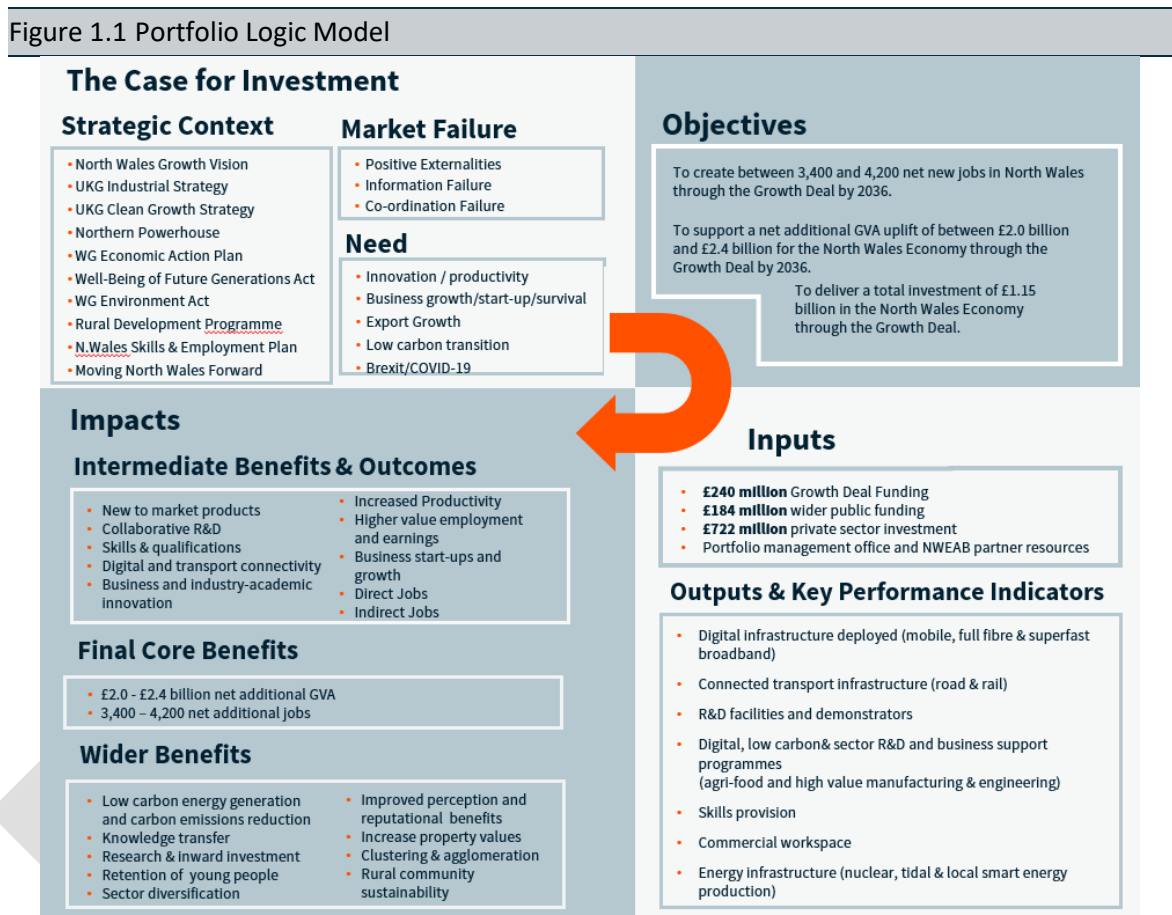
We look forward to leading this important investment in our home and our region, North Wales.

**[Insert signatures – NWEAB/UK/WG]**

## 4. Executive Summary

[Note: To be inserted once content agreed with UK and Welsh Government]

A logic model is a way of articulating the context for change and investment. A summary logic model for the Growth Deal is set out in Figure 1.1 below and provides an overview of the strategic drivers, objectives, inputs and impact of the Growth Deal.



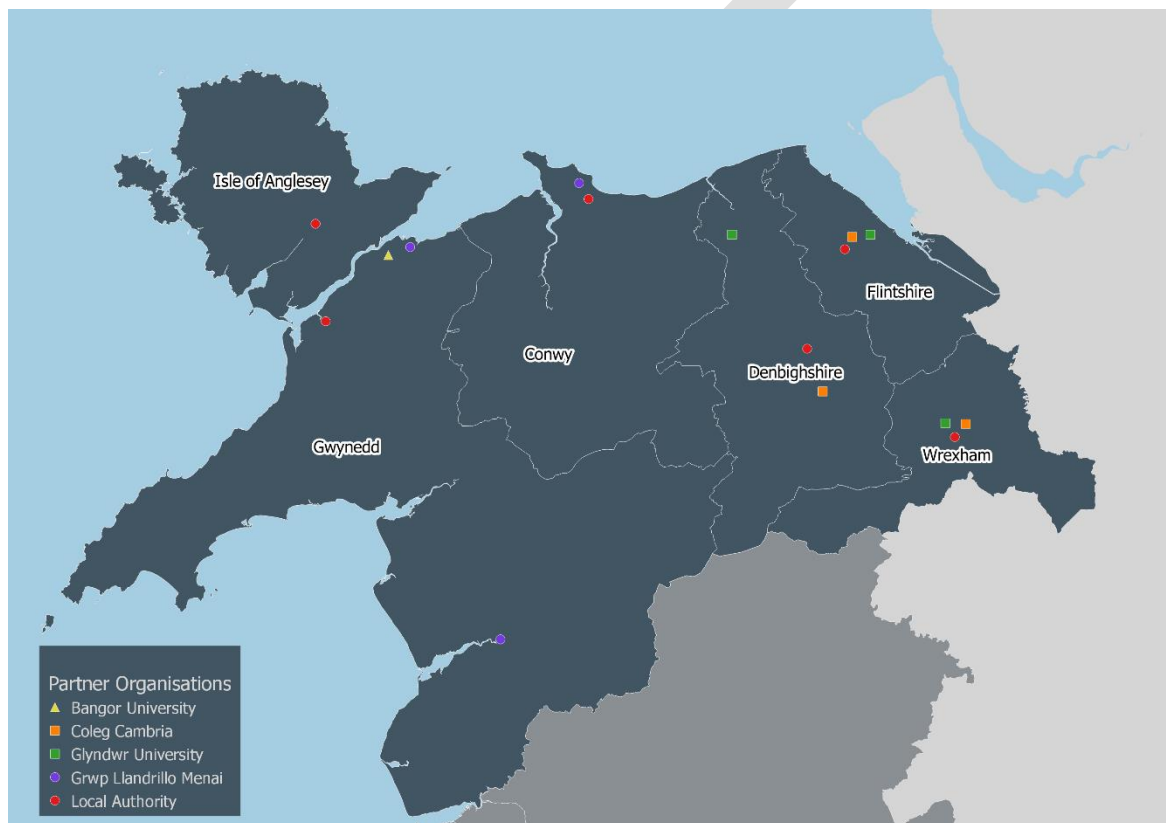
Source: Hatch; NWEAB. A Note on Market Failure: **Positive externalities**: third party economic/social/environmental benefits to the wider economy/ society. These cannot be captured in entirely by commercial organisations and so public investment is required. **Information failure**: businesses do not have full information on technologies/developments that could secure growth. Public investment is required to bridge these information gaps. **Co-ordination failure**: no one organisation may have the incentive to invest in a venture that secures benefits for wider partners. Public investment is required to initiate a partnership investment.

## 5. Introduction

### North Wales Economic Ambition Board

The North Wales Economic Ambition Board (*hereafter referred to as Economic Ambition Board or the Board*) was established in 2012 as a partnership between the six Local Authority areas of North Wales comprising the Councils of Gwynedd, Anglesey, Conwy, Denbighshire, Wrexham and Flintshire. The Board also includes Bangor University, Glyndwr University, Coleg Cambria and Grwp Llandrillo Menai. In early 2019, the Economic Ambition Board was formally established as a joint committee.

Figure 5.1 Map of North Wales and North Wales Economic Ambition Board Partners



The North Wales Growth Deal is a partnership between the public and private sectors. The private sector has been strongly represented by The North Wales Mersey Dee Business Council, who, as a founding member of the Economic Ambition Board, have worked in close collaboration with partners and regional public and private sector stakeholders to shape and influence the Growth Deal proposition. As of August 3<sup>rd</sup> 2020, due to challenges caused by Covid-19, the Business Council withdrew membership yet remain a key stakeholder and will be an integral, albeit more distant, partner moving forward.

The private sector remains strongly represented in the North Wales Growth Deal through the Business Delivery Group who act as an independent advisory body to the North Wales Economic Ambition Board.

## The Vision for North Wales

In 2016 the Economic Ambition Board partners adopted *A Growth Vision for the Economy of North Wales* (the Growth Vision).

The adopted Vision is to develop “*a confident, cohesive region with sustainable economic growth, capitalising on the success of high value economic sectors and our connection to the economies of the Northern Powerhouse & Ireland.*”

The Growth Vision was founded on three key principles for North Wales:

- **Smart** – with a focus on innovation and high value economic sectors to advance economic performance.
- **Resilient** – with a focus on retaining young people, increasing employment levels and skills to achieve inclusive growth.
- **Connected** – with a focus on improving transport and digital infrastructure to enhance strategic connectivity to and within the region.

The North Wales Growth Deal will play a key role in delivering this vision. We will be **smart** with our investment - building on our strengths to boost productivity, foster innovation and be competitive in the markets we serve. We already have well-established research and innovation hubs, which are helping us to push the boundaries in discovering new growth areas for our high value manufacturing business. We will invest further to create centres of excellence to enhance our reputation and enable growth in this important industry.

We will tackle the long-term market failure that has been a barrier for commercial investment - making North Wales more investable and unlocking the potential for new high-value skilled jobs, for young people and our future generations to thrive. We'll address the shortage of suitable land and properties for business growth and to bring forward sites to provide the employment land and housing we need as well as invest in our Port at Holyhead.

By investing now, we build our **resilience** for the future.

We are **connected** as a region. Our partnership across the six local authorities, universities, colleges and the private sector is well established and growing in strength. We're also driving a step change in digital connectivity by balancing investment in infrastructure and technology. We address those areas most in need of faster and more reliable broadband connections and exploit the potential of 5G access and new digital innovation. Opportunities also lie in our close connections with our neighbouring economies such as the Northern Powerhouse, Ireland and Mid-Wales. We can build stronger economies by working together.

We will strengthen our reputation as a cohesive region; leveraging our partnerships to promote growth in the economy that is scalable, sustainable and inclusive. Our Investment in low-carbon energy projects enable us to contribute directly to the climate change emergency, not only helping to make North Wales a cleaner, greener environment, but also



positioning ourselves as one of the leading UK locations within the low carbon energy sector. Not forgetting our foundation economies in agriculture and tourism, we will help to enable and encourage diversification to improve the long-term future of these key industries, ensuring they have opportunity to develop sustainably and thrive.

We will invest in a way that promotes social value and builds wealth in our communities. We recognise and value our obligation to deliver the Growth Deal in a way that improves and enhances our social, cultural, environmental and economic well-being.

## The Region

North Wales is known for its beautiful landscapes, its history, heritage, culture and it has the highest proportion of Welsh speakers in Wales at an estimated 41.9%<sup>1</sup>.

North Wales is home to nearly 700,000 residents and contributes £14.2 billion to the UK economy each year,<sup>2</sup> representing 22% of the Welsh economy.<sup>3</sup> In North Wales, the population is projected to increase by 2.1 per cent in the 2018-2028 period, and 3.1 per cent in the 2018-2038 period. North Wales has an ageing population. Between 1998 and 2018, the proportion of the population aged 65 and over has increased from 18.5 per cent to 23 per cent, while the proportion of the population aged 15 and under has fallen from 19.8 per cent to 17.8 per cent<sup>4</sup>. The profile of young people in the region aged 14-18 has remained flat for a decade but is projected to increase from 2020, meaning the region must consider the skills and employment opportunities to service this growing demographic.

Economic performance has been resilient following the financial crisis and during the period of austerity, with real<sup>5</sup> GVA increasing by 20% since 2009. This is compared to 14.9% increase in the Swansea Bay City Region and 12.6% increase in the Mid-Wales Growth Deal area.

**The total GVA in North Wales in 2018 was £14,239million**, up 4.1 percent over the previous year, which accounted for 21.9 percent of Wales total GVA (£65,089million) and 0.8 percent of UK total GVA (£1,892,681million) in that year.<sup>6</sup> Within North Wales there are **wide variations in GVA per capita**, with particularly weak productivity in the Isle of Anglesey (53% of the UK average) but stronger performance in Flintshire and Wrexham (both of which are 81% of the UK average).<sup>7</sup> This is also reflected in average earnings, which lag behind the UK average. Indeed, some local authorities in the West have the lowest earnings in Wales and the UK. For the year ending 30 June 2018, North Wales had the highest employment rate and lowest unemployment and

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<sup>1</sup> Welsh Government – Summary Statistics for Welsh economic regions: North Wales, May2020

<sup>2</sup> Measured by Gross Value Added (GVA). Source: ONS, 2018 data.

<sup>3</sup> <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gva-by-measure-welsheconomicregion-year>

<sup>4</sup> Welsh Government – Summary Statistics for Welsh economic regions: North Wales, May2020

<sup>5</sup> i.e. inflation-adjusted.

<sup>6</sup> <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gva-by-measure-welsheconomicregion-year>

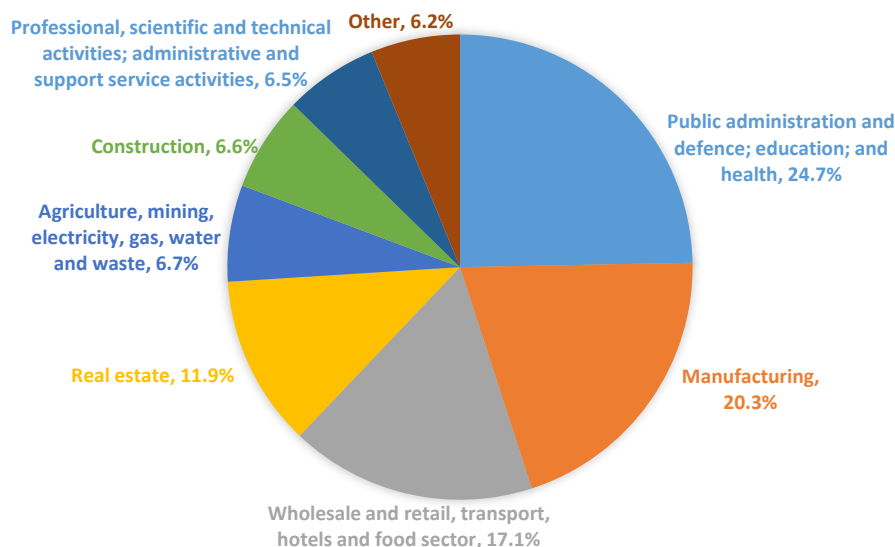
<sup>7</sup> <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gvaperhead-by-area-year>

economic inactivity rates of the Welsh regions<sup>8</sup>. However, there is a greater need in the region for high value employment opportunities.

North Wales has a number of areas that are within the top 10% most deprived areas in Wales. Many of the most deprived areas are based in rural communities.

**There remains a persistent and widening productivity gap between North Wales and the UK with wide variations in GVA (Gross Value Added) per capita across the region. Addressing this productivity gap and disparities within Wales is an important priority for the Growth Deal.**

North Wales has a diverse economy with key sectors being manufacturing, energy and tourism as well as public sector jobs. The public sector accounts for nearly a quarter (24.7%) of the region's GVA. A fifth (20.3%) of the economy is accounted for by manufacturing, which is significantly more important in North Wales than in Wales as a whole (where it accounts for 17% of GVA). Wholesale and retail, transport, hotels and food sector accounts for 17% of the economy of North Wales. The chart below shows the breakdown of industry contribution to 2018 GVA in North Wales.<sup>9</sup>



A portion of the productivity gap is accounted for by the sectoral structure of the North Wales economy, with some areas particularly reliant on relatively low paid sectors including tourism and retail. At the same time, there are areas of strength, with 64,000 people employed in *high value sectors*, defined as manufacturing; information and communication; and professional, scientific and technical activities.

**Supporting high value sectors and addressing long-term barriers to growth is at the heart of the North Wales Growth Deal.**

There is an ageing population in the region and a net outward migration of talent from the region. Whilst the population of North Wales is expected to increase to 722,317 by 2039, the share of the population aged 65 or above is expected to increase from 23.6% to 29.8%. This

<sup>8</sup> Welsh Government – Summary Statistics for Welsh economic regions: North Wales, May2020

<sup>9</sup> Source: ONS.



means a smaller share of working age people, which may place pressures on the supply of skills.

The employment rate amongst working age residents in North Wales stood at 75.9% at March 2020, which was the same as the UK. Over 5 years, between March 2015 and March 2020, 18,300 jobs were added to the economy, a growth of 6.2% for the region. The specific impacts of Covid-19 on the North Wales economy and the Growth Deal are set out in the next section.

**Investing in skills that match the needs of the region's new employment opportunities is fundamental to the future economic health of North Wales.**

## The Case for Change

This section sets out the challenges and opportunities across the key sectors in the North Wales economy that the Growth Deal is seeking to address:

### High value manufacturing

- **Supporting innovation and R&D:** there is a need for facilities and technical support with individual businesses unable to access the skills and expertise to innovate and improve productivity via efficiency savings.
- **Supporting the low carbon agenda:** there is a strong need to decarbonise industry in order to meet national targets for clean growth, as well as to capitalise on market opportunities, with the number of green-collar jobs expected to grow to 2 million and the value of UK exports from the low carbon economy to grow to £170 billion a year by 2030.
- **Supply chain integration:** A progressive depletion or 'hollowing out' of the Welsh and UK-based supply chain over recent decades represents a long-term threat to production and manufacturing capability and its future prosperity. There is a need to re-build and sustain SMEs within supply chains to drive competitiveness.
- **Improving productivity:** North Wales' advanced manufacturing sectors are relatively high productivity sectors in the economy, but there is great potential to increase productivity via targeted investments in R&D and skills.

### Agri-food and tourism

- **Under-investment in R&D and Innovation:** Engineering & Physical Science Research Council (EPSRC) data suggests that only 2% (c. £95 million) of all grants being offered directed to the Food & Drink sector. R&D spend across these three sectors equated to 1.3% of all R&D spend across all sectors in the UK in 2018 despite the sectors making up 10% of total employment/
- **Supporting the low carbon agenda across Wales and the UK:** From an environmental perspective, reducing carbon emissions is crucial to the future sustainability of Wales and this was recognised in the Wellbeing of Future Generations (Wales) Act 2015, which sets a target to reduce emissions by at least 80% against the 1990 baseline. Introducing sustainable low carbon land management practices, as well as driving innovation and new low carbon

technologies in the agriculture sector could contribute to the long-term carbon reduction agenda.

- **Improving productivity:** In 2017, gross output per hectare of agricultural land was £858 in Wales, significantly lower than UK's most productive region, which was the South East of England (£3,190 per ha). The tourism sector also suffers from lower productivity levels than those seen in England, with GVA per employee in the tourism sector equating to £19,600, 14% lower than the equivalent metric in England.
- **Meeting skills needs:** The latest Employer Skills Survey indicated that 25% of restaurants and hotels in Wales reported skills shortages and 45% businesses within primary industry (which includes agriculture). Both sectors also reported skills gap increases from the previous survey, with hotel and restaurants reporting a +3% increase whilst primary industry reported a +28% increase.
- **Diversification and resiliency:** agriculture, food and tourism sectors form the backbone of many local economies in North Wales. With the imminent exit from the European Union and the loss of related funding, it is important rural businesses have the support and knowledge to help them diversify.
- **Lack of appropriate premises:** Research carried out by Arad for the Glynllifon Rural Economy Hub indicates that the lack of food-grade premises, local product development facilities and technical support is holding back the potential of the sector, with individual businesses unable to access the skills and expertise to innovate and improve productivity via efficiency savings.

### Low carbon energy

- **Addressing climate change:** Responding to the climate emergency declared by Welsh Government and the aim of achieving Net Zero by 2050. There is a need to decarbonise North Wales' energy system, including power (e.g. increasing low carbon energy generation), housing (including challenges associated with large numbers of homes being off the gas grid) and transport.
- **Supporting economic growth in low carbon energy sectors:** exploiting local strengths and competitive advantages (e.g. existing energy infrastructure, research strengths and skilled workforce) to drive growth in the low carbon energy sector where there are substantial growth opportunities nationally (sector forecast to grow 11% per year to 2030). An estimated £10.9bn of additional investment is needed by 2035 to put the region on track to achieve Net Zero. This level of investment has the potential to create up to 24,400 new jobs.

### Land and property

- **A need for modern employment floorspace.** The network of readily developable strategic sites, capable of supporting both indigenous business growth and inward investment is relatively weak and fragmented
- **Low land values and infrastructure constraints** have resulted in insufficient developer interest, leading to a lack of supply of housing and commercial premises. To date the market has failed to address these challenges and therefore there is a

specific need for Growth Deal funding to enable the delivery of employment space, serviced residential land and improvements to Holyhead Gateway.

### Digital connectivity

- **Addressing the digital divide:** in order for the North Wales economy to prosper and for key sectors to grow to their fullest potential, significant connectivity gaps must be addressed. There is a need to rapidly increase gigabit connectivity at key growth sites, ensure rural 'not spots' are tackled in full, deliver seamless mobile connectivity across economic corridors and assets and provide the foundations for greater social equity and inclusion.
- **Responding to clear demand for better connectivity:** a wide body of evidence showcases the prescient need for next generation fixed and mobile broadband and the opportunity cost of poor provision, relative to other parts of the UK. There is an exceptional appetite to deploy more sophisticated technologies and innovative use cases, which will secure productivity, efficiency and competitiveness across the region.
- **Creating competitive market conditions:** North Wales' digital connectivity has been constrained by a lack of market competition at the wholesale level, and within the degree of choice offered by broadband providers at the retail level. There is an opportunity to respond to this by creating conditions that improve market attractiveness, reduce consumer costs, enhance end user take-up and provide the basis for longer-term commercial investment.
- **Establishing a world-class digital corridor:** the A55 is the primary economic axis for North Wales, connecting key sites, hubs for growth and the region's most prominent assets. There is an opportunity to ensure that 5G and full fibre broadband creates a seamless high-speed corridor, as the basis for large-scale smart technology deployment, pilots and trials and as a lever for inward investment.
- **Expanding digital research capacity:** North Wales has an emerging profile as a base for innovative and technology-led research, led by higher education institutions and the private sector. There is an opportunity to scale this further, drawing on other sources of funding and business intent, creating a critical mass of technology, expertise and ambition to ensure that North Wales is at the cutting edge of the discovery and deployment of cutting-edge technologies.

### The economic impact of Covid-19

Covid-19 has had an immense economic impact on North Wales as in other parts of the UK and globally. The Economic Ambition Board works closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery. The longer term effects of Covid-19 on the regional economy at this stage is still unknown.

Work is underway to define the state of the economy in North Wales during what has been a volatile and challenging period for businesses and employees across many sectors. This period of uncertainty caused by the pandemic is ongoing and with the transition period for

leaving the EU ending on the 31 December the outlook for winter is bleak. In terms of strengthening the economy in the long term, the Growth Deal will be a welcomed source of hope and investment for the citizens of North Wales.

Interventions already undertaken and planned to create a reliable and evidence based approach to the situational analysis include a regional survey of businesses which attracted over 1,800 responses. A commissioned report on tourism to identify the strengths, weaknesses and opportunities to preserve and revive and develop the tourism economy sustainably. The appointment of an independent economic partner to co-develop the situational analysis and framework for recovery planning for North Wales. Looking initially at the near-term economic recovery post-Covid but also recognising the need to measure and evaluate the impact of the Growth Deal investment on the North Wales economy in the long term throughout the lifetime of the deal.

The Growth Deal is designed to address structural, long-term barriers to economic growth. However, the Board is fully aware that in the short-term a range of actions will be needed to facilitate recovery and alignment between those short term measures and the Growth Deal is key.

The Growth Deal on its own cannot address all the challenges facing the North Wales economy, particularly in light of Covid-19. However, such a significant injection of capital investment into the North Wales economy through the Growth Deal will be a significant boost to the construction and related sectors at a time when there is likely to be spare capacity in the economy.

## **The Investment**

The investment by UK Government, Welsh Government & the North Wales Economic Ambition Board will act as a catalyst and accelerator to unlock investment and aid economic recovery in the region.

The UK and Welsh Governments have each committed to the investment of up to £120 million (total £240 million) over the next 15 years, with the North Wales Economic Ambition Board also committing to secure up to a further £900million of investment, which represents an overall investment deal worth in excess of £1 billion

Through the North Wales Growth Deal, the Welsh and UK Governments and partners are embarking on a new strategic relationship that creates a lasting legacy that will transform the region in the long term with co-ordination centred across key programmes outlined in Table 1.

**Table 1: North Wales Growth Deal Financial Summary**

Programme Area	Govt Contribution (£m)	Public Contribution (£m)	Private Contribution (£m)	Total Programme Costs (£m)
Innovation in High Value Manufacturing	13.0	26.5	0.0	39.5
Digital Connectivity	37.0	3.1	1.6	41.7
Agri-food and Tourism	24.5	12.4	4.4	41.3
Land and Property	79.1	1.9	274.4	355.4
Low Carbon Energy	86.4	140.4	441.7	668.5
<b>Total</b>	<b>240.0</b>	<b>184.3</b>	<b>722.1</b>	<b>1,146.4</b>

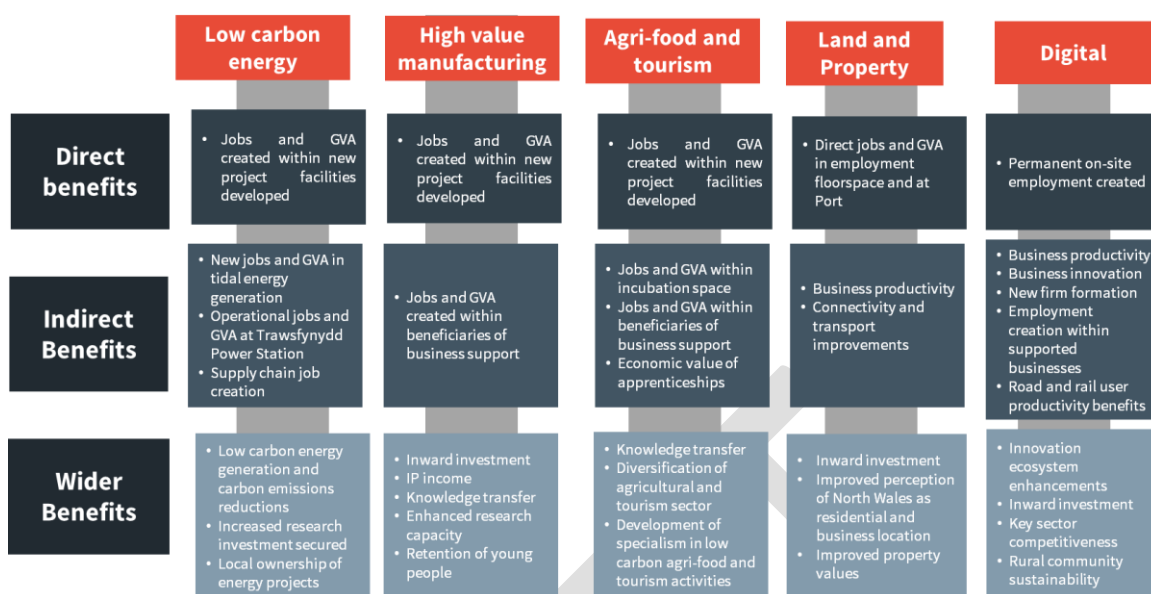
## The Impact of the Growth Deal

The Heads of Terms agreement set out that the Government investment would be used to create up to 4,000 new jobs, support 5% GVA uplift and secure £500million in private sector investment over the 15-year period. In the development of a portfolio and five programme business cases to secure the Final Deal agreement with Welsh and UK Government these have been refined into the following spending objectives for the North Wales Growth Deal. All the programmes and projects within the Growth Deal contribute to these overall objectives.

<b>Spending Objective 1 - Jobs</b>	<b>To create between 3,400 and 4,200 net new jobs in North Wales through the Growth Deal by 2036.</b>
<b>Spending Objective 2 – GVA</b>	<b>To support a net additional GVA uplift of between £2.0 billion and £2.4 billion for the North Wales Economy through the Growth Deal by 2036.</b>
<b>Spending Objective 3 – Investment</b>	<b>To deliver a total investment of up to £1.1 billion in the North Wales Economy through the Growth Deal by 2036.</b>

All Growth Deal programmes and project will contribute to achieving the spending objectives above. Each of the programmes will generate a set of benefits that have been classed as direct, indirect and wider benefits. The precise nature of these vary between the programmes. The key types are summarised below, by programme.

Figure 1.2 Benefits Framework



Source: Hatch

## 6. The Growth Deal Programmes

The aim of the Growth Deal is to build a more vibrant, sustainable and resilient economy in North Wales, building on our strengths to boost productivity while tackling long-term challenges and economic barriers to delivering inclusive growth. Our approach is to promote growth in a scalable, inclusive and sustainable way in line with the Future Generations Act. The Growth Deal is based on the delivery of 14 transformational projects across 5 programmes. The programmes have been defined as either high growth programmes or enabling programmes.

### High growth sectors to drive productivity in the region

The projects within the Growth Deal aimed at increasing the value and impact of high growth sectors will be focused on three key programmes:

- **Low carbon energy Programme**, initial projects include:
  - Morlais
  - Trawsfynydd Power Station
  - Low Carbon Centre of Excellence
  - Smart Local Energy
  - Transport Decarbonisation
- **Innovation in high value manufacturing Programme**, initial projects include:
  - Centre for Engineering Biotechnology
  - Enterprise Engineering and Optics Centre
- **Agri-food and tourism Programme**, initial projects include:

- Glynlifon Rural Economy Hub
- Llysfasi Carbon Neutral Centre
- Tourism TALENT Network

## Addressing key barriers to enable and achieve economic growth

We have identified enabling sectors through the Growth Deal to tackle key economic barriers and address structural issues that have impacted on productivity and jobs. Delivery in these sectors will create the appropriate conditions for businesses to invest in the region and for the labour market to take advantage of new employment opportunities. A strategic approach will be taken with our investments, ensuring that they are well-targeted in order to enable economic and employment growth across the region. This will be done in partnership with key partners, especially the UK and Welsh Governments.

The projects within the Growth Deal to address key barriers to growth will be focused on two key programmes:

- **Land and Property Programme**, initial projects include:
  - Regional Land and Property
  - Holyhead Gateway
- **Digital Programme**, initial projects include:
  - Digital Connectivity
  - Digital Signal Processing Centre

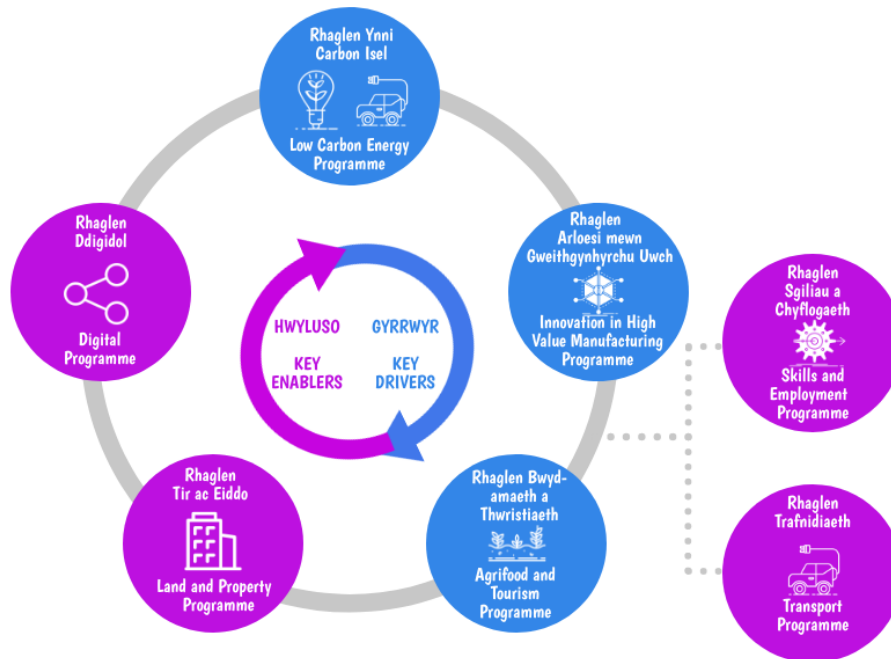
By focusing delivery on these programmes collectively, the Growth Deal will achieve a greater impact in terms of our ambition and use of resources rather than delivering them in isolation.

Two further enabling programmes sit outside the scope of the North Wales Growth Deal to be funded from other sources:

- **Skills and Employment**
- **Strategic Transport**

The programmes remain key to delivering the wider vision for North Wales and the Economic Ambition Board is working with the Regional Skills Partnership and through its Transport Sub-Board to identify and secure alternative funding sources to deliver these programmes.

Figure 6.1 The Growth Deal Programmes



Source: North Wales Economic Ambition Board

All programmes and projects within the Growth Deal will contribute to the achievement of the Growth Vision and the delivery of benefits for North Wales. The benefits from the Growth Deal will support sustainable and inclusive growth across the region – in accordance with the Growth Vision as well as the priorities of the Well-Being of Future Generations Act.

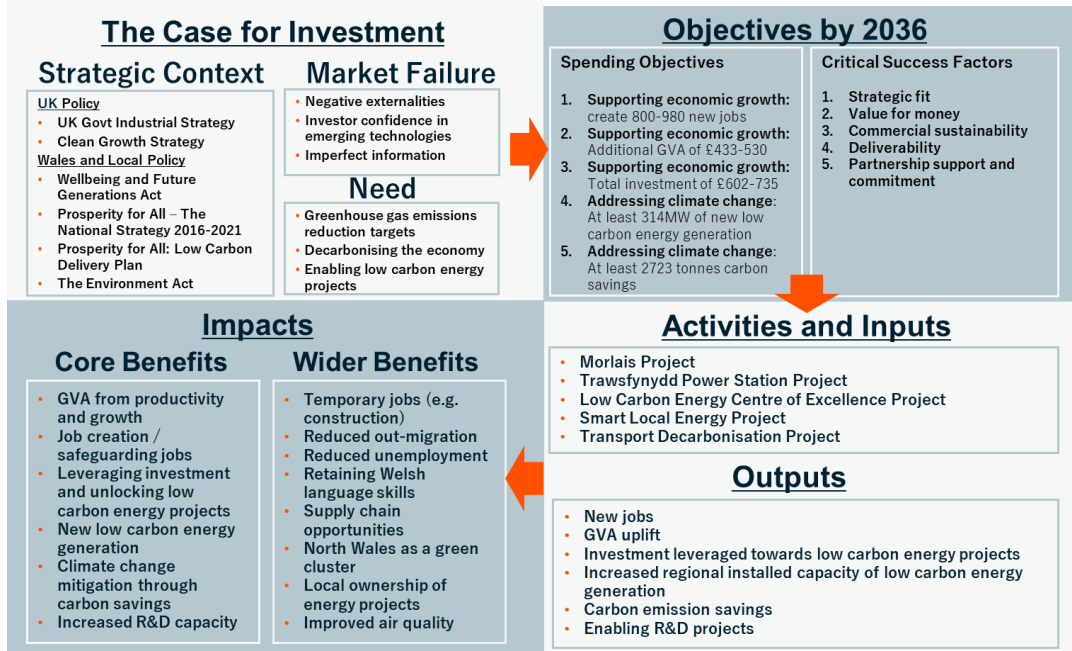
The strategic aims to address in each programme, and the types of intervention they are intended to facilitate, are summarised below:



## Low carbon energy

**Strategic aims:** Addressing climate change through support for new low carbon energy generation in North Wales, while driving increased supply chain investment and growth in low carbon energy sectors.

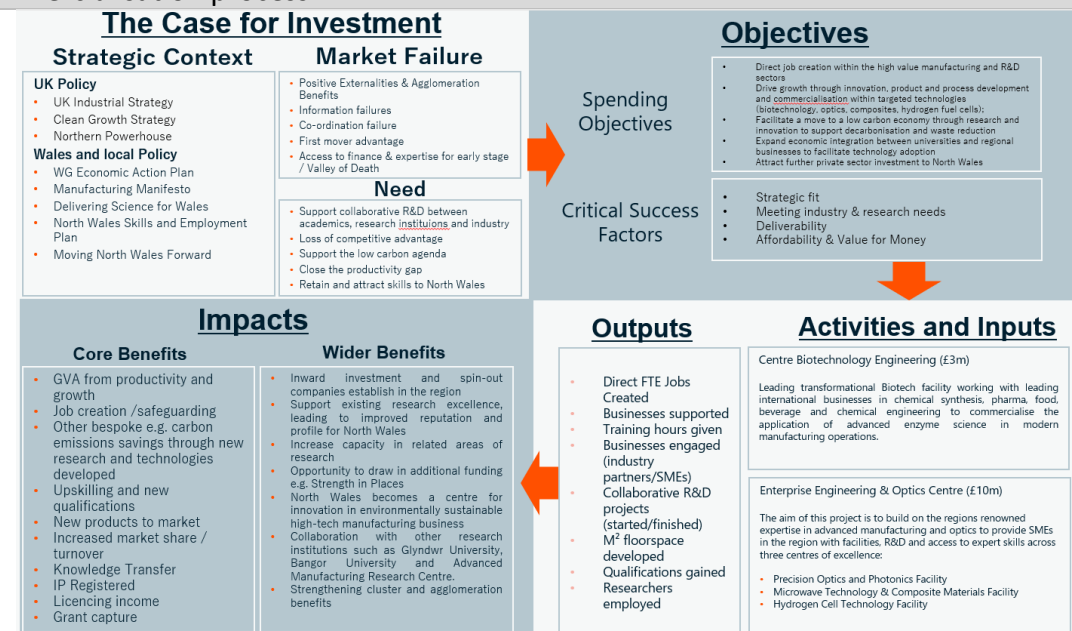
**Types of intervention:** Enabling works for new low carbon energy generation in North Wales, enhancing research and innovation facilities for low carbon economy sectors, and support for local energy projects.



## Innovation in high value manufacturing

**Strategic aims:** Ensuring North Wales remains competitive and recognised in the region's well-established research and innovation areas, thus helping drive innovation, competitiveness and productivity across the North Wales manufacturing sector.

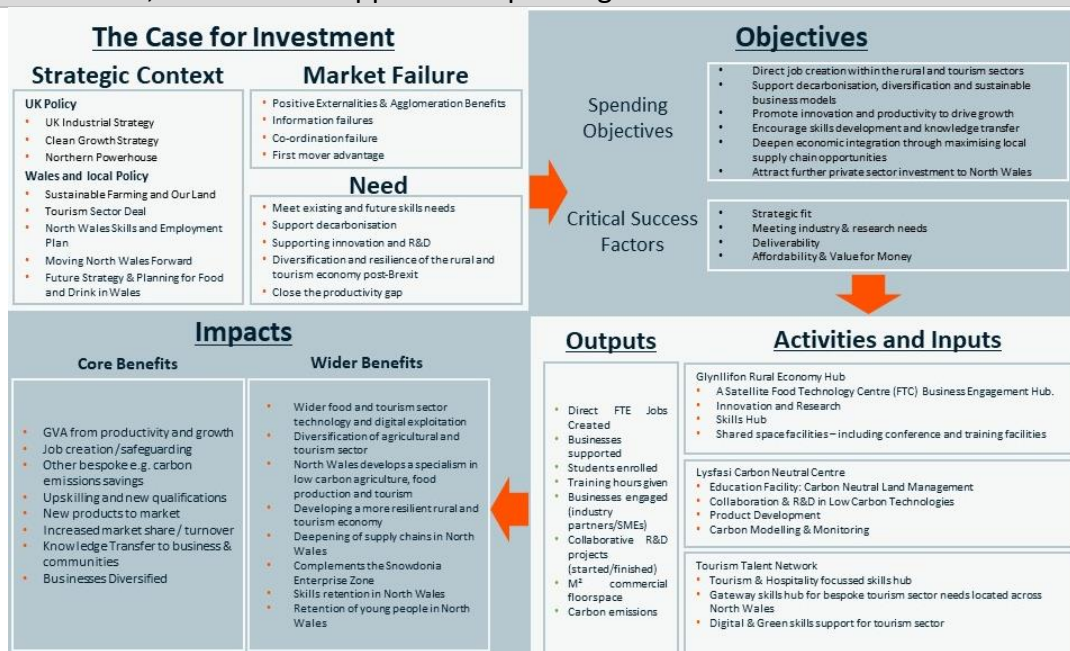
**Types of intervention:** Industry and research collaborations along with the establishment of centres of excellence to help overcome barriers and market failures in the research commercialisation process.



## Agri-food and tourism

**Strategic aims:** To diversify and improve the long-term sustainability of agriculture and tourism, ensuring that they are more productive and sustained in the long-term, whilst also supporting the low carbon agenda.

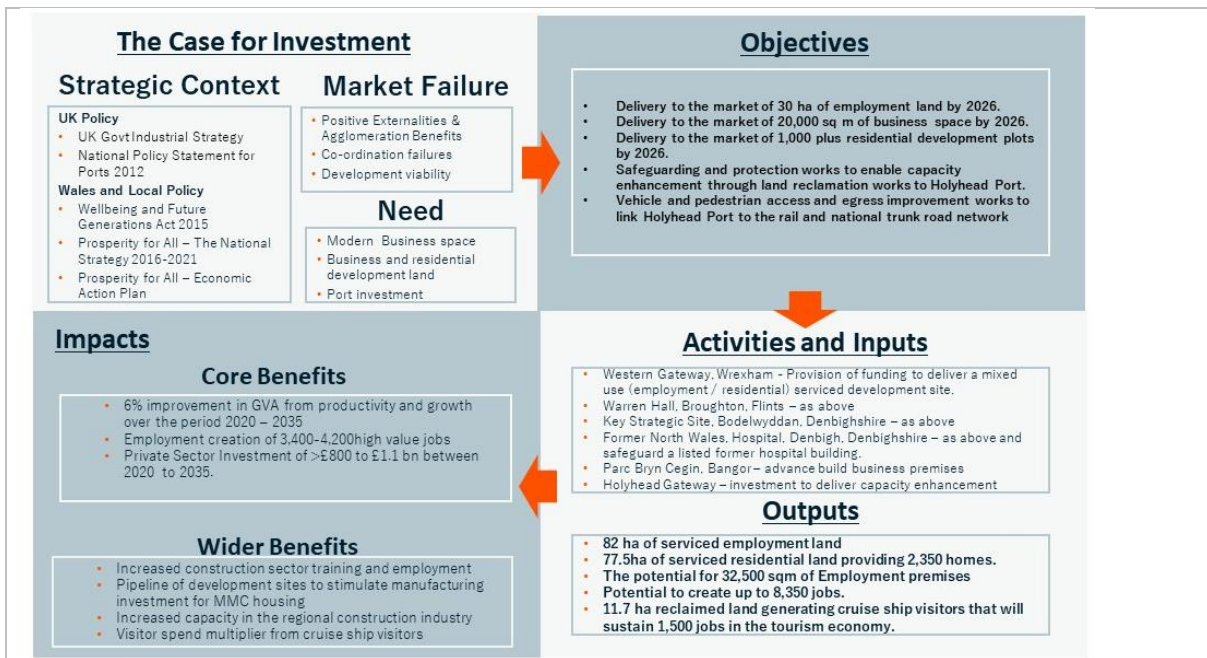
**Types of intervention:** Introducing new technologies & innovation, skills and practices to these sectors, via business support and upskilling.



## Land and property

**Strategic aims:** To address the shortage of suitable land and properties for business growth and to bring forward sites for housing development and to deliver improvements that stimulate investment in the Port of Holyhead and the wider region. These projects will play an enabling role for the other programmes by ensuring that serviced sites are available for investors and developers.

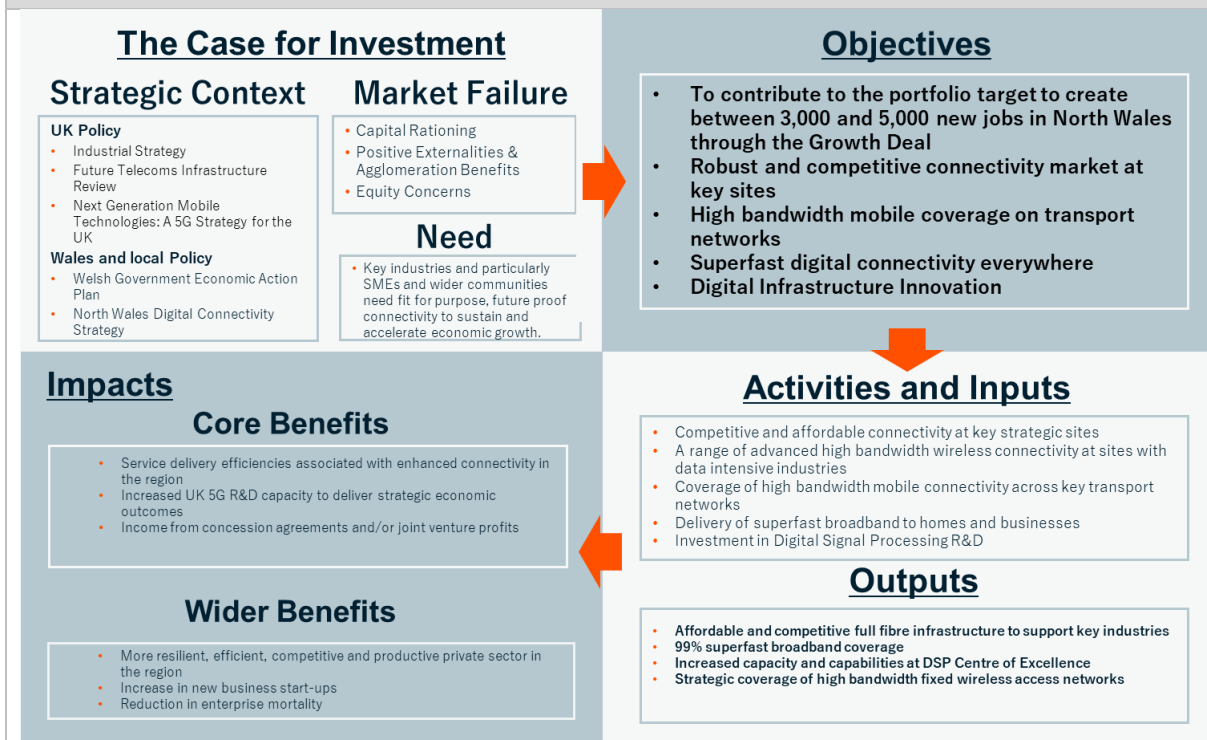
**Types of intervention:** The provision of primary services and enabling works to bring forward commercial and housing development sites, delivery of employment floor space and future proofing and capacity enhancement works to the port of Holyhead.



## Digital

**Strategic aims:** To deliver the step change in digital connectivity needed to ensure North Wales is able to satisfy user demand, maintain pace with the rest of UK, unlock the growth potential of priority sectors and sites and underpin a flourishing innovation ecosystem. Plays an enabling role for other programmes to deliver maximum benefit.

**Types of intervention:** The programme has identified a need to which balance investment in infrastructure and technology, through enhanced fixed broadband footprint at key sites in rural areas, unlocking applications through 5G access, and furthering digital innovation.



## 7. Governance Structure

The Deal's governance arrangements enable decisions to be made in an open and transparent way for the benefit of the whole of the region. This section details these arrangements and how they contribute to the management of the programme and associated risks

The Board was established by local authority partners as a joint committee in 2019 and is the decision making body for the North Wales Growth Deal. It also has a wider role to lead regional collaboration more broadly. The governance arrangements for the Board are underpinned by the partnership agreement 'Governance Agreement 2' to be adopted on completion of the Final Deal.

The Welsh and UK Governments link with the governance structure both formally and informally.

### **Governance Agreement 2**

Having Secured the Growth Deal the Partners have agreed to enter into a second Governance Agreement ("GA2") which will support the partnership into the next phase of implementation of the Growth Deal and further development of the Growth Vision.

The agreement, which is a legally binding document defines the role and function of the Board and its delegated powers. It also provides for its decision making structures and democratic accountability. Provision is made for the commitments of the Partners to the project and how these are managed and apportioned. GA2 provides assurance for the Accountable Body ("Gwynedd Council") in assuming that role. The underlying arrangements providing for legal and compliance matters within the partnership and the governance of the Programme Office are also addressed.

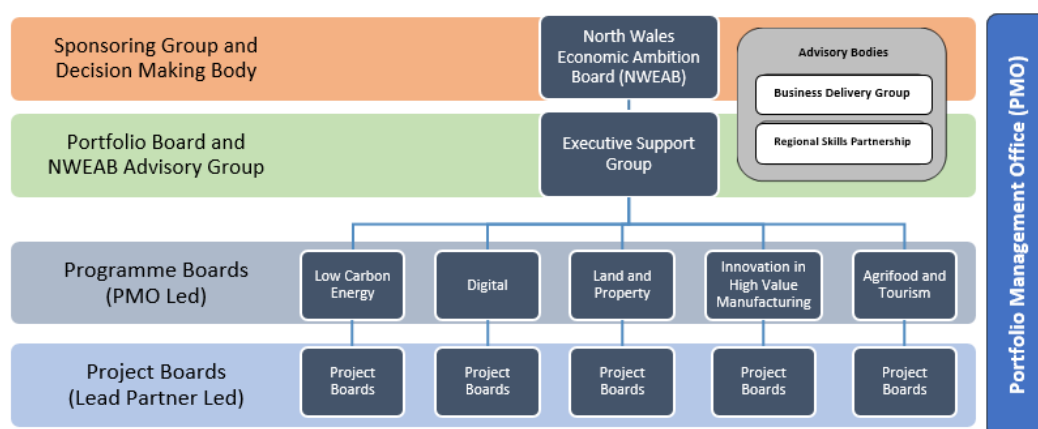
It is a key document providing a clear structure and foundation for taking the implementation of the Growth Deal forward.

### **Portfolio, Programme and Project Management Arrangements (PPM)**

The Board has adopted a delivery model based on a best practice approach to portfolio, programme and project management as set out in 'Government Functional Standard GovS 002: Project Delivery'. Portfolio, programme and project management is an integrated way of meeting an organisation's ambitions, driving better decisions and increasing the likelihood of successful outcomes.

The diagram below sets the PPM governance delivery structure for the Growth Deal:

Figure 1.3 Growth Deal Delivery Structure



Source: North Wales Economic Ambition Board

### Strategic and Portfolio Level

**North Wales Economic Ambition Board (Sponsoring Group)** - The Board acts as the Sponsoring Group (Organisation) and the Decision-Making Body. All authority below this level is delegated to relevant parties as required through a formal Board decision. A member of the Board will take on a Lead Member role for each of the programmes and sit on the relevant Programme Board. The Board will be responsible for the consideration and approval of project business cases within the portfolio and with responsibility for delivery delegated to the relevant programme and project boards.

**Executive Support Group (Portfolio Board)** - This group is the advisory body to the Economic Ambition Board but also acts as the Portfolio Board for the Growth Deal to support and challenge the Growth Deal Portfolio Director to ensure delivery. The group is made up of senior officers from each of the Economic Ambition Board's partner organisations. A member of the Executive Support Group will act as a Senior Responsible Owner (SRO) for each of the programmes and lead the relevant Programme Board.

**Programme Director** - The Portfolio Director is accountable to the Economic Ambition Board for the delivery of the Growth Deal portfolio.

### Programme and Project Level

**Portfolio Management Office (PMO)** – The PMO supports and co-ordinates activity across the programmes acting as an information hub and ensuring a consistent approach to reporting, control of risk and issues. It also acts as a valuable assurance function, providing advice and challenge to programmes and projects. Each programme is assigned a Programme Manager from within the PMO.

**Programme Boards** - Each programme will have a formal Programme Board and an appointed Senior Responsible Owner (SRO). These boards will be focused on the development (initially)



and delivery of the agreed Programme Business Case, with a specific focus on the benefits and outcomes to be achieved. Programme Boards escalate to the Portfolio Board via the Programme Director.

**Project Boards** - All projects within the Growth Deal will be managed via a Project Board with appointed SROs and project managers in place to ensure delivery. These boards will be focused on the development and delivery of the agreed business case, with a focus on the delivery of specified outputs. Projects and Project Boards will be the responsibility of the Lead Partner and clear arrangements for the delivery of projects in line with best practice will be set out in each project business case. Projects will report through to the relevant Programme Board. Terms of Reference for Project Boards will be agreed between the Lead Partner and the Portfolio Management Office to ensure the appropriate links and reporting arrangements between the project and the Programme Board are understood by both parties.

### **Standing Orders, delegated authority and terms of reference**

The Portfolio Management Office has been established by the Board to deliver the deal. They are employed by Gwynedd Council as the Accountable Body and generally operate to their standards, procedures and policies.

Governance Agreement 2 sets out the authority delegated to the Board by the Partner Organisations and what authority is delegated to the Programme Director. Terms of reference for the Board are included as part of Governance Agreement 2.

### **Resourcing**

The Portfolio Management Office has been established to deliver the North Wales Growth Deal. The Economic Ambition Board's Portfolio Management Office was established in January 2020 to oversee the delivery of the North Wales Growth Deal, its programmes and projects. Led by the Programme Director, the team includes experienced programme and project managers as well as operational staff. The team is supported specifically by legal and financial resources provided through the Accountable Body as well as a wide range of additional resources drawn from across the partnership.

### **Decision Making Process**

The North Wales Growth Deal partners are committed to putting in place robust decision-making and financial management processes to ensure that public money is spent responsibly and accounted for. The Board is a Local Authority executive joint committee and as such is subject to the requirements in relation to transparency, accountability, standards of governance, decision making and conduct which apply to such a body.

Decisions within the Economic Ambition Board's governance framework can be categorised at three levels:

- **Programme Director Matters** – decisions that the Programme Director can make
- **Joint Committee Matters** – decisions that the Board can make
- **Reserved Matters** – decisions that would require separate agreement of all partners

All decisions related to the delivery of Growth Deal as set out within this document within the agreed funding envelope for the partnership will be either Programme Director matters or Joint Committee matters.

The Board as a Joint Committee whilst having majority voting will seek to establish a consensus of all the Partners around all decisions relating to the Growth Deal.

It is recognised that the Board’s powers and duties relate to activities set out in the North Wales Growth Deal. Each constituent partner’s decision-making in relation to its own financial commitments will not be subject to Economic Ambition Board approval. The Economic Ambition Board working with the Accountable Body does however have a monitoring and assurance role with respect to the Growth Deal funding to ensure that it is spent in line with the Growth Deal objectives.

### **Project Approval Process**

The Growth Deal is agreed on the basis of a portfolio business case and five programme business cases. Once the final deal has been agreed, project business cases can be brought forward for the Board to consider.

Full (5 Case Model) business cases will be developed for each project within the North Wales Growth Deal in line with the ‘Better Business Case’ guidance developed by Welsh Government and HM Treasury.

Preparing a Project Business Case using the five Case model provides decision makers and stakeholders with a proven framework for structured ‘thinking’ and assurance that the project provides and strategic fit, maximise public value, is commercially viable, is affordable and is fundable over time.

Project business cases will be required to demonstrate how they deliver against the objectives and aspirations of the North Wales Growth Deal and specifically the relevant programme business case.

It is recognised that through the development and agreement of portfolio and programme business cases between the Economic Ambition Board and UK/Welsh Government that the strategic case for projects will have been established.

Each project business case will be subject to independent gateway reviews at agreed points as agreed with the Welsh Government Assurance Hub.

Project business cases will first be considered by the relevant Programme Board. Business cases will only be presented to the Economic Ambition Board following endorsement by the Portfolio Board and the Programme Board and the completion of required gateway reviews. The PMO retains the right to commission external reviews of project business cases where required.

## Change Management

Change management activities for the Growth Deal will be primarily managed via the Programme Boards and relevant Project Board within tolerances delegated by the Economic Ambition Board upon consideration of the project business case.

Significant changes outside these tolerances would need to be escalated to the Portfolio Board. Recommendations will then be presented to the Economic Ambition Board for a decision. Examples of such decisions may include changes to cost, scope, timescales and benefits. Any significant changes beyond the agreed governance framework for the Growth Deal, specifically changes that would lead to increase cost for the Board partners, would be considered a reserved matter and require the approval of all the individual partners.

Any new or replacement projects to be brought forward for consideration outside of the initial 14 projects must demonstrate delivery against the relevant programme business case and the objectives of the portfolio business case. Where those projects are within the existing agreed financial envelope for the partnership, those projects would be a matter for the Board to decide upon.

Projects that fall outside the remit of an agreed programme business case or those that would exceed the agreed financial envelope would be considered a 'reserved matter' for the Board partners.

## Role of Members/Accountability

It is the duty of all Board members to act in the best interests of the North Wales Growth Deal region. All private and third sector members will also be required to act in the interests of the North Wales Growth Deal region, foregoing any interest (if any) their own organisation may have in the North Wales Growth Deal and any related projects.

All members are expected to comply with the code of conducts of their respective organisations, the Economic Ambition Board's Conflict of Interest Policy and the values and aspirations of the North Wales Growth Deal.

Government representatives may attend in observer/advisory capacity and are not bound by the requirements of the Board's members.

## 8. Role of the Accountable Body

For the duration of the Growth Deal, the accountable body shall be responsible for receiving and allocating funds for and on behalf of the Board. The Accountable Body shall

- act diligently and in good faith in all its dealings with the other Parties and it shall use its reasonable endeavours to discharge the Parties' obligations in relation to the implementation of the Growth Deal and delivery of the Growth Vision.



- act as the primary interface for the Economic Ambition Board with Welsh Government, and UK Government and any other body as necessary in relation to the implementation of the Growth Deal.
- hold any funds received directly from Welsh Government, and UK Government, the Economic Ambition Board partners and/or any other sources (if any) in relation to the Growth Deal and only to use and release such funds as agreed in accordance with the terms of the Growth Deal;
- hold land and/ or any other assets procured under any project on trust for the Economic Ambition Board partners pursuant to the terms of the relevant Project Business Case.
- without assuming responsibility for the delivery of any specific Growth Deal project and within the limitation of the funding provided to it (as part of the Joint Committee Costs), provide the support services required to facilitate the work of the Board.
- without assuming responsibility for the delivery of any specific Growth Deal project, provide for the Host Authority's Chief Finance Officer ("s151 Officer") and Monitoring Officer (or their nominated deputies) (the "Monitoring Officer") to act, respectively, as the s151 Officer and Monitoring Officer to the Joint Committee; and
- have responsibility for, but not limited to administering the financial affairs of the Joint Committee (and its sub committees and groups established ), including accounting for VAT, keeping financial records, ensuring that the annual accounts of the Joint Committee are prepared in accordance with the Code of Practice on Local Authority Accounting and making arrangements for the external audit of the Joint Committee.
- employ the Portfolio Management Office to deliver the Growth Deal.

## 9. Monitoring and Evaluation

Programme and project performance will be monitored on a monthly basis through the relevant programme and project boards with formal quarterly reports submitted to the Portfolio Board and the North Wales Economic Ambition Board.

The Board has an adopted Risk Framework for the delivery of the North Wales Growth Deal. The Framework sets out how risks and issues will be managed at the appropriate level across the portfolio with clear escalation processes in place. The Strategy sets out the three levels of risk associated with the delivery of the Growth Deal – portfolio level risks, programme level risks and project level risks.

A Monitoring and Evaluation Plan has been developed for the North Wales Growth Deal. The key components of the Monitoring and Evaluation Plan are set out below:

- Monthly Highlight Reports for all programmes and projects;
- Formal Quarterly Reports to the Economic Ambition Board, UK Government and Welsh Government;

- Formal Annual Report to Economic Ambition Board, the Board's partners, UK Government and Welsh Government;
- Independent economic impact evaluation to be undertaken every 3-5 years against suite of indicators agreed with UK Government and Welsh Government.
- Wider benefits to be achieved through procurement, particularly social and community value will be monitored and evaluated to ensure maximum benefit is derived to the region from such activity.
- The Economic Ambition Board will work with the Welsh Government to ensure that evaluation against the Future Generations Act is a key component of all monitoring and evaluation activities.
- The Economic Ambition Board is committed to developing an appropriate feedback mechanism for the North Wales Growth Deal with both governments to ensure lessons learned during the delivery of the Growth Deal are captured and shared.

DRAFT

## **GA2 – SUMMARY OF KEY MATTERS**

### **1. BACKGROUND**

The Partners entered into an initial Governance Agreement 1 (GA1) in December 2018. This formally established the North Wales Economic Ambition Board (“NWEAB”) as a Joint Committee and defined the roles and responsibilities of the Partners within that relationship. It was an agreement designed to take the Partnership through the process leading up to Heads of Terms and through to final Deal Agreement. It also allowed for the creation of the capacity to take the implementation of the Growth Deal and Growth Vision forward once the Final Deal Agreement had been signed. As part of the next phase of the Growth Deal a second Governance Agreement (GA2) is proposed.

The parties to GA2 continue unchanged:

- Conwy County Borough Council
- Denbighshire County Council
- Flintshire County Council
- Gwynedd Council
- The Isle of Anglesey County Council
- Wrexham County Borough Council
- Bangor University
- Wrexham Glyndwr University
- Coleg Cambria
- Grwp Llandrillo Menai

### **2. COMMENCEMENT AND DURATION**

The agreement is intended to remain in force and effect for the period of the Growth Deal. It will come into force at the signing of the Final Deal Agreement committing the Partners to the Growth Deal. It will remain in full force and effect until such time as either all the Parties have withdrawn or all Parties agree to terminate the agreement. It also includes a so called “lock in period” which is an agreement that no party may operate the withdrawal provisions for the initial 6 years of GA2. This ensures stability for the Partnership and is based on the anticipated period of investment of the initial Growth Deal. Withdrawal after this period is possible on notice. However, any Partner who wishes to withdrawal will be required by the terms of GA2 to indemnify the remaining Partners against the financial impact of that withdrawal and in particular any existing and continuing contractual commitments.

### **3. GOVERNANCE PRINCIPLES AND FRAMEWORK**

#### **3.1 North Wales Economic Ambition Board**

GA1 established the North Wales Economic Ambition Board (“NWEAB”) as an “Executive” Joint Committee and that arrangement continues into GA2. As with GA1 the voting committee membership is made up of the Leaders of all 6 local authorities with the other parties to GA2 participating as Advisers. The key changes in GA2 are in relation to elements of the matters delegated to the NWEAB as it transitions into the delivery of both the Growth Vision and Growth Deal.

### **3.2 Executive Support Group**

The Executive Support Group was established under GA1 to co-ordinate professional advice to the NWEAB, oversee the deployment of resources and have responsibility for the performance management of the NWEAB work streams. It also acts as clearing house for reports to the NWEAB. Its membership includes senior officers from all the Partners and will also have presence from Welsh and UK as needed.

### **3.3 Portfolio Management Office**

The Portfolio Management Office was established under GA1 and provides the professional and staff resource to support and deliver the Growth Deal and Vision. It is led by the Programme Director. GA2 provides the framework for establishing employing and managing the Programme Office. It is funded by a combination of Partners Contributions and grant secured by the ESF.

### **3.4 Business Development Group**

The Heads of Terms made specific provision for the establishment of a private sector stakeholders group to advise and challenge the work of the NWEAB. The NWEAB had established the Business Delivery Group as part of its work leading up to the Final Deal Agreement and this now enshrined as a requirement in GA2.

### **3.5 Accountable Body**

From the outset in GA1 the NWEAB was established as a Joint Committee with Host Authority. This continues into GA2 with Gwynedd Council acting as Host Authority which has the core function of supporting the NWEAB by acting as a legal entity which enters into contracts, holds cash and assets and acts as employing body for the staff. It also provides support services for the NWEAB as a Joint Committee. The administrative requirements of the Growth Deal require that one Authority acts as the accountable body which enters into the formal Final Deal Agreement and accepts the Grant Offer Letter. This is a formal role which is undertaken by the Accountable Body on behalf of the Partnership but places responsibilities and obligations on IT. Ga2 provides for this arrangement and the protections and indemnities for the Accountable body in this role.

## **4. CODES OF CONDUCT AND CONFLICTS OF INTERESTS**

As with GA1 this agreement extends the provisions of the Members Code of Conduct in relation to declaration and management of Personal Interests to eth other Partners Representatives. In addition it also provides for a Conflicts of Interest Policy which is designed to ensure that Conflicts of Interests which may arise in the wider group of bodies established to support and manage the programmes are properly managed to ensure probity in the work of the NWEAB.

## **5. PARTNERS CONTRIBUTIONS**

The arrangements for Partners contributions towards the running costs of the NWEAB continues on the same basis as GA1. The Supplementary Contribution which was provided by the Councils is also incorporated in GA2 but as a Councils only matter.

	<b>Local Authority Contribution</b>	<b>HE/FE Annual Contributions</b>	<b>Total Annual Contribution</b>
<b>GA1 Annual Core Contributions*</b>	£50k per LA	£25k per partner	£400k
<b>Annual Supplementary Contribution</b>	£40k per LA	0	£240k

*\*GA2 provides that these contributions will be subject to inflation based annual increase.*

## 6. DELEGATION

The NWEAB derives its delegated authority from the Councils. This is a key aspect of GA2 and the governance of the partnership. Its delegation is also defined by reference to the financial limits on its decision making.

The specific delegations are split into 4 categories but generally there is no specific bar for onward delegation by the delegatee.

**Programme Director Matters** – Matters which are delegated to the Programme Director.

**Joint Committee Matters** – Matters which are matters which the Joint Committee can decide on.

**Matters Reserved to Partners** – Matters which require a decision of all the Partners individually.

**Matter reserved to Councils** – Matters which require a decision of all the Councils individually (these are limited to the Supplementary Contribution and voluntary establishment of a Corporate Joint Committee).

In most respects the delegation scheme remains largely unchanged in terms of substance. However, there are key aspects which have been developed in reflection of the move towards the implementation phase of the Growth Deal in particular:

- a) Portfolio and Programme management. It sets out the delegation to the NWEAB in relation to approving Project Business Cases and determining the inclusion of new Projects in the Programmes in accordance with the parameters set out in the Overarching Business Plan.
- b) That decisions which require increased or additional funding from the Partners will be Matters Reserved to the Partners.

## 7. SCRUTINY

As a local authority Executive Joint Committee the functions of the NWEAB are subject to Overview and Scrutiny. Although a Joint Scrutiny Committee could be established it is proposed that Local Scrutiny Committees retain this role. In order to facilitate this arrangement GA2 includes a Scrutiny Protocol which provides a basis for on-going updates to Scrutiny Committee in relation to the work of the NWEAB and also an agreed approach should a Call In be requested by any Scrutiny Committee.

## 8. BUSINESS PLANS

There are four categories of Business Plan within the Growth Deal which are relevant to GA2:

The **Overarching Business Plan** is adopted by the Partners and is intended to reflect the Partners strategy for the Growth Deal and how they anticipate that the NWEAB will deliver the programme on their behalf. The approval of the Overarching Business Plan is a Matter Reserved to Partners as is any material change to its contents. However, the NWEAB will be required to keep the document under regular review.

The **Portfolio and Programme Business Cases** are submitted by the NWEAB to both Governments initially as part of the Final Deal Agreement process and the management of the Growth Deal thereafter. **Project Business Cases** as the name implies are for individual Projects. They are not submitted to Governments for approval but need to accord with the overall scheme of the Portfolio and Programme Business Cases.

## 9. PARTNERS COMMITMENTS

GA2 also defines the financial commitment of the Partners to the Growth deal both in terms not only of the running costs but also in financing the cash flow implications of the way in which Growth Deal finance is drawn down from the Governments. So, the agreement sets out the ceiling of the borrowing costs which the Councils will be meeting. The NWEAB may not take any decisions in relation to Programmes or Project which would cause that limit to be exceeded without the consent of the individual Partners as a Matter Reserved.

## 10. WITHDRAWAL AND TERMINATION

Subject to the “Lock in” Period a Partner may withdraw from the GA2 on giving the requisite 12 months minimum notice. In the event that such a notice is served the Withdrawing Partner will be served with a Liability Notice which requires them to reimburse and indemnify the Partners against, in general terms, the costs and liabilities which remain or are incurred as a consequence.

## 11. GENERAL

GA2 also includes the general terms and conditions which are expected of a Welsh public joint venture agreement of this magnitude. These are transposed from GA1 and include how statutory duties and matters such as Data Protection and Freedom of Information are managed and applied.

- (1) CONWY COUNTY BOROUGH COUNCIL**
- (2) DENBIGHSHIRE COUNTY COUNCIL**
- (3) FLINTSHIRE COUNTY COUNCIL**
- (4) GWYNEDD COUNCIL**
- (5) THE ISLE OF ANGLESEY COUNTY COUNCIL**
- (6) WREXHAM COUNTY BOROUGH COUNCIL**
- (7) BANGOR UNIVERSITY**
- (8) GLYNDWR UNIVERSITY**
- (9) COLEG CAMBRIA**
- (10) GRWP LLANDRILLO MENAI**

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**GOVERNANCE AGREEMENT 2  
IN RELATION TO THE DELIVERY OF THE  
GROWTH DEAL**

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**BETWEEN:-**

- (1) **CONWY COUNTY BOROUGH COUNCIL** of PO Box 1, Conwy, LL30 9GN ("**Conwy Council**");
- (2) **DENBIGHSHIRE COUNTY COUNCIL** of PO Box 62, Ruthin, LL15 9AZ ("**Denbighshire Council**");
- (3) **FLINTSHIRE COUNTY COUNCIL** of County Hall, Mold, Flintshire, CH7 6NB ("**Flintshire Council**");
- (4) **GWYNEDD COUNCIL** of Gwynedd Council, Shirehall Street, Caernarfon, LL55 1SH ("**Gwynedd Council**");
- (5) **THE ISLE OF ANGLESEY COUNTY COUNCIL** of Council Offices, Llangefni, Anglesey, LL77 7TW ("**Isle of Anglesey Council**");
- (6) **WREXHAM COUNTY BOROUGH COUNCIL** of The Guildhall, Wrexham, LL11 1AY ("**Wrexham Council**");
- (7) **BANGOR UNIVERSITY** of Bangor, Gwynedd, LL57 2DG;
- (8) **GLYNDWR UNIVERSITY** of Mold Road, Wrexham, LL11 2AW;
- (9) **COLEG CAMBRIA** of Kelsterton Road, Connah's Quay, Deeside, Flintshire, CH5 4BR; and
- (10) **GRWP LLANDRILLO MENAI** of Llandudno Road, Colwyn Bay, LL28 4HZ;

(together referred to as the "**Parties**" and individually as a "**Party**").

**WHEREAS:-**

- (A) The GA1 Parties entered into the first governance agreement on 18 December 2018 ("**GA1**") to set up the Joint Committee and define their respective roles and responsibilities in relation to the Growth Deal up to the point when the Growth Deal is to be entered into by the Councils, the UK Government and the Welsh Government.
- (B) [The Growth Deal has now been signed on or about the date of this Agreement and the Parties wish to enter into this agreement, the second governance agreement (this "**Agreement**"),<sup>1</sup> to regulate their respective roles and obligations in relation to the implementation of the Growth Deal and delivery of the Growth Vision including (amongst other matters) the process and governance arrangements for the approval of investments and expenditure under the Growth Deal via Approved Projects. It is acknowledged and agreed by the Parties that, in signing this Agreement, the GA1 been brought to an end and has been superseded and replaced by this Agreement. References to this "**Agreement**" and "**GA2**" shall mean the same.
- (C) The Parties have established the Joint Committee as the entity that will ultimately be responsible for overseeing the implementation of the Growth Deal and the delivery of the Growth Vision. The Joint Committee consists of the Councils as the formal members of the Joint Committee supported by the Advisers. The Councils are each a Party to this Agreement, have voting rights and obligations to financially contribute to the Joint Committee as more particularly set out in this Agreement. The Advisers, save for the Business Delivery Board, are each a Party to this Agreement and have obligations to financially contribute to the Joint Committee. The Advisers, save for the Business Delivery Board, shall advise the Councils but will not have formal voting rights in relation to any Joint Committee Matter put before the Joint Committee but will, alongside the Councils, be required to decide upon any "Reserved Matters" as more particularly set out in this Agreement.
- (D) The Parties have agreed to appoint Gwynedd Council to act as the Host Authority for and on behalf of the Parties and to discharge the Joint Committee's obligations in relation to the implementation of

<sup>1</sup> PM: To be updated to reflect Final Deal Terms.

the Growth Deal and delivery of the Growth Vision pursuant to and in accordance with this Agreement.

- (F) The Business Delivery Board is an unincorporated volunteer group of business sector experts in the region that has been established as a sub-group to the Joint Committee. Consequently, the Parties wish to invite the Chair of the Business Delivery Board to be an "Adviser" to the Joint Committee but, it is acknowledged and agreed that, the Chair and/or the Business Delivery Board will not be a signatory to this Agreement, is not a Party to this Agreement, and has no voting rights in relation to any Joint Committee Matter or any Reserved Matter or any obligations to make any financial contribution to the Joint Committee. The Business Delivery Board's draft terms of reference are set out in Part 5 of Schedule 2 (Terms of Reference) of this Agreement which shall be reviewed and approved by the Joint Committee as a Joint Committee Matter.
- (G) By entering into this Agreement, the Parties also confirm and accept the change of name of the Portfolio Management Office to the Portfolio Management Office to reflect its terms of reference and remit.
- (H) The Councils wish to enter into this Agreement and deliver the Growth Deal pursuant to the powers conferred on them by sections 101, 102, 111 and 113 of the Local Government Act 1972, section 1 of the Local Authority (Goods & Services) Act 1970, section 25 of the Local Government (Wales) Act 1994, section 2, 19 and 20 of the Local Government Act 2000, section 9 of the Local Government Wales Measure 2009 and all other enabling powers now vested in the Councils.<sup>2</sup>

## 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement and the recitals, unless, the context otherwise requires the following terms shall have the meaning given to them below:-

<b>"Accounting Period"</b>	means those periods set out in paragraph 1 of Schedule 7 (Accounting Periods) as may be amended from time to time in accordance with the terms of this Agreement
<b>"Advisers"</b>	means the representatives of the bodies and individuals listed below plus, subject to Clause 9.2.4 (Role of the Advisers), any further individuals and/or bodies whom the Joint Committee chooses to invite in that capacity from time to time:-  (a) Bangor University; (b) Coleg Cambria; (c) Grwp Llandrillo Menai; (d) Glyndwr University; and (e) Chair of the Business Delivery Board acting on behalf of the Business Delivery Board
<b>"Adviser Led Project"</b>	means Approved Project lead by a Project Sponsor who is an Adviser (and not a Council)
<b>"Advisers' Contribution"</b>	has the meaning given in Clause 15.5.1(a)(iv) (Funding)
<b>"Advisers' Individual Contribution"</b>	has the meaning given in Clause 15.5.6(b) (Advisors' Contribution)

<sup>2</sup> PM: Parties to please consider and satisfy themselves as to the powers that they have to enter into this Agreement. Please confirm or raise any queries if any concerns.

<b>"Annual Budget"</b>	means the annual budget of the Host Authority held for and on behalf of the Joint Committee as set out in Clause 15.4 (Annual Budget) which includes payment of any Joint Committee Costs in accordance with this Agreement
<b>"Annual Budget Contributions"</b>	has the meaning given in Clause 15.4.2 (Annual Budget)
<b>"Approved Projects"</b>	means any project contained within a Project Business Case approved for investment by the Joint Committee in accordance with Clause 14 (Approval Process)
<b>"Back-to-Back Agreement"</b>	has the meaning given in Clause 15.5.4(f) (Councils' Contribution and Advisors' Contribution)
<b>"Business Day"</b>	means any day other than a Saturday or Sunday or a public or bank holiday in England and/or Wales
<b>"CEDR"</b>	means the Centre for Dispute Resolution
<b>"Commencement Date"</b>	means the date of this Agreement
<b>"Confidential Information"</b>	all know-how and other information whether commercial, financial, technical or otherwise relating to the business, affairs or methods of all or any Party, which is contained in or discernible in any form whatsoever (including without limitation software, data, drawings, films, documents and computer-readable media) whether or not marked or designated as confidential or proprietary or which is disclosed orally or by demonstration and which is described at the time of disclosure as confidential or is clearly so from its content or the context of disclosure
<b>"Conflicts Policy"</b>	has the meaning given in Clause 3.5.12(a) (Conflicts Policy);
<b>"Council Matter"</b>	has the meaning given in Clause 5.2 (Council Matter);
<b>"Councils"</b>	means the following:- <ul style="list-style-type: none"> <li>(a) Conwy Council;</li> <li>(b) Denbighshire Council;</li> <li>(c) Flintshire Council;</li> <li>(d) Gwynedd Council;</li> <li>(e) Isle of Anglesey Council; and</li> <li>(f) Wrexham Council</li> </ul>
<b>"Councils' Contribution"</b>	Has the meaning given in Clause 15.5.1(a)(iii) (Funding);

<b>"Councils' Supplementary Payments"</b>	means the annual payment of £40,000 (forty thousand pounds each) provided by each Council on an ongoing basis to the Joint Committee to partly fund the Annual Budget of the Joint Committee. For the avoidance of doubt, such annual payment is in addition to any Annual Budget Contribution and the Councils' Contribution to be provided pursuant to this Agreement and is to be disregarded for the purposes of calculating each Party's liability under the definition of "Proportionate Basis" and "Population Basis".
<b>"Decision Period"</b>	means the period of twenty (20) Business Days from the date of the Liability Report or such other longer time as is unanimously agreed by all the Joint Committee
<b>"Delegations Policy"</b>	means the allocation of delegation set out in Schedule 1
<b>"Data Protection Legislation"</b>	means the Data Protection Act 2018 and General Data Protection Regulations
<b>"Defaulter Exit Date"</b>	means, where the material breach is not capable of remedy, the day after the date that the notice served pursuant to Clause 2.3 is deemed to be served or, where the material breach is capable of remedy, the day after the last day that the breach can be remedied and it has not been remedied in that period as set out in the notice;
<b>"Executive Support Group"</b>	means the team established by the Partners to support the Joint Committee and to give direction and advice to the Portfolio Management Office on the implementation of the Joint Committee's decisions as more particularly set out in Clause 10 (Executive Support Group) and Part 2 of Schedule 3 (Executive Support Group's Terms of Reference)
<b>"GA1 Parties"</b>	means all the Councils and Advisers (a), (b), (c) and (d) only
<b>"GA Code of Conduct"</b>	means the code of conduct for the Advisers set out in Schedule 7
<b>"Gateway Review"</b>	means an independent assessment of programs and projects to assess the progress and likelihood of successful delivery anticipated to be on an annual basis
<b>"Grant Offer Letter"</b>	means the letter from the Welsh Government and the UK Government to the Parties which confirms the terms and conditions of the Growth Deal and the funding to be provided and is appended to this Agreement at Schedule 12 (Grant Offer Letter)
<b>"Growth Deal" or "North Wales Growth Deal"</b>	means the agreement between the Welsh Government, the UK Government and the Parties to work together for the people and businesses of North Wales, and deliver local projects which will increase opportunity and prosperity in communities across the region as more particularly set out in the Grant Offer Letter on or about the date of this Agreement in which sets out the terms of the "North Wales Growth Deal"
<b>"Growth Deal Contribution"</b>	means the HMT Contribution and the WG Contribution

<b>"Growth Vision"</b>	means the strategy for economic growth and development within the North Wales Region agreed jointly by the Parties and appended to this Agreement at Schedule 9
<b>"Host Authority"</b>	means the Council appointed under Clause 6 (Host Authority) who shall be responsible for receiving and allocating funds for and on behalf of the Parties for Approved Projects under the Growth Deal and whose duties are set out under Clause 7 (Duties of the Host Authority) and references to Host Authority and Host Authority shall mean the same
<b>"HMT"</b>	means Her Majesty's Treasury, a ministerial department of the UK Government
<b>"HMT Contribution"</b>	means as defined in Clause <b>15.5.1(a)(i)</b> (Funding)
<b>"HMT Funding Conditions"</b>	means as defined in Clause <b>15.5.2(a)(ii)</b> (HMT Contribution)
<b>"Implementation Plan"</b>	means the implementation plan that sets out, amongst other things, the indicative process and timeline for the procurement and implementation of the Growth Deal and is attached to the [Grant Offer Letter] which is attached at Schedule 12 (Grant Offer Letter) of this Agreement. For the avoidance of doubt, this is a live document that forms part of Schedule 12 for information only to confirm the position as at the Commencement Date but will be updated from time to time by the Parties in accordance with the terms of the Grant Offer Letter
<b>"Intellectual Property"</b>	any and all patents, trademarks, trade names, copyright, moral rights, rights in design, rights in databases, know-how and all or other intellectual property rights whether or not registered or capable of registration and whether subsisting in the United Kingdom or any other part of the world together with all or any goodwill relating to them and the right to apply for registration of them
<b>"Internal Costs"</b>	means as defined in paragraph 1.1 of Schedule 5 (Heads of Expenditure)
<b>"IP Material"</b>	the Intellectual Property in the Material
<b>"Integrated Assurance and Approval Plan"</b>	means the document to be submitted to WG as part of the Joint Committee's reporting and approval process with WG in relation to the Growth Deal
<b>"JC Unresolved Matter"</b>	means as defined in Clause 9.6.5 (Joint Committee)
<b>"Joint Committee"</b>	means the joint committee established by the GA1 Parties pursuant to the terms of the GA1 and expanded under this Agreement to include the Councils and the Advisers and reference to the North Wales Economic Ambition Board, NWEAB, the Economic Ambition Board and/or EAB shall mean the same

<b>"Joint Committee Costs"</b>	means as defined in paragraph 1.2 of Schedule 5 (Heads of Expenditure) and excluding any Internal Costs (save for the Internal Costs of the Host Authority in carrying out the duties of the Host Authority which shall be accounted for as Joint Committee Costs)
<b>"Joint Committee Matter"</b>	shall have the meaning given to it in Clause 5.1.2
<b>"Joint Committee Meeting"</b>	means a meeting of the Joint Committee duly convened in accordance with Clause 9 (Joint Committee)
<b>"Liability Report"</b>	means a report prepared by the Host Authority (or such other Council nominated under Clause 19.3 (Withdrawal)) acting reasonably setting out the financial and resource commitments of the relevant Party under Clause 19 (Withdrawal) or 20 (Consequences of Termination) including the items set out in Schedule 7 (Liability Report)
<b>"Loan Funds"</b>	has the meaning given in Clause 15.5.4(a)(i)
<b>"Local Authority"</b>	a principal council (as defined in section 270 of the Local Government Act 1972) or any body of government in Wales established as a successor of a principal council
<b>"Lock In Period"</b>	means six (6) years from the date of this agreement;
<b>"Material"</b>	all data, text, graphics, images and other materials or documents created, used or supplied by a Party in connection with this Agreement unless before the first use or supply, the Party notifies the other Parties that the data, text supplied is not to be covered by this definition
<b>"Member's Code of Conduct"</b>	means, in respect of any Council, the respective code of conduct for that Council which their members are bound to comply with;
<b>"Monitoring Officer"</b>	means as defined in Clause 7.1.6 (Duties of the Host Authority)
<b>"NNDR"</b>	means the National Non Domestic Rates
<b>"Overarching Business Plan" or "OBP"</b>	means the overarching business plan approved and adopted by the Parties at the Commencement Date to regulate the implementation of the Growth Deal and the Growth Vision
<b>"Personal Data"</b>	means the personal data as defined in the Data Protection Legislation
<b>"Population Basis"</b>	means the relevant proportion for each Council ("A%") by reference to their respective fractional contribution as set out in Clause 15.5.4(g) (Council's Contribution) which applies in relation to the Council's Contribution only;

<b>"Portfolio Business Case"</b>	means a detailed business case for a portfolio of Programmes and Projects which is subject to approval by the UK and Welsh Governments and provides detail to the UK and Welsh Governments as to how the Joint Committee intends to deliver the Growth Deal
<b>"Portfolio Management Office"</b>	means the team lead by the Programme Director established by the Joint Committee to assist the Joint Committee to implement the Growth Deal and Growth Vision, to liaise with the Executive Support Group as more particularly set out in Part 2 (Portfolio Management Office) and Part 3 of Schedule 2 (Portfolio Management Office's Terms of Reference)
<b>"Programme"</b>	means the five key programmes as more particularly set out in the Growth Deal: <ul style="list-style-type: none"> <li>• innovation in high value manufacturing</li> <li>• low carbon energy</li> <li>• agrifood and tourism</li> <li>• digital connectivity</li> <li>• land and property</li> </ul>
<b>"Programme Business Case"</b>	means a detailed business case for the development and implementation of a Programme which is subject to approval by the UK and Welsh Governments
<b>"Programme Director"</b>	means the officer appointed as the programme director of the Growth Deal and Growth Vision
<b>"Programme Director Matter"</b>	shall have the meaning given to it in Clause 5.1.1
<b>"Project Business Case"</b>	means a detailed business case for the development and implementation of a Project which, once approved by the Joint Committee in accordance with Clause 14 (Approval Process), will result in that Project being an Approved Project and the Project Business Case shall regulate the investment into and delivery of that Approved Project
<b>"Project Sponsor"</b>	means an Adviser or third party or, in the case of a Regional Project, the Host Authority (or another Council) acting on behalf of the Joint Committee leading the delivery of an Approved Project
<b>"Proportionate Basis"</b>	means the relevant proportion for each Party by reference to their respective fractional contribution as set out as follows:

<b>Parties</b>	<b>Proportion of Contribution</b>
Conwy Council	1/8
Denbighshire Council	1/8
Flintshire Council	1/8
Gwynedd Council	1/8



The Isle of Anglesey Council	1/8
Wrexham Council	1/8
Bangor University	1/16
Wrexham University	1/16
Coleg Cambria	1/16
GRWP Llandrillo Menai	1/16

<b>"Quarter Period"</b>	means those periods set out in paragraph 2 of Schedule 7 (Accounting Periods) as may be amended from time to time in accordance with the terms of this Agreement
<b>"Quarterly Report"</b>	means as defined in Clause 13.5.1 (Progress Monitoring)
<b>"Regional Project"</b>	means an Approved Project led by Host Authority on behalf of the Joint Committee for the benefit of the region
<b>"Reserved Matter"</b>	shall have the meaning given to it in Clause 5.1.3
<b>"s151 Officer"</b>	means as defined in Clause 7.1.6 (Duties of the Host Authority)
<b>"Translation Costs"</b>	means translation costs incurred by the Host Authority in complying with any applicable legislation relating to its obligations under this Agreement
<b>"UKG"</b>	UK Government
<b>"WG"</b>	Welsh Government
<b>"WG Contribution"</b>	means as defined in Clause 15.5.1(a)(ii) (Funding)
<b>"WG Funding Conditions"</b>	means as defined in Clause 15.5.3 (WG Contribution)
<b>"Withdrawal Notice"</b>	means as defined in Clause 19.3

## 1.2 Interpretation

In this Agreement, except where the context otherwise requires:-

- 1.2.1 the singular includes the plural and vice versa;
- 1.2.2 a reference to any Clause, paragraph, Schedule or recital is, except where expressly stated to the contrary, a reference to such Clause, paragraph, schedule or recital of and to this Agreement;
- 1.2.3 any reference to this Agreement or to any other document shall include any permitted variation, amendment or supplement to such document;
- 1.2.4 any reference to legislation shall be construed as a reference to any legislation as amended, replaced, consolidated or re-enacted;

- 1.2.5 a reference to a public organisation (to include, for the avoidance of doubt, any Council) shall be deemed to include a reference to any successor to such public organisation or any organisation or entity which has taken over either or both functions and responsibilities of such public organisation;
- 1.2.6 a reference to a person includes firms, partnerships and corporations and their successors and permitted assignees or transferees;
- 1.2.7 the clause, paragraph and Schedule headings and captions in the body of this Agreement do not form part of this Agreement and shall not be taken into account in its construction or interpretation;
- 1.2.8 words preceding "**include**", "**includes**", "**including**" and "**included**" shall be construed without limitation by the words which follow those words;
- 1.2.9 words importing the masculine shall be construed as including the feminine or the neuter or vice versa; and
- 1.2.10 any reference to the title of an officer of any of the Councils shall include any person holding such office from time to time by the same or any title substituted thereafter or such other officer of the relevant Council as that Council may from time to time appoint to carry out the duties of the officer referred to.

### 1.3 Schedules

- 1.3.1 The Schedules to this Agreement form part of this Agreement.
- 1.3.2 In the event of any discrepancy between the Clauses and the Schedules, the Clauses shall take priority.
- 1.3.3 In the event of any discrepancy between the Schedules, Schedule 1 (Delegations Policy) shall priority over all other Schedules.

## 2. COMMENCEMENT, DURATION AND TERMINATION

### 2.1 Commencement

This Agreement shall take effect on the Commencement Date.

### 2.2 Duration of the Agreement

This Agreement shall continue in full force and effect from the Commencement Date until the earlier of:

- (a) all the Parties agree in writing to its termination and the consequences of such termination; or
- (b) there is only one remaining Council who has not withdrawn from this Agreement in accordance with Clause 19 (Withdrawal).

### 2.3 Termination

- 2.3.1 Without prejudice to any other rights or remedies, this Agreement may be terminated in relation to any Party ("**Defaulter**") by the other Parties ("**Non-Defaulting Parties**") acting unanimously in giving written notice to the Defaulter effective on receipt where the Defaulter materially breaches any of the provisions of this Agreement and in the case of a breach capable of remedy fails to remedy the same within thirty (30) Business Days (or such other period as agreed by the Non-Defaulting Parties) of being notified of each breach in writing by the Non-Defaulting Parties and being required to remedy the same. The decision to give written notice to the Defaulter shall be a Reserved Matter.

2.3.2 Subject always to the provisions set out in Clause 20 (Consequences of Termination), where notice is given under Clause 2.3.1 above and the material breach is not capable of remedy or, in the case of a breach capable of remedy, the Defaulter fails to remedy such breach within the time period set out in the notice above, Clause 20 (Consequences of Termination) of this Agreement shall apply and the Defaulter shall be deemed to have withdrawn from its role as a Council member of the Joint Committee or Adviser for the Joint Committee (as applicable) and a Party to this Agreement as at the Defaulter Exit Date.

### 3. **PRINCIPLES AND KEY OBJECTIVES**

3.1 The Parties intend this Agreement to be legally binding.

3.2 The Parties agree to work together to discharge the Parties' obligations in relation to the implementation of the Growth Deal and the Growth Vision pursuant to and in accordance with this Agreement.

3.3 The Parties agree and acknowledge that the Growth Deal and Growth Vision shall be delivered in accordance with the:-

- (a) Implementation Plan;
- (b) OBP;
- (c) any Portfolio Business Case;
- (d) any Programme Business Case; and
- (e) the Project Business Cases.

#### 3.4 **Objectives**

The Parties acknowledge and agree that the North Wales Growth Vision objectives are:-

- 3.4.1 to improve the economic, social, environmental and cultural well-being of the North Wales Region;
- 3.4.2 to support and retain young people in the communities situated in the North Wales Region;
- 3.4.3 to address worklessness and inactivity across the North Wales Region; and
- 3.4.4 to support and enable private sector investment in the North Wales Region, to boost economic productivity and to improve the economic and employment performance of the North Wales Region.

#### 3.5 **Principles**

Without prejudice to the terms of this Agreement, the Parties agree that they will conduct their relationship in accordance with the following principles:-

##### 3.5.1 **Openness and Trust**

In relation to this Agreement the Parties will be open and trusting in their dealings with each other, make information and analysis available to each other, discuss and develop ideas openly and contribute fully to all aspects of making the joint working successful. Whilst respecting the mutual need for commercial confidentiality, the Parties will willingly embrace a commitment to transparency in their dealings and in particular a need to comply with statutory access to information requirements including the Environmental Information Regulations 2004 and the Freedom of Information Act 2000 and supporting codes of practice. The Parties will be aware of the need for and respect matters of commercial confidentiality and potential sensitivity;

**3.5.2 Commitment and Drive**

The Parties will be fully committed to working jointly, will seek to fully motivate employees and will address the challenges of delivering the Growth Deal with enthusiasm and a determination to succeed;

**3.5.3 Skills and Creativity**

The Parties recognise that each brings complimentary skills and knowledge which they will apply creatively to achieving the Parties' objectives, continuity, resolution of difficulties and the development of the joint working relationship and the personnel working within it. It is recognised that this will involve the appreciation and adoption of common values;

**3.5.4 Effective Relationships**

The roles and responsibilities of each Party will be clear with relationships developed at the appropriate levels within each organisation with direct and easy access to each other's representatives;

**3.5.5 Developing and Adaptive**

The Parties recognise that they are engaged in what could be a long term business relationship which needs to develop and adapt and will use reasonable endeavours to develop and maintain an effective joint process to ensure that the relationship develops appropriately and in line with these principles and objectives;

**3.5.6 Reputation and Standing**

The Parties agree that, in relation to this Agreement and the Growth Deal generally, they shall pay the utmost regard to the standing and reputation of one another, and act with regard to each Party's own employer and member codes of conduct and shall not do or fail to do anything which may bring the standing or reputation of any other Party into disrepute or attract adverse publicity to any other Party.

**3.5.7 Act in the Public Interest**

The Parties acknowledge and agree that the Joint Committee is a public body administering and directing public resource and finance in the public interest. The Parties and each representatives of the Parties has a duty to accordingly act in accordance with that fundamental duty – to act solely in the public interest.

**3.5.8 Reasonableness of Decision Making**

The Parties agree that all decisions made in relation to this Agreement and the Growth Deal generally shall be made by them acting reasonably and in good faith;

**3.5.9 Necessary Consents**

Each Party hereby represents to the other Parties that it has obtained all necessary consents sufficient to ensure the delegation of functions and responsibilities provided for by this Agreement; and

**3.5.10 Members, Officers, Directors and Employees Commitments**

Each Party shall use its reasonable endeavours to procure that their respective members, officers, directors and employees who are involved in the Growth Deal shall at all times act in the best interests of the Growth Deal, and act with regard to each Party's own employer

and member codes of conduct, devote sufficient resources to deliver the Growth Deal and respond in a timely manner to all relevant requests from the other Parties.

#### 3.5.11 Code of Conduct

- (a) The Councils agree, in relation to this Agreement, the implementation of the Growth Deal and the delivery of Growth Vision that their members conduct will be governed by their respective Council Codes of Conduct for Members as amended from time to time when acting as a Member of the Joint Committee.
- (b) The Advisers agree, in relation to this Agreement, the implementation of the Growth Deal and the delivery of the Growth Vision that they shall act in accordance with the GA Code of Conduct when acting as an Adviser of the Joint Committee.
- (c) In all other respects, any representatives in any other group or sub-group including but not limited to the Executive Support Group and the Portfolio Management Group shall follow the Conflicts Policy only.

#### 3.5.12 Conflicts Policy

- (a) The Parties agree and shall comply with the conflicts of interest policy ("**Conflicts Policy**") of NWEAB which is attached at Schedule 11 (Conflicts Policy) which sets out the guidelines and procedures for identifying, monitoring and managing actual and potential conflicts of interest.
- (b) The Conflicts Policy is intended to complement, and work alongside, the Codes of Conduct. However, please report any discrepancy immediately to the NWEAB's Monitoring Officer in accordance with Schedule 11 (Conflicts Policy).
- (c) It is acknowledged and agreed that:
  - (i) in the event of any discrepancy between the relevant Council Code of Conduct and the Conflicts Policy, the relevant Council Code of Conduct shall take precedence; and
  - (ii) in the event of any discrepancy between the GA Code of Conduct and the Conflicts Policy, the Conflicts Policy shall take precedence.

## 4. GOVERNANCE

4.1 The Parties acknowledge and agree that this Agreement contains the key governance provisions to be followed by the Parties in relation to implementation of the Growth Deal and the delivery of the Growth Vision to include (but not limited to) the following key principles:

- 4.1.1 the Parties have formed the Joint Committee as more particularly detailed in Clause 9 (Joint Committee) and appointed the Host Authority as set out in Clause 6 and 7 of this Agreement;
- 4.1.2 the Joint Committee and the Host Authority are supported by the Executive Support Group (Clause 10) and the Portfolio Management Office (Clause 11), the Transport Sub-Committee and any other sub-committees or sub-groups established by the Joint Committee pursuant to Clause 9.9.1 (Sub-Committees and Sub-Groups) and the Programme Director is responsible for the management of the Portfolio Management Office and reports directly to the Joint Committee; and
- 4.1.3 Clause 5 (Decision Making) details the key decision making powers of the Joint Committee and Clause 12 (Scrutiny) contains key scrutiny provisions.

## 5. **DECISION MAKING**

5.1 In terms of the need for decisions and other actions to be taken and carried out during the term of this Agreement, the Parties have identified the following three categories together with the means by which they will be taken:-

5.1.1 **"Programme Director Matter"** - being a matter which it is expected that the Programme Director will be able to make a decision upon and have the power to bind the Parties and the Joint Committee in doing so;

5.1.2 **"Joint Committee Matter"** – being a matter which it is expected that the Council representative (or appropriate deputy) of each Council appointed pursuant to this Agreement (but not the Adviser representatives) upon which it will be able to make a decision upon and have the power to bind the Parties and the Joint Committee in doing so; and

5.1.3 **"Reserved Matter"** – being a matter which, subject to Clause 5.2 (Council Matter), will have to be referred to each Party for a decision and, for the avoidance of doubt, that matter requiring a decision will not be dealt with by the Joint Committee until the decision shall have been agreed unanimously by all of the Parties and such decision (once reached) shall bind the Parties and the Joint Committee in doing so,

and in each case, such matters are identified in Schedule 1 (Delegations Policy).

### 5.2 **Council Matter**

5.2.1 Notwithstanding the provisions set out in Clause 5.1 (Decision Making) and elsewhere in this Agreement, it is acknowledged and agreed that any decision in relation to a Council Matter will be a matter for the Councils only (and not the Advisers) and, for the avoidance of doubt, a Council Matter shall not be dealt with by the Joint Committee until the decision shall have been agreed unanimously by all of the Councils and such decision (once reached) shall bind the Parties and the Joint Committee in doing so.

5.2.2 A **"Council Matter"** means:

- (a) any change to the Councils' Supplementary Payments; and/or
- (b) a decision pursuant to Clause 9.1.3 (Corporate Joint Committee).

## 6. **THE HOST AUTHORITY**

6.1 The Parties (acting severally) have agreed, with effect from the Commencement Date, that Gwynedd Council will act as the Host Authority responsible for discharging the Parties' obligations in relation to the Growth Deal and otherwise supporting the Joint Committee pursuant to and in accordance with this Agreement for and on behalf of the Parties and Gwynedd Council agrees to act in that capacity subject to and in accordance with the terms and conditions of this Agreement.

6.2 Gwynedd Council may in its absolute discretion elect to withdraw from its role as Host Authority to the Joint Committee (but remain as a Council member of the Joint Committee and a Party to this Agreement) by giving written notice of such intent to each Party that it wishes to withdraw from its role as Host Authority commencing three months from the date the notice is deemed to be served.

6.3 Where the Host Authority defaults and the Agreement is terminated in respect of it pursuant to Clause 2.3 (Termination) or the Host Authority withdraws pursuant to Clause 6.2 (The Host Authority) above or withdraws from the Agreement pursuant to Clause 19 (Withdrawal), then the replacement Host Authority will be appointed by the Joint Committee and the withdrawing or, as applicable, defaulting Host Authority will not have the right to vote in regard to any such appointment.

6.4 Where a replacement Host Authority is appointed pursuant to Clause 6.3 above, any reference to Gwynedd Council (in its capacity as the initial Host Authority) shall be read with reference to the

replacement Host Authority and Gwynedd Council shall use its reasonable endeavours to ensure the smooth hand over of all key information and documentation relating to the Growth Deal to the replacement Host Authority including (but not limited to) facilitating the novation/assignment of the Grant Offer Letter to the new replacement Host Authority where required by the Joint Committee.

6.5 The Host Authority shall act as the Host Authority and shall receive:-

6.5.1 any Growth Deal Contribution received for and on behalf of the Parties;

6.5.2 the Councils' Contribution;

6.5.3 the Advisers' Contributions;

6.5.4 the Annual Budget Contributions;

6.5.5 the Councils' Supplementary Contributions; and

6.5.6 any other funding that may be received from time to time in relation to the Growth Deal,

and shall hold and manage such funds in accordance with the terms of this Agreement.

## 7. DUTIES OF THE HOST AUTHORITY

7.1 For the duration of this Agreement, the Host Authority shall:-

7.1.1 act diligently and in good faith in all its dealings with the other Parties and it shall use its reasonable endeavours to discharge the Parties' obligations in relation to the implementation of the Growth Deal and delivery of the Growth Vision pursuant to and in accordance with this Agreement and all applicable legislation including but not limited to:-

(a) the Well-being of Future Generations (Wales) Act 2015;

(b) Welsh Language (Wales) Measure 2011;

(c) any compliance notice issued under the Welsh Language (Wales) Measure 2011 in respect of the Joint Committee (if applicable); and

(d) the Local Authorities (Executive Arrangements) (Decisions, Documents and Meetings) (Wales) Regulations 2001 (as amended);

7.1.2 act as the Host Authority and primary interface (on behalf of itself and the other Parties) with the WG, the UKG and the European Regional Development Fund and any other body necessary to discharge the Parties' obligations in relation to the implementation of the Growth Deal and delivery of the Growth Vision;

7.1.3 act as the Host Authority to hold any funds received directly from WG, UKG, the European Regional Development Fund (if any), the Parties and/or any other sources (if any) in relation to the Growth Deal and only to use and release such funds as agreed in accordance with the terms of such funding and this Agreement;

7.1.4 act as the Host Authority to hold land and/ or any other assets procured under any Approved Project on trust for the Parties pursuant to the terms of the relevant Project Business Case and such Project Business Case shall detail the purchase, leasing or otherwise of any assets as well as the disposal of the same.

7.1.5 without assuming responsibility for the delivery of any specific Growth Deal project and within the limitation of the funding provided to it (as part of the Joint Committee Costs), provide the support services required to facilitate the work of the Joint Committee (and its sub committees and groups established pursuant to Clauses 9.7.4 and 9.8), including, but not limited to, financial, human resources, legal, ICT, estates, information management,

internal audit and procurement services. For the avoidance of doubt, the provisions of this Clause 7.1.5 shall not serve to fetter the ability of the Host Authority to enter into arrangements with any of the other Parties to provide the aforementioned services on its behalf.

- 7.1.6 without assuming responsibility for the delivery of any specific Growth Deal project, provide for the Host Authority's Chief Finance Officer ("**s151 Officer**") and Monitoring Officer (or their nominated deputies) (the "**Monitoring Officer**") to act, respectively, as the s151 Officer and Monitoring Officer to the Joint Committee; and
- 7.1.7 without limitation to its roles under the preceding provision of this Clause 7.1.7, have responsibility for, but not limited to administering the financial affairs of the Joint Committee (and its sub committees and groups established pursuant to 9.7.4 and 9.8), including accounting for VAT, keeping financial records, ensuring that the annual accounts of the Joint Committee are prepared in accordance with the Code of Practice on Local Authority Accounting and making arrangements for the external audit of the Joint Committee.
- 7.1.8 employ the Portfolio Management Office as set out in Clause 11 (Portfolio Management Office).

## 8. DUTIES OF THE OTHER PARTIES

- 8.1 For the duration of this Agreement, the other Parties shall act diligently and in good faith in all their dealings with the Host Authority and shall use their respective reasonable endeavours to assist the Host Authority to discharge the Parties' obligations in relation to the implementation of the Growth Deal and delivery of the Growth Vision pursuant to and in accordance with this Agreement and all applicable legislation including but not limited to:-
  - 8.1.1 the Well-being of Future Generations (Wales) Act 2015;
  - 8.1.2 Welsh Language (Wales) Measure 2011;
  - 8.1.3 any compliance notice issued under the Welsh Language (Wales) Measure 2011 to any individual Party; and
  - 8.1.4 the Local Authorities (Executive Arrangements) (Decisions, Documents and Meetings) (Wales) Regulations 2001 (as amended);
- 8.2 It is acknowledged and agreed that the obligations and liabilities of each Party shall bind any successor entity in the event of any Council or Adviser re-organisation.

## 9. JOINT COMMITTEE

### 9.1 Establishment of the Joint Committee

- 9.1.1 The Councils have established the Joint Committee in accordance with this Agreement for the purposes of:-
  - (a) co-ordinating the planning and delivery of the Growth Deal and the Growth Vision;
  - (b) providing direction for key strategies in support of paragraph (a) uwchben, in particular transport, skills and employment, economic development and land use planning;
  - (c) uniting the Parties, other public sector bodies, charities and businesses around common purpose in support of (a) uwchben;
  - (d) providing direction to any sub-committees or sub-groups that the Joint Committee chooses to appoint including the commissioning of specific tasks or projects;



- (e) proposing new projects to be considered by NWEAB as part of the Growth Deal to be developed by way of a Project Business Case in accordance with the Overarching Business Plan and this Agreement;
- (f) deliberating on such projects to assess whether further due diligence is warranted and reaching agreement on the costs that should be incurred undertaking further appraisal work;
- (g) finalising and approving any Project Business Cases pursuant to Clause 13;
- (h) reviewing the OBP (and updating if required) in accordance with Clause 13 (Business Case);
- (i) taking all necessary decisions to pursue the aims and objectives of the Growth Vision; and
- (j) carrying out the functions set out in Part 1 of Schedule 2 (Joint Committee Terms of Reference).

9.1.2 The Joint Committee shall not have power to approve any Reserved Matter.

9.1.3 The Parties acknowledge the inclusion of a corporate joint committee in the Local Government and Elections Bill introduced on the 18<sup>th</sup> of November 2019 and that the Parties may, where not mandated by legislation chose to undertake or procure the undertaking of a detailed review to establish the full consequences of such corporate joint committee for the Joint Committee including (but not limited to) the obligations and liabilities of the Joint Committee and/or the Councils and/or the Advisers under this Agreement, the Growth Vision, the Growth Deal and any other relevant documentation. Any decision to change to a corporate joint committee shall be a "Council Matter".

## 9.2 **Role of the Advisers**

9.2.1 The Councils have invited the Advisers to support the Joint Committee to plan and deliver the Growth Deal and the Growth Vision and discharge all related obligations and liabilities as more particularly set out in this Agreement.

9.2.2 It is acknowledged and agreed that the Advisers, save for the Business Delivery Board and such other Adviser appointed by the Joint Committee in accordance with this Agreement:

- (a) are each a Party to this Agreement;
- (b) are an Adviser to (but not a formal executive member) of the Joint Committee;
- (c) have the right to attend and speak at meetings of the Joint Committee but will not have formal voting rights in relation to any Joint Committee Matter put before the Joint Committee;
- (d) will, alongside the Councils, be required to decide upon any "Reserved Matters"; and
- (e) have agreed to financially contribute to the Joint Committee,

each as more particularly set out in this Agreement.

9.2.3 It is acknowledged and agreed that only Clauses 9.2.2(b) and 9.2.2(c) apply to the non-signatory Advisers

9.2.4 The Joint Committee may invite, subject to any reasonable requirements, (and later remove) further bodies or organisations to become non signatory Advisers (but not a Party to the Agreement) Any decision to appoint or later remove further bodies or organisations

as a signatory Adviser who is or will be a Party to the Agreement to provide financial support to the Joint Committee shall be a Reserved Matter.

### 9.3 **Appointment of the Programme Director**

- 9.3.1 The Programme Director has been appointed by the Joint Committee to, amongst other matters:
- (a) support the Joint Committee to fulfil its obligations and liabilities under this Agreement;
  - (b) Lead the Portfolio Management Office;
  - (c) support the Executive Support Group;
  - (d) attend meetings of the Joint Committee and Executive Support Group;
  - (e) make Programme Director Matter decisions as set out in Schedule 1 (Decision Matrix); and
  - (f) report directly to the Joint Committee.
- 9.3.2 The Programme Director shall be employed by the Host Authority on behalf of the Joint Committee and any cost or liability of such employment shall be accounted for as Joint Committee Costs and recoverable by the Host Authority from the Joint Committee.

### 9.4 **Appointment of Representatives to the Joint Committee**

- 9.4.1 Each Party shall appoint one (1) representative to the Joint Committee. The Councils shall be represented by the Leader for the time being of each Council, and the Advisers shall be represented by the Chief Executive or equivalent of each Adviser, or such other person of sufficient status and authority as the Adviser shall notify to the Host Authority.
- 9.4.2 Each Party shall be entitled from time to time to appoint a named deputy for its representative and shall inform the Host Authority Monitoring Officer within one (1) calendar month of the Commencement Date of the details of its deputy. Any deputies may attend meetings of the Joint Committee but, in the case of a Council deputy, shall only be entitled to speak and vote at such meetings in the absence of his or her corresponding principal and, in the case of an Adviser deputy, shall only be entitled to speak at such meetings in the absence of his or her corresponding principal. Deputies must be of sufficient status and authority to undertake the role.
- 9.4.3 The Parties may, at their discretion, replace their representatives (and their respective deputies) provided that such replacement shall be on the same basis as the original appointed and provided further that no representative shall be removed or replaced by any Party without that Party giving prior written notice as soon as reasonably practicable .
- 9.4.4 The chairperson of the Joint Committee shall be a representative of a Council appointed to the Joint Committee and shall be appointed on an annual basis from a Council member by the Joint Committee at the Annual General Meeting. The chairperson shall not have a casting vote.
- 9.4.5 The vice chairperson of the Joint Committee shall be a representative of a Council appointed to the Joint Committee and shall be appointed on an annual basis from a council member by the Joint Committee at the Annual General Meeting. The vice chairperson shall not have a casting vote and his/her role shall be to perform the role of the chairperson when the chairperson is not in attendance.
- 9.4.6 Each Party may, at their discretion, replace their representative (and their respective deputies) appointed to the Joint Committee, provided that:-

- (a) at all times, they have a representative appointed to the Joint Committee in accordance with the roles identified in Part 1 of Schedule 2 (Joint Committee Terms of Reference);
- (b) any such replacement shall have no lesser status or authority than that set out in Part 1 of Schedule 2 (Joint Committee Terms of Reference) unless otherwise agreed by the Parties; and
- (c) the details of any such representative shall be notified to the other Parties in writing, to replace the relevant details set out in 9.4.1 and 9.4.4 above

## 9.5 Joint Committee Meetings

- 9.5.1 Unless the Joint Committee decides otherwise (e.g. if a meeting is deemed not to be required), the Joint Committee shall meet either on a bi-monthly basis or as and when required in accordance with the timetable for the delivery of the Growth Deal or the Growth Vision. Ordinary Meetings shall be convened in accordance with a "Calendar of Meetings" to be approved by the Joint Committee and upon giving the requisite statutory notice (to be issued through the Host Authority) to deliberate on the Joint Committee Matters referred to in Schedule 1 (Delegations Policy) and the Head of Democratic Services of the Host Authority shall be the "Proper Officer" for convening the meetings.
- 9.5.2 The expectation is that all of the Councils and Advisers attend all meetings of the Joint Committee where possible.
- 9.5.3 Any Council and/or Adviser may by written request made to the Host Authority no later than 15 (fifteen) clear working days prior to the date of the meeting to the Host Authority request that a matter be considered at the next meeting of the Joint Committee. Such request shall include a summary of the matter and the decision, if any sought.
- 9.5.4 The Host Authority shall ensure that all agendas and relevant information and reports in relation to a Joint Committee meeting are circulated in a timely manner and in any event in accordance with legislative requirements.
- 9.5.5 Any representative may, where he or she views that a matter requires urgent consideration, request to the Chairperson at the start of a Joint Committee meeting that such urgent item is added to the agenda, but its inclusion will be a matter for the Chairperson to decide in accordance with legislative requirements

## 9.6 Joint Committee Decisions

- 9.6.1 The quorum necessary for a Joint Committee meeting shall be a representative or deputy from at least 4 (four) Councils.
- 9.6.2 At meetings of the Joint Committee each representative or appropriate deputy (in the absence of the relevant representative) from each Council only shall have 1 (one) vote.
- 9.6.3 At meetings of the Joint Committee, each representative or appropriate deputy (in the absence of the relevant representative) from each Adviser shall have the right to advise the Joint Committee on decisions and their views shall be recorded by the Joint Committee. Whilst it is not intended that the Advisers shall have formal voting rights, the Joint Committee shall give consideration to any views or representations made by the Advisers and where Advisers do not agree with a proposed decision the Joint Committee shall consider (acting in good faith) declaring a matter a JC Unresolved Matter (as more particularly set out in Clause 9.6.5 below).
- 9.6.4 Decisions at a meeting of the Joint Committee require a simple majority vote of the representatives (or deputies as applicable) from the Councils in attendance, provided that if:-

- (a) the votes are tied (ie a deadlock); or
  - (b) two or more of the Councils and/or Advisers make such a request at the meeting,
- that decision shall be declared a JC Unresolved Matter to be dealt with in accordance with Clause 9.6.5.

9.6.5 If, at a meeting of the Joint Committee, a matter is not determined, that matter ("**JC Unresolved Matter**") shall be deferred for consideration at the next ordinary meeting of the Joint Committee meeting or such sooner time as shall be agreed. If at the reconvened Joint Committee meeting any decisions relating to a JC Unresolved Matter shall require a simply majority vote of the representatives (or deputies as applicable) from the Councils only in attendance, provided that if the votes are tied (ie a deadlock) the JC Unresolved Matter shall not be agreed and shall not be implemented by the Joint Committee. For the avoidance of doubt, the Advisers shall have no right to declare that a JC Unresolved Matter remains a JC Unresolved Matter at the reconvened Joint Committee meeting.

9.6.6 The Host Authority will publish a notice of the decisions of the Joint Committee and its sub-committees in accordance with the requirements of the Local Authorities (Executive Arrangements) (Decisions, Documents and Meetings) (Wales) (Amendment) Regulations 2002/1385/ and shall serve a copy of the said notice on the Head of Democratic Services of each of the Council and the Advisers to the Joint Committee within the time table set out in its standing orders,

## 9.7 **Joint Committee Procedures**

9.7.1 Each Party shall provide all information reasonably required upon request by the Joint Committee to the Programme Director and shall comply with any decisions of the Joint Committee to request such information.

9.7.2 Each Party shall consult with the other Parties to ensure the diligent progress of the day to day matters relating to the discharge of the Parties' obligations in relation to the delivery of the Growth Deal.

9.7.3 Where a Party wishes to provide any information and/or serve a notice or demand on the Joint Committee, this should be served on the Programme Director in accordance with Clause 27 (Notices) and Schedule 3 (Parties' Details). The Programme Director shall keep a record of all information, notices and demands received and shall update each representative promptly.

9.7.4 The Parties acknowledge and agree that the Joint Committee shall save as varied by this Agreement adopt (as applicable) the Host Authority's prevailing Executive standing orders, contract standing orders, financial procedure rules, and such other applicable policies and procedures for and behalf of the Parties in the discharge of its obligations under this Agreement and that the Host Authority's s151 Officer and Monitoring Officer (or their nominated deputies) shall, respectively, act as the s151 officer and Monitoring Officer to the Joint Committee.

9.7.5 The Advisers acknowledge and agree that their representative or deputy shall comply with the terms of the GA Code of Conduct and the Councils acknowledge and agree that their representative or deputy shall comply with the respective Members Code of Conduct of the Council that they represent.

## 9.8 **Joint Committee may Delegate**

9.8.1 The Joint Committee may delegate any of the powers which are conferred on them under this Agreement as "Joint Committee Matters" or forming part of their terms of reference pursuant to Part 1 (Joint Committee Terms of Reference):-

- (a) to a sub-committee or an officer of one of the councils; and/or

(b) to the Programme Director;

to such an extent, in relation to such matters referred to in this Clause 9.8.1 and on such terms and conditions as they think fit from time to time (subject to any restrictions that may be imposed upon such delegation by the Joint Committee).

9.8.2 The Joint Committee may allow that such delegation shall automatically authorise further delegation of the Joint Committee's powers by any person to whom they are delegated provided that the Joint Committee specifically states this within such delegation authority.

9.8.3 The Joint Committee may revoke any delegation in whole or part, or alter its terms and conditions at any time.

## 9.9 **Sub-Committees and Sub-Groups**

9.9.1 The Joint Committee may create sub-committees, sub-groups, project management bodies or special purpose vehicles (subject to the need to obtain approval for a local authority trading company established under the Local Government Act 2003 as a Reserved Matter) as it sees fit from time to time in order to support and deliver its Terms of Reference contained within Part 1 of Schedule 2 (Terms of Reference).

9.9.2 Sub-committees to which the Joint Committee delegates any of its powers must follow procedures which are based as far as they are applicable on those provisions of this Agreement which govern the taking of decisions by the Joint Committee.

9.9.3 The Joint Committee shall establish the membership, rules of procedure or terms of reference for all or any such sub-committees or sub-groups or project management bodies to, amongst other matters, clarify their respective role and scope of any delegation which shall be approved by the Joint Committee

9.9.4 Pursuant to and in accordance with the GA1, the Joint Committee established a Transport Sub-Committee and the terms of reference for the Transport Sub-Committee, subject to the Joint Committee powers to vary and or revoke such delegation in accordance with Clause 9.8 uwchben, are set out in Part 4 of Schedule 2.

9.9.5 It is acknowledged and agreed by the Parties that the sub-committees or groups referred to in this Agreement:

(a) shall undertake a number of functions including but not limited to programme and project management, scrutiny, challenge and/or consultation services pursuant to their terms of reference; and

(b) shall not have any delegated decision making powers (unless otherwise expressly granted by the Joint Committee).

## 10. **EXECUTIVE SUPPORT GROUP**

### 10.1 **Establishment of the Executive Support Group**

10.1.1 Pursuant to and in accordance with the GA1, the Parties established the Executive Support Group to support the Joint Committee and to give direction and advice to the Portfolio Management Office on the implementation of the Joint Committee's decisions as more particularly set out in Part 2 of Schedule 2 (Executive Support Group's Terms of Reference).

10.1.2 The Programme Director has been appointed by the Joint Committee and is responsible for advising the Executive Support Group and leading the Portfolio Management Office to support the Joint Committee to fulfil its obligations and liabilities under this Agreement. The Programme Director shall report directly to the Joint Committee.

## 10.2 **Appointment of Representatives to the Executive Support Group**

- 10.2.1 In accordance with the Executive Support Group's terms of reference each Party shall appoint one senior officer representative to the Executive Support Group. The chairperson shall be such representative as the Joint Committee may determine from time to time who will be responsible for leading the Executive Support Group. The chairperson shall be re-appointed every two years.
- 10.2.2 Each Party shall be entitled from time to time to appoint a deputy for its senior officer and such deputy (in each case) shall be entitled to attend meetings of the Executive Support Group in place of its senior officer.
- 10.2.3 The Parties shall, at their discretion, replace their representatives (and their respective deputies) appointed to the Executive Support Group provided that such replacement shall be on the same basis as the original appointed and provided further that no senior officer of the Executive Support Group shall be removed or replaced by any Party without that Party giving prior written notice as soon as reasonably practicable and in any event within ten (10) Business Days of its intention to remove or replace that representative.
- 10.2.4 For the avoidance of any doubt, the Internal Costs incurred by the Councils and the Advisers providing such representatives shall be accounted for as follows:
- (a) in relation to the Programme Director, Clause 9.3.2 (Appointment of the Programme Director) shall apply;
  - (b) each senior office representative (and deputy) shall be employed by their own Council or Adviser (as appropriate), in all other cases, Clause 15.2 (Internal Costs) shall apply.
  - (c) in relation to the s151 Officer and Monitoring Officer, the Internal Costs shall be accounted for as Joint Committee Costs and recoverable by the Host Authority from the Joint Committee; and
  - (d) in relation to the other representatives, it is anticipated that these shall be accounted for by the entities themselves unless the cost of these are agreed with and charged to the Host Authority and/or the Joint Committee and, in such circumstances, shall be accounted for as Joint Committee Costs.

## 10.3 **Executive Support Group Meetings**

- 10.3.1 The Executive Support Group shall meet as and when required in accordance with the timetable for the Growth Deal and the Growth Vision and the requirements of the Joint Committee meeting cycle, Executive Support Group Decisions
- 10.3.2 The Executive Support Group shall not have any decision making powers pursuant to this Agreement.

## 11. **PORTFOLIO MANAGEMENT OFFICE**

### 11.1 **Establishment of the Portfolio Management Office**

- 11.1.1 Pursuant to and in accordance with the GA1, the Joint Committee established the Portfolio Management Office to assist the Joint Committee to implement the Growth Deal and Growth Vision, to liaise and take direction from the Executive Support Group and to undertake the day-to-day management of the Joint Committee's functions as more particularly set out in Part 3 of Schedule 2 (Portfolio Management Office's Terms of Reference). By entering into this Agreement, the Parties also confirm and accept the change of name of the Portfolio Management Office to the Portfolio Management Office to reflect its terms of reference and remit.

11.1.2 The Programme Director has been appointed by the Joint Committee and is responsible for leading the Portfolio Management Office to support the Joint Committee to fulfil its obligations and liabilities under this Agreement. The Programme Director shall report directly to the Joint Committee.

## 11.2 **Appointment of individuals to the Portfolio Management Office**

11.2.1 The Portfolio Management Office shall consist of the Programme Director and such other posts as the Joint Committee may approve from time to time

11.2.2 The Host Authority, acting on the instructions of the Joint Committee or the Programme Director (following any decision made by the Joint Committee about the same), shall employ each of the officers and any other individuals agreed pursuant to Clause 11.2 (Portfolio Management Office) making up the Portfolio Management Office and any cost or liability of such employment shall be accounted for as Joint Committee Costs and recoverable by the Host Authority from the Joint Committee.

11.2.3 All Staff employed in the Portfolio Management Office shall be appointed on the terms and conditions of employment including, for the avoidance of doubt the pay and grading of the Host Authority.

## 11.3 **Programme Director and Portfolio Management Office Decision Making**

11.3.1 The Programme Director shall decide the Programme Director Matters as set out in Schedule 1 but may, where appropriate delegate such decisions to staff where that is appropriate having regard to their role and seniority.

## 12. **AUDIT AND SCRUTINY**

12.1 The Host Authority shall be responsible for providing internal audit services to the Joint Committee and audit reports in relation to the Joint Committee shall be considered by its audit committee in accordance with its usual rules and practices. It will make its recommendations to the Joint Committee or Programme Director as it deems appropriate. The Programme Director shall be notified in writing of an intention to report anything the Audit Committee. For the avoidance of doubt an annual internal audit report shall be submitted by the Host Authority Audit Manager to the Joint Committee.

12.2 The Joint Committee and its Sub-Committee shall be subject to over view and by any of the Councils relevant scrutiny committees only which shall take place in accordance with the Scrutiny Protocol set out in Schedule 3 (Scrutiny Protocol).

12.3 If a decision is called in by one or more of the Councils, it is acknowledged and agreed that the implementation of such a decision shall, save in the case of matters determined to be Urgent Matters in accordance with the Scrutiny Protocol, be suspended by the Joint Committee until the outcome of the call in has been communicated to the Joint Committee and considered by it in accordance with the Scrutiny Protocol.

## 13. **BUSINESS PLAN**

### 13.1 **OBP**

13.1.1 The decision to approve and adopt the OBP is a "Reserved Matter".

13.1.2 The Parties have prepared and adopted on the date of this Agreement a 5 (five) year overarching business plan (the "**OBP**") which, amongst other matters, sets out the Parties' objectives and priorities for the delivery of the Growth Deal and is attached at Schedule 10 (OBP) to this Agreement.

## 13.2 Updated OBP

- 13.2.1 The OBP may be reviewed at any time by the Joint Committee if required pursuant to Clause 13.4 (Project Business Case) or shall be reviewed, as a minimum, on an annual basis (and updated only if necessary) no earlier than three (3) months and no later than one (1) month before the end of the relevant Accounting Period pursuant to this Clause.
- 13.2.2 Following such review and only where amendments are required, the Portfolio Management Office shall, in conjunction with the Executive Support Group, prepare, finalise, agree (acting in the best interests of the Joint Committee) and recommend for adoption to the Joint Committee a draft updated OBP for the proceeding five years to incorporate any proposed amendments provided always that the OBP shall remain consistent with the Portfolio, Programme or any Project Business Cases of any of the Approved Projects.
- 13.2.3 The decision to approve and adopt any updated OBP shall be a "Joint Committee Matter" save to the extent that any such update amounts to a material change to the prevailing OBP which may include (but is not limited to) a material impact on the parties or a material change in the content of the Portfolio, Programme or any Project Business Cases of any of the Approved Projects and, in which case, the decision to approve and adopt such updated OBP shall be a "Reserved Matter".
- 13.2.4 The Joint Committee (or, where any update amounts to a material change, each of the Party's (as applicable)) shall use its reasonable endeavours to seek to agree such draft OBP and to adopt it as the formal OBP within 60 (sixty) Business Days of the date it is first circulated to the Joint Committee or such other date as agreed by the Joint Committee.
- 13.2.5 The updated OBP agreed pursuant to Clause 13.2.4 (with such amendments thereto as may be agreed by the Joint Committee or as a "Reserved Matter" (as applicable)) shall replace the then current OBP as the formal OBP upon the later of:
- (a) the expiry of the then current OBP; and
  - (b) the date of the Joint Committee's approval to it in accordance with Clause 9 (Joint Committee) or, as applicable, the date the updated OBP is approved by the Parties as a "Reserved Matter".
- 13.2.6 Until such time as it is replaced in accordance with Clause 13.2.4, the OBP that has most recently been adopted as the formal OBP shall continue to be the formal binding OBP.
- 13.2.7 Where the draft OBP circulated under Clause 13.2.2 has not been approved by the Joint Committee or, where any update amounts to a material change, each of the Party's (as applicable), by the date six (6) calendar months following the date it is first circulated to the Joint Committee, the matter shall be deemed to be a JC Unresolved Matter and Clause 9.6.5 (Joint Committee) shall apply or where such approval is to be granted as a "Reserved Matter", the OBP shall be deemed not to have been approved following such six (6) calendar month period.

## 13.3 Portfolio and Programme Business Cases Programme Business Cases

- 13.3.1 The Joint Committee anticipates discharging the obligations of the Parties in relation to the Growth Deal through five Programmes which will each contain a number of Projects. The Programmes will each have a Programme Business Case and the Projects will each have a Project Business Case.
- 13.3.2 The Portfolio Business Case covers the whole of the Growth Deal and is supported by each of the five (5) Programme Business Cases which are all subject to approval by the UK and Welsh Governments and the Joint Committee and provide detail to the UK and Welsh Governments as to how the Joint Committee intends to deliver the Growth Deal.



- 13.3.3 A Programme Business Case shall, amongst other matters, address the following:
- (a) how the Programme contributes to the overall portfolio spending objectives and the OBP;
  - (b) how the Programme aligns to the Growth Vision and other relevant regional, Welsh Government and UK Government strategies;
  - (c) specific details regarding the economic impact of the Programme; and
  - (d) specific details regarding the financial implications of the Programme.
- 13.3.4 The OBP and the Project Business Plans are developed and approved by the Joint Committee pursuant to this Agreement. The OBP being the overarching plan for the NWEAB (taking into account the Portfolio and Programme Business Cases) and the Project Business Plans drilling down into the detail of each proposed Project to be developed and approved pursuant to this Agreement.

#### 13.4 **Project Business Cases**

- 13.4.1 The Project Business Case shall align itself with the OBP and the relevant Programme Business Case and remain consistent with the Growth Deal and Growth Vision and the terms of this Agreement.
- 13.4.2 It is acknowledged and agreed that draft Project Business Cases have been commenced for a number of Projects and these shall continue to be developed by the Portfolio Management Office in conjunction with the Executive Support Group for approval by the Joint Committee by the deadlines to be set by the Joint Committee.
- 13.4.3 The approval of a Project Business Case is a Joint Committee Matter pursuant to Clause 14 (Approval Process). Once a Project's Project Business Case is approved by the Joint Committee pursuant to Clause 14 (Approval Process), the Project will be an "Approved Project".
- 13.4.4 The Project Business Case shall include, amongst other matters, the items contained within Clause 15.5.4(f) (Councils' Contribution and Advisers' Contribution)

#### 13.5 **Progress Monitoring**

- 13.5.1 The Portfolio Management Office, in conjunction with the Executive Support Group, shall prepare (or procure the preparation of) a short form quarterly report which shall review progress made in the preceding Quarter as against the OBP and any Project Business Case (the "**Quarterly Report**") and shall be circulated to the Joint Committee and each Party within 1 (one) calendar month following the end of the preceding Quarter.
- 13.5.2 The Quarterly Report shall be regularly reviewed at the Joint Committee Meetings.
- 13.5.3 If, at any Joint Committee Meeting, any of the Councils and/or the Advisers believe that there has been a material failure of the Councils and/or the Advisers and/or the Joint Committee to comply with the OBP and/or a Project Business Case, the Joint Committee shall discuss appropriate action to immediately rectify the relevant failure and/or mitigate the effects of such failure as far as possible.

#### 14. **APPROVAL PROCESS**

- 14.1 The Joint Committee will be responsible for managing the list of Projects (current and new) to be considered and developed to deliver the Growth Deal as more particularly set out in the OBP and following evaluation shall give initial approval to the Project Sponsor to undertake further due diligence and commence the development of a Project Business Case for the Project.

- 14.2 Following such initial approval, there is a three stage process to be followed for a Project to become an "Approved Project" and receive Growth Deal Contributions as set out below:
- 14.2.1 the Project Business Case of a potential Project will be developed by the Project Sponsor for that Project following the Five Case Business Model in line with the Green Book Guidance developed by WG and HMT working in conjunction with the Portfolio Management Office and with advice from external advisers (where required);
  - 14.2.2 the Project Business Case will be subject to external gateway review(s) at agreed points during its development in line with the Integrated Assurance and Approval Plan; and
  - 14.2.3 the Project Business Case will be assessed and approved by the Joint Committee as a Joint Committee Matter as more particularly set out in Clause 13.4 (Project Business Cases) and following such approval will be an "Approved Project";
- 14.3 It is acknowledged and agreed that, as part of the development and approval of a Project Business Case, a Back-to-Back Agreement (and any other related documentation as requested by the Joint Committee to form part of the Project Business Case for a particular Project) shall be in agreed form prior to approval as a Joint Committee Matter.
- 14.4 Following such approval, the Project Sponsor shall then be responsible for delivering the Approved Project pursuant to the terms of the Project Business Case and the Back-to-Back Agreement (or any other related documentation).

## 15. **COMMITMENT OF THE PARTIES AND CONTRIBUTIONS**

### 15.1 **General**

Subject to 19.11.3 (Withdrawal), the Parties agree and undertake to commit to the Growth Deal in accordance with the terms of this Agreement and not to commission and/or undertake any procurement and/or project that seeks or would procure the delivery of all or any part of the Growth Deal or Growth Vision outside the terms of this Agreement.

### 15.2 **Internal Costs**

- 15.2.1 Subject to Clause 15.2.2, the Internal Costs incurred by each Party (including the Host Authority) shall be borne by the Party providing that internal resource.
- 15.2.2 The Parties hereby agree that if one of the Parties believes it is likely to incur disproportionate Internal Costs that matter shall be referred to the Joint Committee for a decision as to whether such costs will be disproportionate and whether any contributions should be made to this cost by the other Parties.

### 15.3 **Joint Committee Costs**

- 15.3.1 Any Joint Committee Costs incurred by the Joint Committee shall be shared on a Proportionate Basis between the Parties pursuant to this Agreement. They will form part of the Annual Budget referred to in Clause 15.4 below.
- 15.3.2 Each Party shall be required to prepare accounts including details of any approved Internal Costs or Joint Committee Costs incurred pursuant to Schedule 5 (Heads of Expenditure) (the "**Accounts**") in respect of each Accounting Period and for such further and/or other accounting periods as the Joint Committee shall determine and which shall be incorporated into Schedule 6 (Accounting Periods). For the avoidance of doubt, such Accounts shall not include any revenue costs or capital investment requirements in relation to the development of any business case by a Project Sponsor of any Adviser Led Project or the implementation of any proposed project by a Project Sponsor of any Adviser Led Project and shall solely relate to the operational and management costs of the Joint Committee.

- 15.3.3 Each Party shall:-
- (a) in the Accounts make true and complete entries of all relevant payments made by it during the previous Accounting Period;
  - (b) within one (1) month of the end of each Accounting Period, each Party shall provide to the Host Authority unaudited Accounts for such Accounting Period together with certification that such Accounts comply with this Clause 15 (Commitment of the Parties and Contributions);
  - (c) nominate an individual to be responsible for ensuring that Party's own compliance with this Clause 15 (Commitment of the Parties and Contributions) and the name, address and telephone number of each individual nominated pursuant to this Clause 15 (Commitment of the Parties and Contributions) shall be notified to the other Parties in accordance with Clause 27 (Notices); and
  - (d) if an individual nominated by a Party pursuant to Clause 15 (Commitment of the Parties and Contributions) changes, that Party shall notify the other Parties forthwith of the replacement nominees.

15.3.4 The Host Authority shall:-

- (a) within ten (10) Business Days of receipt of the Accounts submitted by the other Parties in accordance with Clause 15.3.3(b) prepare a reconciliation statement identifying the payments made by each Party and the balance due from or owing to each; and
- (b) within twenty (20) Business Days of the preparation of the reconciliation statement send out a copy of the reconciliation statement together with either a balancing invoice or, subject to Clause 15.3.4(b) credit payments to each Party.

15.3.5 The Host Authority shall not be obliged to make any payments due under this Agreement until the Host Authority is in receipt of funds from the Parties pursuant to this Clause 15.3.

15.3.6 A Party receiving an invoice for payment shall pay it in full within twenty (20) Business Days. Any error in a balancing invoice must be notified to the Host Authority within five (5) Business Days of such balancing invoice being sent out. An amended balancing invoice will be issued by the Host Authority and the Party receiving such an invoice shall pay it in full within twenty (20) Business Days.

15.3.7 The Parties hereby agree that if one of the Parties carries out any work or incurs any cost or expenses to carry out any work or to incur any cost or expense that is not within the budget or scope of work set out in this Agreement or agreed in advance by the Joint Committee, that matter shall be referred by the Executive Support Group to the Joint Committee for a decision as to whether such work, cost or expense is part of the Growth Deal or whether such work, cost or expense should be the entire responsibility of the Party so carrying it out or requesting it (as the case may be).

## 15.4 Annual Budget

15.4.1 The Annual Budget shall consist of the following:

- (a) the Annual Budget Contributions;
- (b) the Councils' Supplementary Contributions; and
- (c) any additional costs secured through the wider investment fund or other sources (if any); and
- (d) any accumulated reserves.

- 15.4.2 The annual budget contributions are as follows:
- (a) £50,000 per Accounting Period from each Council; and
  - (b) £25,000 per Accounting Period from each Adviser (save for the Chair of the Business Delivery Board who makes no Annual Budget Contribution),
- together the "**Annual Budget Contributions**" and which are subject to indexation at the start of each Accounting Period in accordance with Clause 15.4.3.
- 15.4.3 It is acknowledged and agreed that the Annual Budget Contributions will be subject to the following variations at the start of each Accounting Period to reflect the actual increase in costs over the Annual Budget for the immediately preceding Accounting Period as a consequence of increases in the following:
- (a) increases in salaries occasioned by the local government national awarding bodies; and
  - (b) increases in Employers Contribution to the local Government Pension Scheme and National Insurance Contributions.<sup>3</sup>
- 15.4.4 The Parties shall provide their share of the Annual Budget Contributions to the Host Authority, in relation to the initial Accounting Period, within 10 (ten) Business Days of the Commencement Date and, in all other cases, within 10 (ten) Business Days of the commencement of the relevant Accounting Period.
- 15.4.5 The Councils' Supplementary Payment will continue to be paid at the start of each Accounting Period on receipt of an invoice from the Host Authority.
- 15.4.6 The Host Authority shall hold and account for the Annual Budget on behalf of the Joint Committee and the Parties.
- 15.4.7 Where the actual aggregate Joint Committee Costs are likely to exceed the Annual Budget at any time,
- (a) any increase to the Annual Budget Contributions shall be a Reserved Matter for the Parties; and
  - (b) any changes to the Councils' Supplementary Contribution shall be a Council Matter for the Councils only.

## 15.5 Funding

### 15.5.1 Total funding

- (a) It is acknowledged and agreed by the Parties that the following confirmed funds are available to facilitate the implementation of the Growth Deal:
  - (i) £120,000,000 (one hundred and twenty million pounds) from UKG (the "**HMT Contribution**"); and
  - (ii) £120,000,000 (one hundred and twenty million pounds) from WG (the "**WG Contribution**"),the HMT Contribution and the WG Contribution together being the "**Growth Deal Contributions**"; and

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<sup>3</sup> PM: I have included the indexation as required - for finance team to please be comfortable that this is clear and not subject to any later debate as to what indexes/changes these relate to.

- (iii) £9,960,300 (nine million, nine hundred and sixty thousand and three hundred pounds) in aggregate from the Councils (the "**Councils' Contribution**");
- (iv) between £3,180,000 (three million one hundred and eighty thousand pounds) and to £4,530,000 (four million five hundred and thirty thousand pounds) in aggregate from the Advisors (the "**Advisors' Contribution**"); and
- (v) each Parties' contribution towards the Annual Budget pursuant to Clause 15.4.

#### 15.5.2 HMT Contribution

- (a) It is acknowledged and agreed by the Parties that:
  - (i) HMT's contribution shall be provided to the Host Authority for and on behalf of the Joint Committee as a fixed flat rate of £8,000,000 (eight million pounds) per Accounting Period commencing [on 1 April 2021]<sup>4</sup> for a period of 15 (fifteen) years; and
  - (ii) HMT Contribution is subject to the following funding conditions:-
    - (1) [x]<sup>5</sup>
 together the "**HMT Funding Conditions**".
- (b) Each Party acknowledges and agrees that it accepts the HMT Funding Conditions and that it shall be bound by those conditions and shall not through any act or omission place any other Party including, but not limited to, the Host Authority in breach of any of those conditions.

#### 15.5.3 WG Contribution

- (a) It is acknowledged and agreed by the Parties that:
  - (i) WG's contribution shall be provided to the Host Authority for and on behalf of the Joint Committee as a fixed flat rate of £8,000,000 (eight million pounds) per Accounting Period commencing [on 1 April 2021] for a period of 15 (fifteen) years; and
  - (ii) HMT Contribution is subject to the following funding conditions:-
    - (1) [x]
 together the "**WG Funding Conditions**".
- (b) Each Party acknowledges and agrees that it accepts the WG Funding Conditions and that it shall be bound by those conditions and shall not through any act or omission place any other Party including, but not limited to, the Host Authority in breach of any of those conditions.

#### 15.5.4 Councils' Contribution and Advisors' Contribution

- (a) It is acknowledged and agreed that:

<sup>4</sup> PM: The aspiration is to obtain the first drawdown in March 2021 but this remains subject to further WG/UKG approval.

<sup>5</sup> PM: Funding conditions to be completed once draft letter from WG/UKG received.

- (i) in order to facilitate cash-flow for project expenditure against an estimated 6 (six) year delivery profile compared to a 15 (fifteen) year funding profile in relation to the Growth Deal Contributions; and
  - (ii) subject to Clauses 15.5.4(b) and 15.5.4(c), the Host Authority shall use reasonable endeavours, on behalf of the Joint Committee, to provide additional funding for Approved Projects as set out in each Project Base Case which may be obtained from the Public Works Loan Board, other funders or self-borrowed or otherwise (the "Loan Funds"<sup>6</sup>).
- (b) The Parties shall be responsible for the repayment of any and all capital (if any)<sup>7</sup>, interest, any changes in interest rates (or in the case of a self-borrowed scenario any foregone interest) (with interest rates to be set and managed by the Host Authority) and any other costs or liabilities incurred by the Host Authority in providing the Loan Funds by way of the Council's Contribution and the Advisors' Contribution as more particularly set out in Clauses 15.5.5 (Councils' Contribution) and 15.5.6 (Advisors' Contribution) below and each relevant Project Base Case;
- (c) Due diligence will assess all assumptions and liability including whether NNDR funding is available or whether additional funding is required as a result of state aid implications or otherwise and this will need to be recognised within the Project Base Case subject always to the maximum aggregate amounts contained within Clause 15.5.1 (Total Funding) and any increase shall be a Reserved Matter.
- (d) Where any capital is to be repaid, the Project Sponsor shall be responsible for procuring repayment of such capital from its third party contractors and to repay that the Host Authority in accordance with the Project Base Case. For the avoidance of doubt, any such capital repayment shall not count towards the Project Sponsor's maximum contribution to be made by way of the Councils' Contribution or Advisors' Contribution (as applicable).
- (e) The proportion of Growth Deal Contributions, Loan Funds and Councils' Contribution or Advisors' Contribution (as relevant) will be agreed as part of the Project Base Case for a particular Project to be approved by the Joint Committee in accordance with this Agreement subject always to the maximum aggregate amounts contained within Clause 15.5.1 (Total Funding).
- (f) Subject to Clause 15.5.4(g), a back-to-back agreement will be entered into between the Host Authority (acting on behalf of the Joint Committee) and the Project Sponsor of an Approved Project to confirm, amongst other things,
- (i) the payment of any Growth Deal Contributions and Loan Funds to the Project Sponsor;
  - (ii) the repayment obligations of the Project Sponsor;
  - (iii) transfer of responsibility to the Project Sponsor to deliver the Project;
  - (iv) clawback provision to clawback the Growth Deal Contributions and the Loan Sums from the Project Sponsor in the event of a default; and
  - (v) approval of any related party documentation to be entered into by the Project Sponsor and any third parties to deliver the Approved Project.

the "**Back-to-Back Agreement**"

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<sup>7</sup> PM: Approach to £17m funding gap to be confirmed – presumably the capital and interest will be repayable?

- (g) The Back-to-Back Agreement (and any other related documentation) shall also be agreed and form part of the Project Base Case for a Project to be approved by the Joint Committee provided that in the case of the Back-to-Back Agreement (and any other related documentation) this shall first be agreed by the Project Sponsor before it is put before Joint Committee as a Joint Committee Decision.

#### 15.5.5 Councils' Contribution

- (a) The Councils' Contribution shall be used to finance the Regional Projects only unless otherwise agreed by the Joint Committee such provisions shall be reflected within the terms of the OBP and/or the relevant Business Cases to include, amongst other matters, the estimated annual spend profile for each Council.
- (b) Subject always to the maximum aggregate amounts contained within Clause 15.5.1(a)(iii) (Total Funding) and the obligation to contribute to the Annual Budget pursuant to Clause 15.4 (Annual Budget), each Council shall contribute to the aggregate Councils' Contribution required on each Regional Project on a population basis pursuant to the following formula:

$$A \% = B \times 100$$

with A% being a Councils' "Population Basis"

- (c) This is calculated as follows:

B	$B = \frac{\text{Current Population}}{\text{Total Population}}$
Current Population	<p>Current Population = means for each Accounting Period the mid-year estimated population figure for a particular Council taken from StatsWales for the preceding Accounting Period.</p> <p>StatsWales is the Welsh Government's official body responsible for publishing official statistics) at the following link:  <a href="https://statswales.gov.wales/Catalogue/Population-and-Migration/Population/Estimates/Local-Authority/populationestimates-by-localauthority-year">https://statswales.gov.wales/Catalogue/Population-and-Migration/Population/Estimates/Local-Authority/populationestimates-by-localauthority-year</a></p> <p>Where the Current Population is no longer available from StatsWales at any point, the last mid-year figures shall be used save where otherwise agreed by the Councils as a Joint Committee Decision.</p>
Total Population	Total Population = means for each Accounting Period the aggregate mid-year estimated population figure of the six Councils taken from StatsWales for the preceding Accounting Period.

- (d)
- (e) Subsubject to
- (f) Each Council's Population Basis shall be re-calculated on an annual basis at the beginning of each Accounting Period pursuant to this Clause 15.5.5 (Councils' Contribution).

### 15.5.6 Advisors' Contribution

- (a) Subject to Clause 15.5.6(b) (Advisors' Contribution), the Advisors' Contribution shall be used to finance Adviser Led Projects only unless otherwise agreed by the Parties as a Reserved Matter and such provisions shall be reflected within the terms of the OBP and/or the relevant Project Business Case to include, amongst other matters, the estimated annual spend profile for each Adviser.
- (b) Subject always to the obligation to contribute to the Annual Budget pursuant to Clause 15.4 (Annual Budget), each Adviser shall only be required to provide an Adviser Contribution for an Approved Project(s) in which that Adviser is acting as the Project Sponsor up to a maximum aggregate contribution below (each maximum aggregate contributions being an "**Advisors' Individual Contribution**" for that Adviser respectively):

Advisor	Minimum aggregate contribution	Maximum aggregate contribution
Bangor University	£1,399,950 (one million three hundred and ninety nine thousand, nine hundred and fifty pounds)	£1,990,050 (one million ninety nine thousand and fifty pounds)
Glyndwr University	£510,000 (five hundred and ten thousand pounds)	£730,050 (seven hundred and thirty thousand and fifty pounds)
Coleg Cambria	£520,050 (five hundred and twenty thousand and fifty pounds)	£739,950 (seven hundred and thirty nine thousand, nine hundred and fifty pounds)
GRWP Llandrillo Menai	£750,000 (seven hundred and fifty thousand pounds)	£1,069,950 (one million, sixty nine thousand, nine hundred and fifty pounds)

- (c) Subject to Clause 15.5.6(d), the Advisor's Individual Contributions shall be as set out in table above in the column entitled the "Maximum aggregate contribution" (column 3).
- (d) It is acknowledged and agreed that there is an aspiration to receive the first tranche of Growth Deal Contributions in March 2021 equating to £[x] and where this is received, the Advisor's Individual Contributions shall be decreased to the the "Minimum aggregate contribution" as set out in the table above (column 2).
- (e) The contribution relates to the overall sums received by a Project Sponsor on a Project (Growth Funds and Loan Funds).<sup>8</sup>

### 15.5.7 Audit

Each Party shall permit all records referred to in this Agreement to be examined and copied from time to time by the Host Authority, or any representatives of the Host Authority or any other representatives who reasonably require access to the same in order to undertake any audit of the funds received and spent pursuant to this Agreement.

<sup>8</sup> Can the finance team please expand this and explain how this is calculated and presumably whether it needs to be replicated in relation to the Councils' Contribution.



#### 15.5.8 Retention of Records

The accounts referred to in this Clause 15.5.8 (Commitment of the Parties and Contributions) shall be retained for a period of at least ten (10) years after delivery of the Growth Deal pursuant to this Agreement.

#### 16. NOT USED

#### 17. MITIGATION

Each Party shall at all time take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against the other Party(ies) pursuant to this Agreement.

#### 18. LIABILITY OF THE PARTIES

18.1 The Host Authority shall indemnify and keep indemnified each of the other Parties to this Agreement against any reasonable losses, claims, expenses, actions, demands, costs and liability suffered by that Party to the extent arising directly from any wilful default or wilful breach by the Host Authority of its obligations under this Agreement (and wilful in this context shall, for the avoidance of doubt, not include matters which are outside the reasonable control of the Host Authority or matters arising from any negligent act or omission in relation to such obligations).

18.2 No claim shall be made against the Host Authority to recover any loss or damage which may be incurred by reason of or arising out of the carrying out by the Host Authority of its obligations under this Agreement unless and to the extent such loss or damage arises from a wilful default or wilful breach by the Host Authority under Clause 18 (Liability of Parties).

18.3 Each of the other Parties (acting severally) shall indemnify and keep indemnified the Host Authority against any reasonable losses, claims, expenses, actions, demands, costs and liabilities which the Host Authority may incur by reason of or arising directly out of the carrying out by the Host Authority of its obligations under this Agreement for that Party or arising directly from any wilful default or wilful breach by a Party of its obligations under this Agreement (and wilful in this context shall, for the avoidance of doubt, not include matters which are outside the reasonable control of that Party or matters arising from any negligent act or omission in relation to such obligations) unless and to the extent that the same result from any wilful breach by the Host Authority of any such obligations.

18.4 The Parties agree and acknowledge that the amount to be paid to the Host Authority by any of the other Parties under Clause 18 (Liability of Parties) shall be borne by each of the Parties to the extent of its responsibility, however in the event that the responsibility is a shared one between the Parties (so that it is not reasonably practicable to ascertain the exact responsibility between the Parties) then the amount to be paid shall be divided between the Parties on a Proportionate Basis.

18.5 In the event of a claim under this Clause 18 (Liability of Parties) in which it is not reasonably practicable to determine the extent of responsibility as between the Parties (including the Host Authority), then the amount shall be divided amongst the Councils (including the Host Authority) on a Proportionate Basis. For the avoidance of doubt, any claim arising otherwise than through the wilful default or wilful breach by the Host Authority or the other Parties shall be divided amongst the Parties (including the Host Authority) on a Proportionate Basis.

18.6 A Party who receives a claim for losses, expenses, actions, demands, costs and liabilities shall notify and provide details of such claim as soon as is reasonably practicable to the other Parties .

18.7 No Party shall be indemnified in accordance with this Clause 18 (Liability of Parties) unless it has given notice in accordance with Clause 18.6 (Liability of Parties) to the other Party against whom it will be enforcing its right to an indemnity under this Agreement.

18.8 Each Party ("**Indemnifier**") shall not be responsible or be obliged to indemnify the other Parties (including the Host Authority) ("**Beneficiary**") to the extent that any insurances maintained by the Beneficiary at the relevant time provide an indemnity against the loss giving rise to such claim and to the extent that the Beneficiary recovers under such policy of insurance (save that the Indemnifier

shall be responsible for the deductible under any such policy of insurance and any amount over the maximum amount insured under such policy of insurance).

## 19. WITHDRAWAL

- 19.1 Subject to Clause 19.2 (Withdrawal), any Party (including the Host Authority) may at any time during this Agreement, withdraw from this Agreement in accordance with this Clause 19 (Withdrawal).<sup>9</sup>
- 19.2 No Party may withdraw from this Agreement during the Lock In Period and, following such Lock In Period, the provisions of this Clause 19 shall apply.
- 19.3 Save where Clause 19.6 applies, if a Party wishes to withdraw from the Growth Deal and this Agreement, it shall provide at least twelve (12) months written notice of its intention to withdraw to all the other Parties ("**Withdrawal Notice**").
- 19.4 No sooner than nine (9) months after the date of the Withdrawal Notice and no later than ten (10) months after the date of the Withdrawal Notice, the Host Authority (or such other Council as nominated by the Joint Committee in the event that the Host Authority issues the Withdrawal Notice) shall provide to all the Parties a Liability Report which shall be discussed by the Joint Committee at its next meeting or a specially convened meeting if the next meeting falls more than two (2) weeks after the issue of the Liability Report. For the avoidance of doubt, no formal decision is required by the Joint Committee in relation to the Liability Report.
- 19.5 It is acknowledged and agreed that:
- 19.5.1 the Liability Report shall contain, as a minimum, the withdrawing Party's committed costs and liabilities up to and including the expiry date of the Growth Deal anticipated to be 15 years and the withdrawing Party's committed costs and liabilities on all current projects which shall include any Council or Adviser Contributions that the withdrawing Party has committed to but not yet provided (whether that occurs before or after the Party formally withdraws from the Growth Deal and this Agreement pursuant to this Clause 19 (Withdrawal)); and
- 19.5.2 in relation to row 1 of the Liability Report in Schedule 8 (Liability Report), the withdrawing Party shall be liable to pay its committed contribution and liabilities;
- (a) up to the expiry date of the Growth Deal anticipated to be 15 years; and
- (b) on all current projects.
- 19.6 Within the Decision Period each Party which has issued a Withdrawal Notice to the Programme Director shall indicate either:-
- 19.6.1 that it withdraws from the Growth Deal and this Agreement; or
- 19.6.2 that it wishes to continue as a party to the Growth Deal and this Agreement.
- 19.7 Where further Parties (in addition to the Party issuing the Withdrawal Notice) indicate their wish to withdraw from the Growth Deal and this Agreement, then the provisions of Clause 19.3 (Withdrawal) shall apply to such Parties and a new Liability Report shall be prepared in respect of each of these Parties that have indicated their intention to withdraw and the provisions of Clause 19.6 (Withdrawal) shall apply.
- 19.8 Where a Party does not indicate its intentions as required by Clause 19.6 (Withdrawal) then it shall at the expiry of the Decision Period be taken to have indicated that they wish to continue as a Party to the Growth Deal and this Agreement.

<sup>9</sup> PM: To be considered whether any additional rights to withdraw are required here.

- 19.9 Any Party serving a Withdrawal Notice pursuant to Clause 19.3 or indicates that it withdraws from the Growth Deal and this Agreement pursuant to Clause 19.6 shall have the right to retract such Withdrawal Notice or indication that it withdraws at any point prior to the date of its withdrawal.
- 19.10 Where a Party indicates that it wishes to withdraw from the Growth Deal and this Agreement, then:-
- 19.10.1 the Party who shall have indicated its wish to withdraw shall pay all amounts due to be paid by it in accordance with the Liability Report and comply with its obligations under this Agreement up to the date of its withdrawal including making any payments of any expenditure referred to in Schedule 5 (Heads of Expenditure) as at that date;
  - 19.10.2 the Party who shall have indicated its wish to withdraw shall be responsible for a proportion of any third party costs (which have been substantiated by the Joint Committee); and
  - 19.10.3 if in the event of such a withdrawal the discharge of the Party's obligations in relation to the Growth Deal is delayed then the Party who shall have indicated its wish to withdraw may be responsible for a proportion of the costs of delay to the other Parties or any costs or fines which may directly result. Such proportion will be decided by the Joint Committee and the withdrawing Party shall not be entitled to vote in this decision.
- 19.11 Where a Party withdraws from the Growth Deal and this Agreement in accordance with this Clause 19 (Withdrawal):
- 19.11.1 any capital asset acquired and/or secured and/or owned and provided by such withdrawing Party for the purposes of the Growth Deal will remain in the ownership of the withdrawing Party and the withdrawing Party will reimburse the remaining Parties their respective contributions (if any) together with any reasonable costs incurred as a result of the withdrawal or default;
  - 19.11.2 the other Parties may elect to continue or discontinue with any procurement and/or project forming part of the Growth Deal in the administrative area of the withdrawing Party;
  - 19.11.3 subject to approval of the Joint Committee, the withdrawing Party may elect to independently pursue the procurement of any project within its administrative area or project in which it is acting as Project Sponsor and which was identified as part of the Growth Deal provided that it does so at its own cost without any access to any of the funding provided for pursuant to this Agreement including (but not limited to the Growth Deal Contribution);
  - 19.11.4 unless agreed otherwise by the remaining Parties, the Party who shall have indicated its wish to withdraw from the Growth Deal shall not remove its appointees to the Joint Committee for a period of not less than three (3) months commencing on the date of such Party's withdrawal, provided that the costs associated with those appointees to the Joint Committee shall be borne by the remaining Parties on a Proportionate Basis; and
  - 19.11.5 save for the obligations set out in Clause 15 (Commitments of the Parties and Contributions), Clause 18 (Liability of the Parties), this Clause 19 (Withdrawal) and Clause 22 (Confidentiality and Announcements), the withdrawing Party shall be released from its respective obligations described in this Agreement from the date of withdrawal;
  - 19.11.6 where the withdrawing Party or Parties is/are a Council, the remaining Parties agree that the quorum necessary for any subsequent Joint Committee meetings pursuant to Clause 9.6.1 (Joint Committee Decisions) of this Agreement shall be permanently reduced by the number of Party/ Parties that is/are a Council that has/have withdrawn.

20. **CONSEQUENCES OF TERMINATION**

- 20.1 If the Agreement is terminated in accordance with Clause 2.3 (Termination), save for the obligations set out in Clause 15 (Commitment of the Parties and Contributions), Clause 18 (Liability of the Parties), Clause 19 (Withdrawal), this Clause 20 (Consequences of Termination) and Clause 22

(Confidentiality and Announcements), the Parties shall be released from their respective obligations described in this Agreement.

20.2 Where this Agreement is terminated in respect of that Party in accordance with Clause 2.3 (Termination):

20.2.1 any capital asset acquired and/or secured and/or owned and provided by such Defaulter for the purposes of the Growth Deal will remain in the ownership of the Defaulter and the Defaulter will reimburse the remaining Parties their respective contributions (if any) together with any reasonable costs incurred as a result of the withdrawal or default;

20.2.2 the other Parties may elect to continue or discontinue with any procurement and/or project forming part of the Growth Deal;

20.2.3 subject to the approval of the Joint Committee, the withdrawing Party may elect to independently pursue the procurement of any project within its administrative area or project in which it is acting as Project Sponsor and which was identified as part of the Growth Deal provided that it does so at its own cost without any access to any of the funding provided for pursuant to this Agreement including (but not limited to the Growth Deal Contribution); and

20.2.4 where this Agreement is terminated and the terminated Party/Parties is/are a Council, the remaining Parties agree that the quorum necessary for any subsequent Joint Committee meetings pursuant to Clause 9.6.1 (Joint Committee Decisions) of this Agreement shall be permanently reduced by the number of Party/ Parties that is is/are a Council and whose involvement in this Agreement has been terminated..

20.3 The Parties acknowledge and agree that:-

20.3.1 the Growth Deal has been modelled on the basis of participation by all the Parties and that there are considerable economic benefits to be achieved as a result of such joint working; and

20.3.2 accordingly, in the event that this Agreement is terminated in relation to any Party pursuant to Clause 2.3 (Termination) such Defaulter shall be liable to the Non-Defaulting Party or Parties for their reasonable and properly incurred costs in relation to the Growth Deal as set out in Clause 19.5 (Withdrawal) and Schedule 8 (Liability Report).

## 21. **INTELLECTUAL PROPERTY**

21.1 Each Party will retain all Intellectual Property in its Material.

21.2 Each Party will grant all of the other Parties a non-exclusive, perpetual, non-transferable and royalty free licence to use, modify, amend and develop its IP Material for the discharge of the Parties' obligations in relation to the Growth Deal and any other purpose resulting from the Growth Deal whether or not the party granting the licence remains a party to this Agreement.

21.3 Without prejudice to Clause 21.1 (Intellectual Property), if more than one Party owns or has a legal or beneficial right or interest in any aspect of the IP Material for any reason (including without limitation that no one Party can demonstrate that it independently supplied or created the relevant IP Material without the help of one or more of the other Parties), each of the Parties who contributed to the relevant IP Material will grant to all other Parties to this Agreement a non-exclusive, perpetual, non-transferable and royalty free licence to use and exploit such IP Material as if all the other Parties were the sole owner under the Copyright Design and Patents Act 1988 or any other relevant statute or rule of law.

21.4 For the avoidance of doubt, any entity or person who is at the date of this Agreement a Party to this Agreement and who has licensed any Intellectual Property under this Agreement will have a non-exclusive, perpetual right to continue to use the licensed Intellectual Property in respect of the Growth Deal.

21.5 Each Party warrants that it has or will have the necessary rights to grant the licences set out in Clause 21.2 (Intellectual Property) and 21.3 (Intellectual Property) in respect of the IP Material to be licensed.

21.6 Each Party agrees to execute such further documents and take such actions or do such things as may be reasonably requested by any other Parties (and at the expense of the Party(ies) making the request) to give full effect to the terms of this Agreement.

## 22. **CONFIDENTIALITY AND ANNOUNCEMENTS**

22.1 Each Party ("**Covenanter**") shall, both during the currency of this Agreement and at all times following its termination or expiry, keep private and confidential and shall not use or disclose (whether for its own benefit or that of any third party) any Confidential Information about the business of and/or belonging to any other Party or third party which has come to its attention as a result of or in connection with this Agreement.

22.2 The obligation set out in Clause 22 (Confidentiality and Announcements) shall not relate to information which:-

22.2.1 comes into the public domain or is subsequently disclosed to the public (other than through default on the part of the Covenanter or any other person to whom the Covenanter is permitted to disclose such information under this Agreement);

22.2.2 is required to be disclosed by law;

22.2.3 was already in the possession of the Covenanter (without restrictions as to its use) on the date of receipt;

22.2.4 is required or recommended by the rules of any governmental or regulatory authority including any guidance from time to time as to openness and disclosure of information by public bodies; or

22.2.5 is necessary to be disclosed to provide relevant information to any insurer or insurance broker in connection with obtaining any insurance required by this Agreement.

22.3 Where disclosure is permitted under Clause 22.2.3 (Confidentiality and Announcements) or 22.2.4 (Confidentiality and Announcements), the recipient of the information shall be subject to a similar obligation of confidentiality as that contained in this Clause 22 (Confidentiality and Announcements) and the disclosing Party shall make this known to the recipient of the information.

22.4 No Party shall make any public statement or issue any press release or publish any other public document relating, connected with or arising out of this Agreement or any other agreement relating to the Growth Deal without the prior written consent of the other Parties.

## 23. **CONTRACTS (THIRD PARTY RIGHTS)**

The Parties as parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

## 24. **DISPUTE RESOLUTION**

24.1 Any dispute arising in relation to any aspect of this Agreement shall be resolved in accordance with this Clause 24 (Dispute Resolution). The Parties undertake and agree to pursue a positive approach towards dispute resolution which seeks (in the context of this joint working) to identify a solution which avoids legal proceedings and maintains a strong working relationship between the Parties.

24.2 In the event of any dispute or difference between the Parties relating to this Agreement (whether this may be a matter of contractual interpretation or otherwise) then save in relation to disputes or disagreements relating to a Reserved Matter, the matter shall be dealt with by referral in the first

instance to the Joint Committee who shall consider any such dispute or disagreement at the next scheduled meeting of the Joint Committee and attempt to resolve the disputed matter in good faith.

- 24.3 In relation to a dispute or disagreement relating to a Reserved Matter, or if the Joint Committee fails to resolve a dispute or disagreement within five (5) Business Days of meeting pursuant to Clause 24.2 (Dispute Resolution), then the Parties in dispute or the Joint Committee (as the case may be) may refer the matter for resolution to:-
- 24.3.1 the Chief Executive, Managing Director, Council Leader (or other relevant head of organisation) of the relevant Parties;
  - 24.3.2 mediation by such party as the relevant Parties may agree; or
  - 24.3.3 the exclusive jurisdiction of the Courts of England and Wales.
- 24.4 Any dispute and/or disagreement to be determined by the relevant heads of organisations, mediation or the Courts of England and Wales (as the case may be) under this Agreement shall be promptly referred for determination to them.
- 24.5 The Parties shall on request promptly supply to the relevant heads of organisations or mediator or the Courts of England and Wales (as the case may be) all such assistance, documents and information as may be required for the purpose of determination.
- 24.6 If a mediator is appointed to determine a dispute pursuant to Clause 24.3 (Dispute Resolution), then the mediator shall be deemed to act as an expert and not as an arbitrator and his determination shall (in the absence of manifest error) be conclusive and binding upon the Parties.
- 24.7 The costs of the resolution of any dispute and/or disagreement between the Parties under this Agreement shall be borne by the relevant Parties on a Proportionate Basis to the dispute in question save as may be otherwise directed by the relevant heads of organisations, the mediator or the Courts of England and Wales (as the case may be).

## 25. **DATA PROTECTION**

- 25.1 In relation to all Personal Data, each Party shall at all times comply with the GDPR, (as a data controller if necessary) which includes (but is not limited to) maintaining a valid and up to date registration or notification under the GDPR covering the data processing activities to be performed in connection with the Growth Deal.
- 25.2 Each Party:-
- 25.2.1 shall process Personal Data belonging to any other Party only on the instructions of that Party (subject to compliance with applicable law);
  - 25.2.2 shall only undertake processing of Personal Data reasonably required in connection with the Growth Deal and shall not transfer any Personal Data to any country or territory outside the European Economic Area; and
  - 25.2.3 shall use its reasonable endeavours to procure that all relevant sub-contractors and third parties comply with this Clause 25.2 (Data Protection). For the avoidance of doubt a relevant sub-contractor is one which processes Personal Data belonging to the one or any of the Parties.
- 25.3 The Parties shall not disclose Personal Data to any third parties other than:-
- 25.3.1 to employees and sub-contractors and third parties to whom such disclosure is reasonably necessary in order for the Parties to discharge the Parties' obligations in relation to the Growth Deal; or

- 25.3.2 to the extent required under a court order or to comply with any applicable laws including (but not limited to) any statute, bye law, European Directive or regulation,  
provided that any disclosure to any sub-contractor or any third parties under Clause 25.3.1 (Data Protection) shall be made subject to written terms substantially the same as, and no less stringent than, the terms contained in this Clause 25 (Data Protection) and that the Parties shall give notice in writing to all other Parties of any disclosure of Personal Data belonging to them which they or a sub-contractor or third parties are required to make under Clause 25.3.2 (Data Protection) immediately they are aware of such a requirement;
- 25.3.3 the Parties shall bring into effect and maintain and shall use its reasonable endeavours to ensure that all relevant sub-contractors and any third parties have in effect and maintain all reasonable technical and organisational measures necessary to prevent unauthorised or unlawful processing of Personal Data and accidental loss or destruction of, or damage to, Personal Data including but not limited to taking reasonable steps to ensure the reliability and probity of any employee or agent of a relevant sub contractor or any third parties having access to the Personal Data; or
- 25.3.4 any Party may, at reasonable intervals, request a written description of the technical and organisational methods employed by any other Party and the relevant sub-contractors referred to in Clause 25.2.3 (Data Protection) Within five (5) Business Days of such a request, the Party requested to do so shall supply written particulars of all such measures as it is maintaining detailed to a reasonable level such that the requesting Party can determine whether or not, in connection with the Personal Data, it is compliant with the DPA. All Parties shall use its reasonable endeavours to ensure that the sub-contractors and any third parties also comply with such request from any other Party.
- 25.4 All Parties shall ensure that any Personal Data they obtain and provide to any other Party has been lawfully obtained and complies with the DPA and that the use thereof in accordance with this Agreement shall not breach any of the provisions of the DPA.
- 25.5 If:-
- 25.5.1 under the DPA any Party is required to provide information to a data subject (as defined in the DPA) in relation to Personal Data when such data is in the possession or under control of any other Party; and
- 25.5.2 the required Party informs the controlling Party in writing that this is the case,  
then the controlling Party shall guarantee reasonable and prompt co-operation to the required Party in meeting its obligations under the DPA including making copies of the relevant Personal Data to the extent the same are in its possession.
- 25.6 Each Party shall provide the other as soon as reasonably practicable, with such information in relation to Personal Data and their processing as the other Party may reasonably request in writing and the party asked to provide the relevant data may reasonably be able to provide in order for the other Party to:-
- 25.6.1 comply with its obligations under this Clause and the DPA; and
- 25.6.2 assess whether the processing of the relevant Personal Data in connection with this Agreement is breaching or may breach the DPA in a manner which is material and not effectively sanctioned by any guidance statement issued by the Information Commissioner.
- 25.7 The Parties shall each take reasonable precautions (having regard to the nature of their respective obligations under this Agreement) to preserve the integrity of any Personal Data.
- 25.8 The Parties shall work together to create and agree an information sharing protocol specifically in relation to their joint working on the Growth Deal and shall continually review any existing information sharing protocols being used in relation to the Growth Deal to ensure they remain relevant to the

Growth Deal and to identify which Personal Data needs to be processed and on what basis to ensure compliance with this Clause 25 (Data Protection).

## 26. **FREEDOM OF INFORMATION AND ENVIRONMENT INFORMATION**

26.1 Each Party acknowledges that the Parties are subject to the requirements of the Freedom of Information Act 2000 ("**FOIA**") and the Environmental Information Regulations 2004 ("**EIR**") and the Parties shall comply with the Host Authority's policy on FOIA in respect of these information disclosure obligations to the extent they relate to the Growth Deal.

26.2 Where a Party (the "**Receiving Party**") receives a request for information under either the FOIA or the EIR in relation to information which it is holding on behalf of any of the other Parties in relation to the Growth Deal, it shall:-

26.2.1 transfer the request for information to the Host Authority as soon as practicable after receipt and in any event within two (2) Business Days of receiving a request for information;

26.2.2 provide the Host Authority with a copy of all information in its possession or power in the form the Host Authority reasonably requires within ten (10) Business Days (or such longer period as the Host Authority may specify) of the Host Authority requesting that information; and

26.2.3 provide all necessary assistance as reasonably requested by the Host Authority to enable the Host Authority to respond to a request for information within the time for compliance set out in the FOIA or the EIR.

26.3 The Parties acknowledge and agree that the Host Authority shall be responsible for co-ordinating any response on behalf of the relevant Parties to the extent they relate to the Growth Deal and all costs incurred shall be accounted for as Joint Committee Costs.

26.4 The Host Authority shall be responsible for determining in their absolute discretion whether any information requested under the FOIA or the EIR:-

26.4.1 is exempt from disclosure under the FOIA or the EIR; and

26.4.2 is to be disclosed in response to a request for information.

26.5 Each Party acknowledges that the Host Authority may be obliged under the FOIA or the EIR to require the Receiving Party to disclose and, acting upon the instructions of the Host Authority, the Receiving Party shall disclose information:-

26.5.1 without consulting with the other Parties where it has not been practicable to achieve such consultation; or

26.5.2 following consultation with the other Parties and having taken their views into account.

## 27. **NOTICES**

27.1 Any notice or demand in connection with this Agreement to any Party shall be in writing and may be delivered by hand, prepaid first class post, special delivery post or email, addressed to the recipient at the address as the case may be set out in Schedule 3 (Parties' Details) or such other recipient address as may be notified in writing from time to time by any of the Parties to all the other Parties.

27.2 Any notice or demand in connection with this Agreement to the Joint Committee shall be in writing and may be delivered by hand, prepaid first class post, special delivery post or email, addressed to the Programme Director with copies sent to the Chief Executive of Gwynedd Council, Iwan Evans and Hedd Vaughan-Evans.

27.3 Iwan Evans, the Monitoring Officer and Hedd Vaughan-Evans (Operations Manager) are at the same address as the Chief Executive which is the address as the case may be as set out in Schedule 3



(Parties' Details) or such other recipient address as may be notified in writing from time to time by the Host Authority to all the Parties and their email addresses are [iwangdevans@gwynedd.llyw.cymru](mailto:iwangdevans@gwynedd.llyw.cymru) and [HeddVaughanEvans@buegogleddcymru.co.uk](mailto:HeddVaughanEvans@buegogleddcymru.co.uk) respectively.

27.4 The notice or demand shall be deemed to have been duly served:-

27.4.1 if delivered by hand, when left at the proper address for service;

27.4.2 if given or made by prepaid first class post or special delivery post, forty-eight (48) hours after being posted (excluding days other than Business Days); or

27.4.3 if given or made by email, at the time of transmission,

provided that, where in the case of delivery by hand or email such delivery or transmission occurs either after 4.00pm on a Business Day or on a day other than a Business Day service shall be deemed to occur at 9.00am on the next following Business Day.

27.5 For the avoidance of doubt, where proceedings to which the Civil Procedure Rules apply have been issued, the provisions of the Civil Procedure Rules must be complied with in respect of the service of documents in connection with those proceedings.

## 28. **GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in all respects in accordance with the laws of England and Wales. Subject to Clause 24 (Dispute Resolution), the English and Welsh Courts shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement.

## 29. **ASSIGNMENT**

The rights and obligations of the Parties under this Agreement shall not be assigned, novated or otherwise transferred without the consent of the other Parties.

## 30. **WAIVER**

30.1 No failure or delay by any Party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same or some other right, power or remedy unless a waiver is given in writing by that Party.

30.2 Each Party shall pay their own costs incurred in connection with the preparation, execution, completion and implementation of this Agreement.

## 31. **ENTIRE AGREEMENT**

This Agreement contains all the terms which the parties have agreed in relation to the subject of this Agreement and supersedes any prior written or oral agreements, representations or understandings between the Parties relating to such subject matter. No Party has been induced to enter into this Agreement or any of these documents by statement or promise which they do not contain, save that this Clause shall not exclude any liability which one Party would otherwise have to the other in respect of any statements made fraudulently by that Party.

## 32. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts each of which so executed shall be an original but together shall constitute one and the same instrument. A complete signed copy of this Agreement delivered by e-mail in a pdf format from each Party shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Each Party shall hold its signed copy to order of the Host Authority and the Agreement shall be dated on the date that the Host Authority dates its copy of the Agreement.

33. **RELATIONSHIP OF PARTIES**

Each Party is an independent body and nothing contained in this Agreement shall be construed to imply that there is any relationship between the Parties of partnership or (except as expressly provided in this Agreement) of principal/agent or of employer/employee. No Party shall have the right to act on behalf of another nor to bind the other by contract or otherwise except to the extent expressly permitted by the terms of this Agreement. In particular for the avoidance of doubt, none of the provisions relating to the principles of working in partnership shall be taken to establish any partnership as defined by The Partnership Act 1890.

34. **STATUTORY RESPONSIBILITIES**

Notwithstanding anything apparently to the contrary in this Agreement, in carrying out their statutory duties, the discretion of any Party shall not be fettered or otherwise affected by the terms of this Agreement.

**SCHEDULE 1**  
**DELEGATIONS POLICY**

DECISION	PROGRAMME DIRECTOR MATTER	JOINT COMMITTEE MATTER	RESERVED MATTER
<b>KEY THEMES</b>			
1. Approval and adoption of OBP			<b>Yes</b>
2. Approval and adoption of any updated OBP save to the extent any such update amounts to a material change to the prevailing OBP or a material change in the content of the Portfolio Programme or any Project Business Case of any of the Approved Projects (in which case the decision to approve and adopt such updated OBP shall be a Reserved Matter)  For the avoidance of doubt, a material change is a change which (includes but is not limited to) any change already captured as a "Reserved Matter" in this Agreement.		Yes	
3. Approval and adoption of Programme and Portfolio Business Cases including any updates in accordance with Clause 13 (Business Plan)		Yes	
4. Approval and adoption of the Project Business Cases in accordance with Clause 13 (Business Plan)		Yes	

DECISION	PROGRAMME DIRECTOR MATTER	JOINT COMMITTEE MATTER	RESERVED MATTER
5. Subject to 2 above, varying the Programmes to be delivered.		Yes	
<b>FUNDING AND EXPENDITURE</b>			
6. Agreeing any increase in the Councils' Contribution or the Advisers' Contribution or any Adviser's Individual Contribution			<b>Yes</b>
7. Approval of any disproportionate Internal Costs pursuant to Clause <b>15.2.2</b> (Commitment of the Parties and Contributions)		Yes	
8. Approval of expenditure within the approved Annual Budget of the Host Authority held on behalf of the Joint Committee set out in Clause <b>15.4</b> (Annual Budget)	Yes		
9. Save where provided for in Clause <b>15.4.3</b> where increases subject to index rate shall not require any formal approval (Annual Budget Annual Increases), approval of any further increase to the Annual Budget Contributions shall be a Reserved Matter for the Parties			<b>Yes</b>
10. any changes to the Councils' Supplementary Contribution shall be a <b>Council Matter</b> for the Councils only			<b>Yes – Council Matter only</b>
11. a decision pursuant to Clause 9.1.3 (Corporate Joint Committee) shall be			<b>Yes – Council Matter only</b>

DECISION	PROGRAMME DIRECTOR MATTER	JOINT COMMITTEE MATTER	RESERVED MATTER
a <b>Council Matter</b> for the Councils only			
12. Transfer of funds allocated from one Project to another		Yes	
13. The Host Authority entering into (or agreeing to enter into) any borrowing arrangement on behalf of the Joint Committee and/or giving any security in respect of any such borrowing		Yes	
14. Accepting terms and conditions in relation to any third party funding for the Growth Deal or Growth Vision		Yes	
15. Agreeing the form of the Gateway Reviews	Yes		
16. Agreeing any Welsh Government or UK Government Funding Conditions		Yes	
<b>GENERAL</b>			
17. Approval of the draft Business Delivery Board's terms of reference which are attached at Part 5 of Schedule 2		Yes	
18. Replacement of the Host Authority pursuant to Clause 6.3 (The Host Authority)		Yes	
19. Issue of written notice to a Defaulter to remedy a breach or be treated as			<b>Yes<sup>10</sup></b>

<sup>10</sup> NWEAB TO CONFIRM

DECISION	PROGRAMME DIRECTOR MATTER	JOINT COMMITTEE MATTER	RESERVED MATTER
having withdrawn from the Joint Committee pursuant to Clause 2.3 (Termination)			
20. Any decision to appoint or later remove further bodies or organisations as a signatory Adviser who is or will be a Party to the Agreement to provide financial support to the Joint Committee shall be a Reserved Matter.			<b>Yes</b>
21. Establishment of a sub-committee, sub-group or project management body pursuant to this Agreement and determining their terms of reference and scope of delegation.		Yes	
22. Making any variations to or waiving any rights to or terminating any contracts signed by Parties / the Host Authority (other than this Agreement) which are material to the Growth Deal.		Yes	
23. Amendments to the terms of this Agreement			<b>Yes</b>
24. Approval of the Staffing Structure of the Portfolio Management Office		Yes	
25. The engagement and dismissal (and setting terms engagement of) of members of staff of the Portfolio Management Office other than the Programme Director	Yes		
26. The engagement and dismissal (and setting		Yes	

DECISION	PROGRAMME DIRECTOR MATTER	JOINT COMMITTEE MATTER	RESERVED MATTER
terms engagement of) of the Programme Director.			
27. Commencing any claim, proceedings or other litigation brought by or settling or defending any claim, proceedings or other litigation brought against the Joint Committee or individual Party in relation to the Growth Deal, except in relation to debt collection in the ordinary course of business.		Yes	
28. Making any announcements or releases of whatever nature in relation to the Joint Committee and the Growth Deal	Yes		
29. Approval of the Business Case for creation of a local authority trading company under Local Government Act 2003			Yes
30. Any decision to convert to a Corporate Joint Committee			Yes
31. Subject to the terms of this Agreement, any other matters not covered in Schedule 1 (Delegations Policy) which facilitate, or are conducive or incidental to, the discharge of the Joint Committees Terms of Reference		Yes	

## SCHEDULE 2

### TERMS OF REFERENCE

#### PART 1

#### JOINT COMMITTEE TERMS OF REFERENCE

##### 1. AIMS/PURPOSE

- 1.1 The Joint Committee will be the key body to oversee the Growth Deal and to represent the interests of the Parties and its stakeholders and, subject to this Agreement will take all necessary decisions to facilitate and implement its delivery. The Joint Committee will also be responsible for monitoring programme progress and managing the political dimensions of the Growth Deal.
- 1.2 The Joint Committee will also oversee the Growth Vision and, subject to this agreement will take all necessary decisions to facilitate and implement its delivery.
- 1.3 The Joint Committee will carry out the following functions:-
- 1.3.1 determine the form of and number of fund(s) to deliver the Growth Deal;
  - 1.3.2 approve Project Business Cases to deliver the Growth Deal in accordance with the OBP;
  - 1.3.3 provide strategic direction to the Executive Support Group (to include approval of remit for the Executive Support Group and approval of any resourcing issues);
  - 1.3.4 act as a representative for each of the Parties to ensure consistency with individual objectives and visions;
  - 1.3.5 monitor performance, management and working arrangements (to include the necessary audit and assurance checks);
  - 1.3.6 ensure that sufficient resources are committed to the Growth Deal;
  - 1.3.7 arbitrate on any conflicts within the programme or negotiate a solution to any problems between the programme and external bodies;
  - 1.3.8 communicate and provide progress on strategic issues within the Growth Deal;
  - 1.3.9 promote partnership working between the Parties;
  - 1.3.10 publish annual governance statement and Annual Accounts;
  - 1.3.11 liaise with other Growth Deal or City Deal partners across the United Kingdom to share best practice and ensure a co-ordinated strategic approach;
  - 1.3.12 provide the Parties with annual progress reports; and
  - 1.3.13 update the Delegations Policy from time to time.

##### 2. TERMS

- 2.1 At the start of the Growth Deal, to:-
- 2.1.1 finalise any Business Cases pursuant to Clause 13; and
  - 2.1.2 agree the detail of the decision-making process and assessments prior to the Joint Committee considering individual projects.



- 2.2 During the planning and development stages, to:-
- 2.2.1 review project status against the approved plans;
  - 2.2.2 monitor the management of project budget, risks and quality;
  - 2.2.3 promote and support the project among relevant stakeholders and where appropriate obtain their consent;
  - 2.2.4 seek to resolve disputes where these cannot be resolved satisfactorily through other means; and
  - 2.2.5 ensure that the proposals are affordable and deliver maximum value for money for the public sector.

## PART 2

### EXECUTIVE SUPPORT GROUP'S TERMS OF REFERENCE

#### 1. STATUS

- 1.1 The Group is a professional executive which supports and advises, and enacts the decisions of, the North Wales Economic Ambition Board.
- 1.2 The Group does not have any formal decision-making powers and will advise those officers of the Board, who have delegated powers, in the exercise of their powers.

#### 2. PURPOSE OF GROUP

- 2.1 To (a) co-ordinate professional advice to the North Wales Economic Ambition Board (hereafter referred to as 'the Board'); (b) to enact the decisions of the Board; (c) to oversee the deployment and management of the resources of the Board and (d) to be responsible for the performance management of the work-streams, programmes and projects of the Board.
- 2.2 The Group has the following specific roles and responsibilities:-

##### **Strategic**

- 2.2.1 to provide strategic advice on the development of the Growth Vision;
- 2.2.2 to provide professional advice to the Board in the specific fields of transport, skills and employment, economic development, housing, land use planning, and digital;
- 2.2.3 to provide advice on the development of a regional strategy for place regeneration.

##### **Programme and Project Management**

Act as the Portfolio Board to oversee the development, co-ordination and delivery of the Programmes and projects within the Growth Deal and to oversee the development, co-ordination and delivery of other projects commissioned by the Board to deliver the Growth Vision.

##### **Performance Management**

- 2.2.4 to oversee the management and reporting of performance for the programmes and projects of the Board; and
- 2.2.5 to maintain and manage performance management and risk management reporting systems.

##### **Administration and Communications**

- 2.2.6 to support the governance structure and ensure its efficient operation;
- 2.2.7 to oversee a communications strategy; and
- 2.2.8 to act as a "clearing house" for reports to the Board.

#### 3. MEMBERSHIP

- 3.1 The chairperson of the Joint Committee or appropriate deputy
- 3.2 Programme Director
- 3.3 The s.151 and Monitoring Officers from the Host Authority

3.4 A senior officer from the following:-

- 3.4.1 Gwynedd Council;
- 3.4.2 Anglesey Council;
- 3.4.3 Conwy Council;
- 3.4.4 Denbighshire Council;
- 3.4.5 Flintshire Council;
- 3.4.6 Wrexham Council;
- 3.4.7 Bangor University;
- 3.4.8 Glyndwr University;
- 3.4.9 Coleg Cambria;
- 3.4.10 Grwp Llandrillo-Menai;
- 3.4.11 Business Delivery Board.

4. **MEETING SCHEDULES**

- 4.1 Meetings will be held on the second Friday of every month or as otherwise agreed by the Executive Group in order to facilitate its functions.
- 4.2 However, extraordinary meetings will be convened where deemed necessary.

5. **SECRETARIAT**

Secretariat for the Group will be provided by the Portfolio Management Office.

### PART 3

#### PORTFOLIO MANAGEMENT OFFICES TERMS OF REFERENCE

1. To provide a professional support team lead by the programme director for the successful delivery of the agreed economic ambition board programme for achieving economic growth and unlocking government funding
2. To provide professional advice and direction to the economic ambition board on key strategies in support of the above, in particular transport, skills and employment, economic development and sector growth, digital infrastructure, and land use planning;
3. To support the development and delivery of north wales growth vision, providing advice and direction for the board to maximise the potential to deliver sustainable and inclusive economic growth in north wales;
4. To co-ordinate the development and delivery of the growth deal for north wales and the
5. To work closely with the business sectors in the region in order to identify opportunities to secure economic growth;
6. To work in collaboration and in partnership with key officers from the uk government and the welsh government to deliver the priorities of the economic ambition board;
7. To lead the procurement of goods, works and services subject to approval by the Joint Committee as more particularly set out in paragraph 3 of part 1 of this Schedule.
8. To be responsible for resource management to include (but not limited to):
  - (a) to maintain an annual budget for the Board;
  - (b) to oversee deployment of the budget;
  - (c) to ensure value for money in the use of the budget; and
  - (d) to make appointments and enter into contracts with the approval of the Board and within the approved budget, and in accordance with the policies of the Host Authority

## PART 4

### SUB-COMMITTEE TERMS OF REFERENCE

#### TERMS OF REFERENCE

#### TRANSPORT DELIVERY SUB-BOARD

The North Wales Economic Ambition Board (“EAB”) appoints a Transport Delivery Board to discharge the functions set out below.

The Sub-Board will be a Sub-Committee appointed under Section 102 of the Local Government Act 1972 and Section 20 of The Local Government Act 2000 and Regulation made thereunder

The Sub- Board shall comprise of 6 Councillors, one from each Partner Council who will be Executive Members.

Observers may be invited to attend based on their knowledge and potential contribution to the areas of responsibility.

#### ROLE:

- The to plan and co-ordinate a joined-up and integrated strategic transportation service in North Wales;
- to plan, co-ordinate and advise on regional responses to the Welsh Government Improving Public Transport proposals.
- to plan and co-ordinate the delivery of strategic transportation interventions, including Growth Bid and transport decarbonisation projects;
- to report to the NWEAB on progress, performance, outcomes and funding issues. Delivery Sub-Board will be a Sub-Committee of the North Wales Economic Ambition Board.

#### PURPOSE:

To respond to and implement the briefs and commissions as instructed and agreed by the Economic Ambition Board.

The Sub-Board have the following generic roles and responsibilities within their Role:

##### **Strategic**

- to co-ordinate Local Authority and other partner activity so that a strategic regional approach takes place in the relevant policy area;
  - to provide relevant strategic advice to the Board;
  - to support the Board to influence national policies and funding programmes;
- to enact the decisions of the Economic Ambition Board. The Economic Ambition Board will provide direction and commission the Delivery Sub-Boards to undertake key tasks.

##### **Programme & Project Management**

- to co-ordinate the planning, development and delivery of relevant Programme(s) commissioned by the Economic Ambition Board;
- to co-ordinate the planning, development and delivery of relevant Projects commissioned by the Economic Ambition Board, specifically the Projects included in the Growth Deal “Bid”. This will include the development of individual Outline Business Case and 5 Case Business Models for each Project;
- to monitor and review progress and impact of relevant Programme(s) and related Projects, and to put forward any recommendations to the Board.

### **Resource Management**

- To oversee the deployment of the relevant budget and to ensure value for money in the use of the budget.
- To report to the EAB on the budget and to seek approval from the EAB for any variations in the budget.

### **Performance Management**

- To co-ordinate the reporting of performance of the relevant Programme(s) and Projects to the Board;
- To maintain and manage performance and risk management reporting system.

### **Sub-Committee Powers**

None delegated.

## **RELATIONSHIP WITH EAB**

- The Chair of each Delivery Sub-Board will be invited to some meetings of the Economic Ambition Board to report on progress, performance and outcomes.
- The Economic Ambition Board will create a Portfolio Lead for each of the Delivery Sub-Board themes. They will be Observers in meeting of the Sub-Board, and will ensure a direct link with the Economic Ambition Board.

## **PROCEDURE AND GOVERNANCE**

- A Lead Officer for each of the Delivery Sub-Board will be appointed.
- Decisions will normally be reached by achieving consensus and then a formal vote amongst the 6 local authority members requiring a simple majority.
- In the event that a vote is deadlocked the issue will be referred to the EAB for decision.
- In all other respects the Sub-Board will apply the rules and procedures which apply to the EAB as set out in GA1 or any subsequent superseding agreement.

## SCHEDULE 2

### PART 5

#### Business Delivery Board's Terms of Reference

### **BUSINESS DELIVERY BOARD**

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#### **1. Role and Remit**

- 1.1. The Business Delivery Board will act as the voice of the business and employers in the region, working closely with organisations such as the North Wales & Mersey Dee Business Council (the umbrella body for Business representative organisations). It will focus on the delivery of the Growth Vision for the region.
- 1.2. It will have a key role in challenging and advising the North Wales Economic Ambition Board on matters relating to the Growth Vision and Growth Deal.
- 1.3. The Board will highlight the barriers to growth, as well as bring forward ideas and proposals. It will be expected that the North Wales Economic Ambition Board will consider ways in which such proposals can be delivered.
- 1.4. The Board is a key part of the Growth Deal governance apparatus and performs an important two-fold role:
  - To ensure the voice and wishes of business shape and influence the Growth Vision for North Wales and the Growth Deal package and delivery;
  - To ensure that opportunities galvanised and catalysed by the development of the Growth Deal can be accessed and led by businesses.
- 1.5. The Board is committed to optimising the opportunities within the Growth Deal, and promoting investment leverage from companies, enterprises and businesses.
- 1.6. The Board will consist of a Chair and between 9-12 members. Its membership will include representatives and sector experts from key businesses from the growth and foundation economic sectors across the region. There is an expectation that the Board Members will include senior decision makers from representative organisations.
- 1.7. Its programme of work (which will be set out in an annual business plan) will demonstrate clearly the private sector opportunities stemming from the delivery of the Growth Vision and Growth Deal. The annual business plan and proposals brought forward by the Board will be formally considered by the North Wales Economic Ambition Board for incorporation within its work programme.
- 1.8. It will strengthen the profile of the business voice and input into the Growth Deal, in order that whilst it is politically-led, it is business and industry driven and delivered.
- 1.9. The Board will ensure that investment in growth is informed and shaped by business for business.
- 1.10. The Chair of the Board will be an Adviser of the North Wales Economic Ambition Board and, in partnership with the North Wales Economic Ambition Board will play a key role in providing

leadership and key relations with Welsh Government and the UK Government. The post of Chair will be advertised and publicly appointed.

1.11. The constitution and role of the Board within the governance of the Growth Deal and its inter-relationship with the Joint Committee will be encapsulated in Governance Agreement 2. The Board must be flexible to change their constitution and role as they fit in order to be as independent as possible. The constitution and role of the Board and any amendments will be agreed with the North Wales Economic Ambition Board.

1.12. The North Wales Economic Ambition Board will fully consider and take into account any advice or challenge from the Business Delivery Board. Any formal recommendations made by the Business Delivery Board to the North Wales Economic Ambition Board will be presented in a written report to them which will be considered at a meeting of the Board and the response and reasons will be recorded and communicated.

## **2. Key Responsibilities**

2.1. The Business Delivery Board will be responsible for:

- Reviewing and shaping the Growth Vision for North Wales;
- Provide review and challenge to the portfolio of projects proposed within the Growth Deal, and consider and challenge the Full Business Cases for individual projects maximising the impact of the Growth Deal for the region, securing additional direct and indirect private sector investment for the Deal.;
- Focus on the delivery of projects commissioned by the North Wales Economic Ambition Board, and ensure that opportunities catalysed by the Growth Deal can be accessed and led by businesses;
- Provide an advocacy role, promoting the region as a prime investor and visitor location and working with partners to increase the value and quality for inward investment;
- Provide advice on proposed intervention from other key stakeholders, including Welsh Government.

2.2. It will work closely and in partnership with the North Wales Economic Ambition Board.

## **3. The Chair of the Board**

3.1. The Chair will be appointed on a two-year fixed term basis, with the maximum number of terms limited to two.

3.2. The time commitment, whilst flexible, is assumed to be an average of 1 day a week, though the level of commitment will fluctuate across the term.

3.3. The role will be remunerated at a level which reflects the significance of the role.

3.4. The Chair will be responsible for:

- Leading the Board, ensuring it fulfils its responsibilities;
- Chair meetings of the Board, collecting views expressed by each stakeholder group and where necessary arriving at a consensus;
- Communicating and representing the recommendations of the Board on the North Wales Economic Ambition Board;



- Being a “business” figurehead and champion of the region both nationally and internationally.

The Chair should have the following background and experience:

- Be a member of the private sector business community;
- Have extensive senior leadership experience;
- Have a wide network of public, private and government contacts which extends beyond the region.

3.5. Strategic, research, policy and media support will be provided to the Chair and the Business Delivery Board by the Portfolio Management Office (once fully established).

3.6. Both the UK Government and Welsh Government will need to approve the appointment of the Chair. The process will be overseen by the North Wales Economic Ambition Board. Subject to the approval of both the UK and Welsh Governments the Chair will be appointed by the North Wales Economic Ambition Board.

3.7. The Chair will be appointed in accordance with the acknowledged standards for public appointments, including an open advert.

#### **4. Selecting the Business Delivery Board Members**

4.1. The selection process must be open and transparent, accompanied by the selection criteria listed below.

4.2. The Appointment Panel will consist of the Chair and Vice-Chair of the North Wales Economic Ambition Board and the Chair of the Business Delivery Board. The Panel will put forward recommendations to the Economic Ambition Board for approval of the most suitable candidates to appoint.

4.3. The Board Membership role will be advertised publicly to encourage a diverse range of applications. The collective set of skills and experience of the Board will be a key consideration. There will be an application process which will allow for proposed members to be nominated.

4.4. Collectively, the Board should have the following knowledge and skills:

- Understanding of the economy of North Wales and an appreciation of opportunities in the growth and foundation economic sectors across the region;
- A wide network of contacts across the UK and internationally;
- Experience of analysing and assessing commercial, technical and financial information in order to provide quality advice to decision makers;
- Experience of providing impartial advice on projects and initiatives, particularly in relation to their viability and impact on economy and employment issues.

4.5. The process will be undertaken in consultation with both Governments.

4.6. In appointing members consideration will be given to establishing a membership which as far as possible is balanced overall so that it reflects and represents the whole of the geographical area of North Wales its business sectors and communities and this will need to be taken into account during the appointment process.

**5. Conflict of Interest**

- 5.1. To allow the Business Delivery Board to undertake all its function, a clear distinction will be drawn between those involved in specific project development and those preparing recommendations on those projects to the North Wales Economic Ambition Board. A robust system of declaration of conflict of interest will be put in place. In addition, Advisors to the Economic Ambition Board are governed by a GA Code of Conduct and the Conflicts Policy in relation to personal interests. Members appointed to the Business Delivery Board will be expected to comply with the same provisions.

**6. GA2**

- 6.1 As part of each party's appointment to the Business Delivery Board they will each acknowledge and accept the terms of the GA2 and will be expected to comply with the same to include (but not limited to) Clause 22 (Confidentiality and Announcements).

**SCHEDULE 3**  
**SCRUTINY PROTOCOL**

**1. Communication and Awareness Raising**

- 1.1 The Portfolio Management Office will prepare a quarterly report on the work of the Economic Ambition Board which shall include:
- Progress on implementation of the OBP including individual Programmes and Projects.
  - The Financial Performance of the Board
  - Forthcoming developments.
- 1.2 The report shall be sent to each Partner Organisation and shall be in a format which will facilitate its submission into the Partners Scrutiny or other governance arrangements as the Partners determine.
- 1.3 An Officer of the Portfolio Management Office will be available to attend at a relevant meeting provided, in the absence of special circumstances or call in of a decision no single Partner may require an officer to attend more than two of their meetings per annum.

**2. Call in**

- 2.1 All decisions of the EAB or its Sub-Boards (“Decision Body”) will be recorded and published on a statement of decisions prepared in compliance with Local Authorities (Executive Arrangements) (Decisions, Documents and Meetings) (Wales) Regulations 2001 That notice will also be sent to the head of Democratic Services of the Councils to be dealt with in accordance with the governance arrangements of their respective Councils in relation to Scrutiny.
- 2.2 Notwithstanding any provision in the Constitution of any Council no decision of a Decision Body may be called by any Council at the expiry of 5 clear working days (which shall be taken to expire at 17:00 on the final day) following the date of publication of the statement of decision.
- 2.3 In the event that a request for call in of a decision is served in compliance with that Councils Constitution a copy of that notice or notices shall be sent to the following as soon as reasonably practicable thereafter:
1. Monitoring Officer of each of the Other Councils
  2. Programme Director
  3. Board representative of the other Partners
- 2.4 The Council will arrange for the matter to be considered at a meeting of the relevant Scrutiny Committee to be held no later than 15 clear working days from the date of the notice of Call in being accepted by that Council.
- 2.5 No decision of a Decision Body may be called in more than once by any Council and re-consideration of a decision shall not be subject to Call In by any Council.
- 2.6 Representatives of the Joint Committee and of the Portfolio Management Office shall be invited to attend and speak at the meeting of a Scrutiny Committee which considers the request for call in.
- 2.7 If, having considered the decision, the Scrutiny Committee is still concerned about it, then it may refer it back to the decision making body for reconsideration, setting out in writing the nature of its concerns to the decision maker they shall then reconsider within a further 15 clear working days, amending the decision or not, before adopting a final decision.

- 2.8 Notice of the recommendations of the meeting shall be served in writing on the Programme Director, Monitoring Officer and Chief Finance Officer of the Joint Committee no later than 5 clear working days after the date of the meeting.
- 2.9 The call-in procedure set out above shall not apply where the decision being taken is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would, for example, seriously prejudice the work of a Decision Body or other public interests. The decision of whether a matter is urgent will be taken by resolution of the Decision Body setting out the grounds for the decision. The record of the decision, and notice by which it is made public, shall state whether in the opinion of the decision making body, the decision is an urgent one, and therefore not subject to call-in and the grounds for that decision.

**SCHEDULE 4**

**PARTIES' DETAILS**

<b>Recipient's name</b>	<b>Address</b>	<b>Email</b>
Conwy Council:- [Chief Executive]	PO Box 1, Conwy, LL30 9GN	Iwan.davies@conwy.gov.uk
Denbighshire Council:- [Chief Executive]	PO Box 62, Ruthin, LL15 9AZ	Judith.greenhalgh@denbighshire.gov.uk
Flintshire Council:- [Chief Executive]	County Hall, Mold CH7 6NB	Chief.executive@flintshire.gov.uk
Gwynedd Council:- [Chief Executive]	Gwynedd Council Shirehall Street Caernarfon LL55 1SH	dilwynowenwilliams@gwynedd.llyw.cymru
Isle of Anglesey Council:- [Chief Executive]	Council Offices Llangefni Anglesey LL77 7TW	AnnwenMorgan2@ynysmon.gov.uk
Wrexham Council: [Chief Executive]	The Guildhall Wrexham LL11 1AY	Ian.bancroft@wrexham.gov.uk
Bangor University:- [Vice Chancellor]	College Road, Bangor, Gwynedd LL57 2DG	vc@bangor.ac.uk
Glyndwr University:- [Vice Chancellor]	Glyndŵr University Mold Road Wrexham LL11 2AW	Maria.Hinfelaar@glyndwr.ac.uk
Coleg Cambria:- [Chief Executive]	Kelsterton Road Connah's Quay Deeside Flintshire CH5 4BR	Yana.williams@cambria.ac.uk

<b>Recipient's name</b>	<b>Address</b>	<b>Email</b>
GRWP Llandrillo Menai:- [Chief Executive]	Llandudno Road, Colwyn Bay, LL28 4HZ	dafydd.evans@gllm.ac.uk
Business Delivery Board	Conwy Business Centre Llandudno Junction Conwy  LL31 9XX	AlwenWilliams@buegogleddcymru.co.uk – to be updated when Chair of the Business Delivery Board is appointed
Programme Director	Conwy Business Centre Llandudno Junction Conwy  LL31 9XX	AlwenWilliams@buegogleddcymru.co.uk

## SCHEDULE 5

### HEADS OF EXPENDITURE

1. The following is a non-exhaustive list of the heads of expenditure that may be incurred by the Parties in the Growth Deal:-
  - 1.1 "**Internal Costs**" means the costs associated with each Party providing internal resources in relation to the Growth Deal which includes but is not limited to:-
    - 1.1.1 staffing costs and associated overheads;
    - 1.1.2 project management / technical & admin support;
    - 1.1.3 communications; and
    - 1.1.4 (where applicable) costs incurred in respect of managing FOIA requests pursuant to Clause 26 (Freedom of Information and Environmental Information).
  - 1.2 "**Joint Committee Costs**" means the operational and management costs of the Joint Committee, (and its sub committees and groups created pursuant to Clauses 9.8 and 9.9) which includes but is not limited to:-
    - 1.2.1 staffing costs and associated overheads including but not limited to the costs and liabilities of the appointment and any termination of appointment of the Programme Director and each individual within the Portfolio Management Office;
    - 1.2.2 project management / technical & admin support;
    - 1.2.3 communications;
    - 1.2.4 Translation costs;
    - 1.2.5 the costs incurred by the Host Authority in carrying out the duties of the Host Authority pursuant to Clauses 6 and 7;
    - 1.2.6 the costs incurred by the Joint Committee and/or the Host Authority in developing the Portfolio Business Cases and the Project Business Cases for the Regional Project including but not limited to external professional advice; and
    - 1.2.7 without double counting, any other external professional advice.
  - 1.3 For the avoidance of doubt, Internal Costs and Joint Committee Costs do not include any revenue costs or capital investment relating to the implementation of any project pursuant to the Growth Deal.

## **SCHEDULE 6**

### **ACCOUNTING PERIODS**

1. The initial Accounting Period shall be the date of this Agreement until 31 March and thereafter shall be:-

1 April to 31 March

2. Each Quarter shall be shall be the date of this Agreement until 31 March and thereafter shall be:-

- 1 April to 30 June;
- 1 July to 30 September;
- 1 October 31 December; and
- 1 January to 31 March.



## SCHEDULE 7

### CODE OF CONDUCT FOR NWEAB ADVISERS

1. You must in all matters consider whether you have a personal interest and whether this code of conduct requires you to disclose that interest.
2. You must regard yourself as having a personal interest in any business of the North Wales Economic Ambition Board if:-
  - 2.1 it is likely to affect the well-being or financial position of such persons below to a greater extent than other tax payers in North Wales:-
    - 2.1.1 you;
    - 2.1.2 anyone with whom you live; or
    - 2.1.3 anyone with whom you have close personal association;
  - 2.2 it relates to or is likely to affect any of the following:-
    - 2.2.1 any employment or business of such a person;
    - 2.2.2 any person who employs or has appointed such a person, any firm in which such a person is a partner or any company for which such a person is a remunerated director;
    - 2.2.3 any corporate body which has a place of business or land in North Wales, and in which any such persons has a beneficial interest in a class of securities of that body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital of that body;
    - 2.2.4 any contract for goods, services or works made between the NWEAB:-
      - (a) any such person;
      - (b) a firm in which such a person is a partner;
      - (c) a company of which such a person is a remunerated director; or
      - (d) a body of the description specified in sub-paragraph (iii) above;
    - 2.2.5 any land in North Wales:-
      - (a) in which such a person has a beneficial interest; or
      - (b) which such a person has a licence (alone or jointly with others) to occupy for 28 days or more;
    - 2.2.6 any land where the landlord is the NWEAB and the tenant is:
      - (a) a firm in which such a person is a partner;
      - (b) a company of which such a person is a remunerated director; or
      - (c) a body of the description specified in sub-paragraph 2.2.3 uwchben;
    - 2.2.7 any of the following bodies in which such a person is a member or holds a position of general control or management:-
      - (a) a public authority or body exercising functions of a public nature;

- (b) a company, industrial and provident society, charity, or body directed to charitable purposes;
- (c) a body whose principal purposes include the influence of public opinion or policy;
- (d) a trade union or professional association; or
- (e) a private club, society or association operating within North Wales.

### **Declaration of Personal Interests**

3. Where you have a personal interest in any business of the NWEAB and you attend a meeting at which that business is considered, you must declare the existence and nature of that interest before or at the commencement of that item, or when the interest becomes apparent.
4. Where you have a personal interest in any business of NWEAB and you write or speak to an officer or member of the NWEAB then you must:-
  - 4.1 include details of that interest in the written communication; or
  - 4.2 declare the interest at the commencement, or when it becomes apparent to you that you have such an interest.
5. You must, in respect of a personal interest not previously declared, before or immediately after the close of a meeting where the declaration is made, give written notification to the NWEAB's monitoring officer on the prescribed form, containing:-
  - 5.1 details of the personal interest;
  - 5.2 details of the business to which the personal interest relates; and
  - 5.3 your signature.
6. A personal interest is also a prejudicial interest if it is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest except as set out in paragraph 7 islaw.
7. You will not be regarded as having a prejudicial interest in any business where:
  - 7.1 that business is not the determination of any approval, consent, licence, permission or registration; or
  - 7.2 that business relates to:-
    - 7.2.1 another public authority or body exercising functions of a public nature in which you hold a position of general control or management;
    - 7.2.2 a body to which you have been elected, appointed or nominated by the NWEAB;
    - 7.2.3 your role as a school governor (where you are not appointed or nominated by an authority which is a member of NWEAB) unless it relates particularly to the school of which you are a governor;
    - 7.2.4 your role as a member of a Local Health Board where you have not been appointed or nominated by an authority which is a member of the NWEAB; or
    - 7.2.5 save that an interest shall not be considered as being personal and prejudicial where it relates to or is likely to affect the Party which has appointed the Adviser to the Joint Committee;

- 7.3 that business relates to:-
- 7.3.1 the housing functions of an authority which is a member of the NWEAB where you hold a tenancy or lease with that authority, provided that you do not have arrears of rent of more than two months, and provided that those functions do not relate particularly to your tenancy or lease; or
  - 7.3.2 the functions of an authority which is a member of the NWEAB in respect of school meals, transport and travelling expenses, where you are a guardian, parent, grandparent or have parental responsibility (as defined in section 3 of the Children Act 1989) of a child in full time education, unless it relates particularly to the school which that child attends.
- 7.4 It relates to or is likely to affect an Adviser which has appointed you as its representative to the Joint Committee.

### **Overview and Scrutiny Committees**

8. You also have a prejudicial interest in any business before an overview and scrutiny committee of the NWEAB (or of a sub-committee of such a committee) where:-
- 8.1 that business relates to a decision made (whether implemented or not) or action taken by the NWEAB or another of its committees, sub-committees, joint committees or joint sub-committees; and
  - 8.2 at the time the decision was made or action was taken, you were an adviser to the NWEAB, committee, sub-committee, joint-committee or joint sub-committee AND you were present when that decision was made or action was taken.

### **Participation in Relation to Disclosed Interests**

9. Where you have a prejudicial interest in any business of the NWEAB, unless you have obtained a dispensation from the Host Authority's Standards Committee, you must:-
- 9.1 withdraw from the room, chamber or place where a meeting considering the business is being held:-
    - 9.1.1 where 9.1.2 below applies, immediately after the period for making representations, answering questions or giving evidence relating to the business has ended and in any event before further consideration of the business begins, whether or not the public are allowed to remain in attendance for such consideration; or
    - 9.1.2 in any other case, whenever it becomes apparent that that business is being considered at that meeting;
  - 9.2 not exercise NWEAB functions in relation to that business;
  - 9.3 not seek to influence a decision about that business;
  - 9.4 not make any written representations (whether by letter, facsimile or some other form of electronic communication) in relation to that business unless the public has a right to do so; and
  - 9.5 not make any oral representations (whether in person or some form of electronic communication) in respect of that business or immediately cease to make such oral representations when the prejudicial interest becomes apparent unless the public has a right to do so.
10. Where you have a prejudicial interest in any business of NWEAB you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

11. Paragraph 12 does not prevent you attending and participating in a meeting if:-
  - 11.1 you are required to attend a meeting of an overview or scrutiny committee, by such committee exercising its statutory powers;
  - 11.2 you are attending only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise; or
  - 11.3 you have the benefit of a dispensation provided that you:-
    - 11.3.1 state at the meeting that you are relying on the dispensation; and
    - 11.3.2 before or immediately after the close of the meeting give written notification to your authority containing:-
      - (a) details of the prejudicial interest;
      - (b) details of the business to which the prejudicial interest relates;
      - (c) details of, and the date on which, the dispensation was granted; and
      - (d) your signature.
12. Where you have a prejudicial interest and are making written or oral representations to the NWEAB in reliance upon a dispensation, you must provide details of the dispensation within any such written or oral representation and, in the latter case, provide written notification to the NWEAB within 14 days of making the representation.

**SCHEDULE 8**

**LIABILITY REPORT**

The Liability Report shall include (but shall not be limited to) irrecoverable expenditure incurred and committed in relation to the following:

	<b><u>Amount</u> (all figures in round pounds)</b>
Any committed costs including but not limited to those set out in Clause 19.5 (Withdrawal)	
Procurement Costs	
Costs associated with delays and having to revisit any procurements (including but not limited to the cost of legal, financial and technical advice)	
Land costs – costs associated with identifying and procuring land	
Staff costs (and associated overheads) in progressing the scheme:-  a) Consultancy / Advisers fees  b) Internal Project Management and monitoring  c) Internal Professional advice	
All other reasonable and properly incurred costs and losses (to include the cost of preparing the Liability Report)	
Any costs, claims and damages arising from any third parties in respect of any costs relating to any delay or arising from the termination	

Certified Correct \_\_\_\_\_  
(Signed)

\_\_\_\_\_  
(Date)

**SCHEDULE 9**  
**GROWTH VISION**

**SCHEDULE 10**  
**OVERARCHING BUSINESS PLAN**

**SCHEDULE 11  
CONFLICTS POLICY**

**CONFLICTS POLICY**

**DATED**

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**NORTH WALES ECONOMIC AMBITION BOARD**

**CONFLICTS OF INTEREST POLICY**



## 1. Introduction

- 1.1 This is the conflicts of interest policy ("**Conflicts Policy**") of the North Wales Economic Ambition Board ("**NWEAB**") which sets out the guidelines and procedures for identifying, monitoring and managing actual and potential conflicts of interest.
- 1.2 The Conflicts Policy seeks to highlight both:
- (a) Personal Interests (defined in paragraph 3); and
  - (b) Organisational Interests which relates to specific conflicts arising as a result of a person's duty to act in the best interests of both the NWEAB and its employer/organising body (defined in paragraph 4);
- together "**Interests**".
- 1.3 The Conflicts Policy applies to the members and advisers of the **NWEAB Bodies** as listed in Schedule 1 of this Conflicts Policy each individually a "**Person**".
- 1.4 The Conflicts Policy:
- (a) forms part of the conditions of appointment of each Person to an NWEAB Body (both present and future appointments);
  - (b) is deemed to be accepted by each and everyone acting in each role;
  - (c) is in force as at the date on the front page of this Conflicts Policy or, if earlier, the Commencement Date of the GA2; and
- 1.5 It is intended that the Conflicts Policy will be attached as a Schedule to the second Governance Agreement ("**GA2**") to be put in place between the Parties.

## 2. The purpose of this policy

- 2.1 The NWEAB is a Local Authority Joint Committee formed as part of a partnership between the North Wales Local Authorities (the Councils) and other bodies (the Advisers) listed in Schedule 1 of this Conflicts Policy.
- 2.2 It's governance principles and arrangements are set out in the first Governance Agreement ("**GA1**") which will be updated and superseded by the GA2 around the time the Growth Deal is signed which is schedule to be at end of 2020.
- 2.3 It is a public body administering and directing public resource and finance in the public interest. It adopts and promotes the highest standards of probity and accountability in its activities. The Councillors are governed by their Local Code of Conduct for Members of Local Authorities which includes, amongst other things, the management of Personal Interests and, in the case of Advisers to the Joint Committee acting in that role, a voluntary Code of Conduct relating to Personal Interests incorporated into GA1 and will be incorporated into GA2. Local Authority Officers are governed by their Code of Conduct which will generally apply to their conduct. The Conflicts Policy regulates each Person's role within NWEAB Bodies and is

intended to complement, and work alongside, these Codes of Conduct. In the event of any discrepancy, please report this immediately to the NWEAB's Monitoring Officer.

- 2.4 Conflicts of interest can inhibit open discussions and may result in a Person taking irrelevant considerations into account or making decisions that are not in the public's best interests. They can also damage the reputation of the NWEAB if it appears that a Person is influenced by personal interests or loyalties and in some circumstance create a risk of legal challenge to a decision. All Persons must therefore be alert to the possibility that they, or any member of a NWEAB body could be affected by a conflict of interest.
- 2.5 The NWEAB has recognised that the partnering and joint working approach to working with various sectors of the North Wales Economy mean that there will be occasions where members or participants in meetings, consultations and advisory capacities will have their own commercial or business Interests in the matter under consideration. This may mean that their ability to act in the public interest or the perception of their ability to act in the public interest will be undermined to the detriment of the NWEAB.
- 2.6 The procedures in this policy will enable the identification and management of conflicts of Interest.
- 2.7 This Conflicts Policy:-
- (a) aims to assist you in identifying and recognising conflicts of interest that may arise due to your role on an NWEAB body; and
  - (b) sets out the NWEAB'S expectations and requirements as to how such conflicts should be managed, in order to ensure that that conflicts do not prevent them from making decisions in the public interest and protect both the NWEAB and the NWEAB Team from any appearance of impropriety in cases where conflicts of interest arise.
- 2.8 It is your responsibility to ensure that you have read, understand and are able to comply with this Conflicts Policy.

### **3. Identifying a Personal Interest**

You must regard yourself as having an Personal Interest in any business of the North Wales Economic Ambition Board in which you are participating as a member of a NWEAB Body or advising that Body if:-

- 3.1 it does or is likely to directly or indirectly affect the well-being or financial position of such individuals below to a greater extent than other tax payers in North Wales:-
- (a) you;
  - (b) anyone with whom you live; or
  - (c) anyone with whom you have a "close personal association";
- 3.2 directly or indirectly relates to or is likely to directly or indirectly affect any of the following:-
- (a) any employment or business of such an individual;

- (b) anyone who employs or has appointed such an individual, any firm in which such an individual is a partner or any company for which such an individual is a remunerated director;
- (c) any corporate body which has a place of business or land in North Wales, and in which any such persons has a beneficial Interest in a class of securities of that body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital of that body;
- (d) any contract for goods, services or works made between the NWEAB:-
  - (i) any such person;
  - (ii) a firm in which such an individual is a partner;
  - (iii) a company of which such an individual is a remunerated director; or
  - (iv) a body of the description specified in sub-paragraph 2.2.3 above;
- (e) any land in North Wales:-
  - (i) in which such an individual has a beneficial interest; or
  - (ii) which such an individual has a licence (alone or jointly with others) to occupy for 28 days or more;
- (f) any land where the landlord is the NWEAB and the tenant is:
  - (i) a firm in which such an individual is a partner;
  - (ii) a company of which such an individual is a remunerated director; or
  - (iii) a body of the description specified in sub-paragraph 2.2.3 above;
- (g) any of the following bodies in which such an individual is a member or holds a position of general control or management:-
  - (i) a company, industrial and provident society, charity, or body directed to charitable purposes;
  - (ii) a body whose principal purposes include the influence of public opinion or policy;
  - (iii) a trade union or professional association; or
  - (iv) a private club, society or association operating within North Wales,
 each one being a "**Personal Interest**".

"Close Personal Association" shall be interpreted in accordance with the provision of the Local Authorities (Model Code of Conduct) (Wales) Order 2008. If in doubt whether an individual is connected, each person should seek advice from the NWEAB's Monitoring Officer.

#### 4. Identifying an Organisational Interest

- 4.1 It is envisaged that, in carrying out your roles for the NWEAB and your employer or organisation that situations may arise where your duty to act in accordance with the General

Principles of NEWAB as set out in GA2 and the public interest does or is likely to come directly or indirectly into conflict with your duty to act in the best interests of your organisation.

4.2 Such conflict matters can arise in a wide range of circumstances including but not limited to where decisions are made around, reporting, contractual discussion and investment requests.

4.3 Examples of such a conflict are set out below:-

*Example 1*

(a) *You will have an Organisational Interest in any business before a Programme Board of which you are a member or advising where that business involves the review or scrutiny of the performance of your organisation specifically in delivering a project or an aspect of a project which it has either by grant or contract committed to provide.*

(b) *You will have an Organisational Interest in any business before any EAB body where your organisation is a bidder for a contract whose bid is being evaluated or awarded by that body*

4.4 Whilst the above is a fairly obvious example of a conflict of interest there may be situations where the conflict is less 'clear cut'. It is your responsibility for identifying where such Interests have arisen or may potentially arise.

4.5 Should you feel that you are unable to determine whether a matter in question involves a Personal or Organisational Interest you should refer the matter to the NWEAB's Monitoring Officer.

## 5. Procedure for assessing whether an Interest is a Conflict of Interest

In order to determine whether an Interest is a "**Conflict of Interest**", the following steps shall be followed:

### 5.1 Step One – Exclusions

Do any of the Exclusions apply? It is acknowledged and agreed that where you have a Personal or Organisational Interest in any business of the North Wales Economic Ambition Board, this is not a Conflict of Interest where that business:

(a) involves your attending or making submissions to any body or meeting where you are not the decision maker or adviser but are attending by invitation to represent your organisation or making submissions or otherwise participating in any process on behalf of your organisation; and/or

(b) where the nature of the Conflict of Interest is such that it is common to the majority of the business or other sector representatives of which you are part, each one an "**Exclusion**".

## 5.2 Step Two - Objective Test

- (a) If none of the Exclusions above apply, you should consider whether the Interest in question is one which is likely to significantly impair your decision making. To do so you should consider the following "Objective Test":-

*'Would an ordinary member of the public, with knowledge of the relevant facts, reasonably conclude that the Interest is so significant that it is likely to prejudice your discussion or decision making?'*

- (b) If the answer to the above is yes, you must promptly declare such Conflict of Interest to the Monitoring Officer and, in addition, declare such Conflict of Interest at each board meeting that such matter is discussed. Please see paragraph 7 in relation to the additional implications of having a Conflict of Interest.
- (c) Where you have a Personal or Organisational Interest but the Objective Test has not been satisfied or you are not certain that the Objective Test has been satisfied, you must promptly declare such Conflict of Interest to the Monitoring Officer and, in addition, declare such Conflict of Interest at each meeting that such matter is discussed. You shall provide reasons as why they consider that the Objective Test has not been satisfied. The Monitoring Officer shall be responsible for determining whether or not such interest is one which may materially prejudice the person's input into the matter.

## 5.3 Step Three - Monitor

Should any additional grounds arise that change the nature or extent of the conflict, you shall endeavour to either withdraw from the discussions relating to the conflict matter entirely and/or make a further disclosure to the board in line with step three above (as appropriate).

## 6. Process for declaring conflicts

- 6.1 The first item on the agenda of each meeting will be a standing item requiring all Persons attending the meeting to declare any Interests and whether or not such they consider such Interest to be an actual or potential Conflict of Interest.
- 6.2 If a Person considers that they have an actual or potential Conflict of Interest, they must inform the chair as soon as possible and always before any discussion of the relevant matter. The declaration must specify the nature and extent of any Interest that gives rise to a Conflict of Interest.
- 6.3 If a Party is uncertain whether or not they are conflicted, they must err on the side of caution and transparency and declare the Interest and paragraph 5 above shall apply.
- 6.4 All Conflicts of Interest that have been declared must be recorded in the minutes of the meeting in which they were declared or, if not declared in a meeting, in the minutes of the next meeting.

6.5 If a Person has an Interest in a transaction or arrangement that has already been entered into by the NWEAB but has not declared that Interest, they must declare the nature and extent of that Interest as soon as is reasonably practicable.

## **7. Implications of a conflict**

7.1 If you decide you have a Conflict of Interest and it meets the Objective Test you must:

- (a) not make any written or oral representations (whether in person or via any form of electronic communication or otherwise) in respect of that business;
- (b) ensure that you do not participate in, or influence in any way, any discussions relating to the relevant conflict matter;
- (c) excuse yourself from the part of the meeting in which the conflict matter is discussed and again during any vote of such matter; and
- (d) your will not count towards the quorum for such vote and will not be entitled to vote on such matter.

7.2 The minutes of the relevant meeting must include a record of the nature and extent of the conflict, an outline of the discussion and the actions taken to manage the conflict.

7.3 In all instances the advice of the Monitoring Officer must be sought.

## **8. Declaration and Register of Interests by prospective Parties**

8.1 Each Person within the NWEAB Team has a personal responsibility to declare any Interest that might reasonably be regarded as potentially giving rise to a conflict.

8.2 Before a prospective Party is appointed to the NWEAB Team they may be asked to identify potential Conflicts of Interests.

8.3 If the Parties consider it likely that the prospective Party will be subject to serious or frequent Conflicts of Interest, the Parties should consider whether it is appropriate to proceed with the appointment.

8.4 If a Person joins the NWEAB Team it must confirm that it is accepts and will comply with (and ensure that its representatives shall) shall comply with this Conflicts Policy.

8.5 The Monitoring Officer of the NWEAB will be responsible for maintaining the register of Interests, and will record in the register all conflicts, Interests, gifts and hospitality declared by each Person; and

## **9. Monitoring, enforcing and reviewing this Conflicts Policy**

Any Person who becomes aware of a breach of this Conflicts Policy must report it to the Monitoring Officer as soon as possible who will determine what steps are required in response.

## SCHEDULE 1

### LIST OF THE COUNCILS AND ADVISERS OF THE NWEAB

#### "Councils"

means the following:-

- (a) Conwy Council;
- (b) Denbighshire Council;
- (c) Flintshire Council;
- (d) Gwynedd Council;
- (e) Isle of Anglesey Council; and
- (f) Wrexham Council

#### "Advisers"

means the bodies and individuals listed below plus any further individuals and/or bodies whom the Joint Committee chooses to invite in that capacity from time to time:-

- (a) Bangor University;
- (b) Coleg Cambria;
- (c) Grwp Llandrillo Menai;
- (d) Wrexham Glyndwr University; and
- (e) Business Delivery Board.

#### "NWEAB Bodies"

means the bodies and individuals listed below plus any further bodies whom the Joint Committee determines the Policy should apply to :-

- (a) Executive Support Group
- (b) Programme Board
- (c) Project Board;

**SCHEDULE 12**  
**GRANT OFFER LETTER**



**FEL Y TYSTIWYD**, mae'r Cytundeb hwn wedi'i gyflawni fel Gweithred ar y dyddiad a ysgrifennwyd ar ddechrau'r Cytundeb hwn yng ngŵydd y rheini sydd wedi'u nodi.

**AS WITNESSED** this Agreement has been executed as a Deed on the date written at the beginning of this Agreement in the presence of those stated.

Gosodwyd Sêl Gyffredin **CYNGOR** )  
**BWRDEISTREF SIROL CONWY** )  
at hynny yng ngŵydd: - )  
The Common Seal of **CONWY COUNTY** )  
**BOROUGH COUNCIL** was )  
hereunto affixed in the presence of: - )

Gosodwyd Sêl Gyffredin )  
**CYNGOR SIR DDINBYCH** )  
at hynny yng ngŵydd:- )  
The Common Seal of **DENBIGHSHIRE** )  
**COUNTY COUNCIL** was )  
hereunto affixed in the presence of:- )

Gosodwyd Sêl Gyffredin )  
**CYNGOR SIR Y FFLINT** )  
at hynny yng ngŵydd:- )  
The Common Seal of **FLINTSHIRE** )  
**COUNTY COUNCIL** was )  
hereunto affixed in the presence of:- )

Gosodwyd Sêl Gyffredin )  
**CYNGOR GWYNEDD** )  
at hynny yng ngŵydd:- )  
The Common Seal of **GWYNEDD** )  
**COUNCIL** was )  
hereunto affixed in the presence of:- )

Gosodwyd Sêl Gyffredin )  
**CYNGOR SIR YNYS MÔN** )  
at hynny yng ngŵydd:- )  
The Common Seal of **THE ISLE OF** )  
**ANGLESEY COUNTY COUNCIL** was )  
hereunto affixed in the presence of:- )

Gosodwyd Sêl Gyffredin **CYNGOR** )  
**BWRDEISTREF SIROL WRECSAM** )  
at hynny yng ngŵydd:- )  
The Common Seal of **WREXHAM** )  
**COUNTY BOROUGH COUNCIL** was )  
hereunto affixed in the presence of:- )

Gosodwyd Sêl Gyffredin

**PRIFYSGOL BANGOR** drwy hyn yn unol â'i (1).....  
Herthyglau  
cwmni:- (AELOD O'R CYNGOR/MEMBER OF  
COUNCIL)

The Common Seal of the **BANGOR  
UNIVERSITY**

was hereby affixed in accordance with its .....  
Articles of (PRINTIWCH ENW/PRINT NAME)

Association

(2).....  
(AELOD O'R CYNGOR/MEMBER OF  
COUNCIL)

.....  
(PRINTIWCH ENW/PRINT NAME)

(3).....  
(COFRESTRYDD/ YSGRIFENNYDD)  
(REGISTRAR/SECRETARY)

.....  
(PRINTIWCH ENW/PRINT NAME)

ym mhresenoldeb  
In the presence of .....)  
Enw Tyst  
Witness name .....)  
Llofnod Tyst  
Witness signature .....)  
Cyferiad Tyst

Arwyddwyd fel gweithred ar ran )  
**PRIFYSGOL GLYNDWR** )  
at hynny yng ngŵydd:- )  
The Common Seal of )  
**GLYNDWR UNIVERSITY** was )  
hereunto affixed in the presence of:- )

Arwyddwyd fel gweithred ar ran )  
**COLEG CAMBRIA** )  
Signed as a deed on behalf of )  
**COLEG CAMBRIA** by:- )  
In the presence of )  
Witness name )  
Witness signature )  
Witness address )

Arwyddwyd fel gweithred ar ran )  
**GRWP LLANMDRILLO MENAI** )  
Signed as a deed on behalf of **GRWP** )  
**LLANDRILLO MENAI** by:- )  
In the presence of )  
Witness name )  
Witness signature )  
Witness address )

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# Future Generations and Cross Cutting Themes Assessment

Name and role of lead contact person:

E-mail address of lead contact person:

## HOW DOES THE PROPOSAL ALIGN WITH THE WELL-BEING GOALS?

Well Being Goal	How does the proposal align to the well-being goals? (Please specify any negative or positive impact)	What actions have/will be taken to mitigate any negative impact or to improve positive impact?
<p><b>A prosperous Wales</b> An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.</p>	<ul style="list-style-type: none"> <li>+ The portfolio will create several thousand new jobs for North Wales</li> <li>+ It will also train businesses and individuals and expand space for training, incubation, research and development</li> <li>+ The portfolio strengthens North Wales leadership in low carbon technologies across high value manufacturing (biotechnology, hydrogen cell technology), agri-food (carbon neutral agriculture), transport and energy production</li> <li>- Site development will create carbon emissions; these will be mitigated and managed through relevant national and local authority policies and processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Project case approval process will consider likely carbon emissions and savings from each project</li> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• Environmental considerations will be embedded into contract opportunities, minimising impact on the environment and supporting new technologies, approaches and innovation with contractors and the supply chain, with a focus on the circular economy.</li> </ul>

<p><b>A resilient Wales</b> A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).</p>	<ul style="list-style-type: none"> <li>+ The portfolio will build skills of businesses and individuals supporting the ability of those businesses and individuals to adapt to change and preparing them for future-focused opportunities</li> <li>+ The Agri-Food &amp; Tourism Programme will build skills in carbon neutral land management and renewable energy technologies through education of young people and SMEs</li> <li>+ The regional transport decarbonisation project and the digital programmes will help improve air quality through a shift from travel in petrol/diesel vehicles to remote working and low or zero carbon travel options</li> <li>- Site development may impact some ecologically sensitive sites, releasing carbon and replacing natural ecosystems; impact will be mitigated and managed through relevant national and local authority policies and processes</li> </ul>	<ul style="list-style-type: none"> <li>• Project case approval process will consider biodiversity enhancements and impact of each project</li> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• Environmental considerations will be embedded into contract opportunities, minimising impact on the environment, with a focus on redevelopment of brownfield sites over greenfield development, incorporation of the circular economy and integration of green infrastructure</li> <li>• Seek to minimise the carbon footprint of projects and support low carbon economy, focused on the commitment by Welsh Government to achieve a carbon neutral public sector by 2030, reducing greenhouse gases, improving our natural environment and protecting our biodiversity.</li> <li>• Support and engage with the third sector in a valued based approach that support resilience in the third sector to work with and support contractors and the supply chain.</li> </ul>
<p><b>A healthier Wales</b> A society in which people’s physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.</p>	<ul style="list-style-type: none"> <li>+ The Growth Deal will help improve mental well-being by (1) creating better-quality jobs for the local labour market through targeted interventions in high value sectors and (2) building a more skilled workforce within the region through supporting skills and training initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• The NWEAB will work directly with the Public Service Boards (PSBs) to include community resilience and wealth building developing</li> </ul>

	<ul style="list-style-type: none"> <li>+ These opportunities will support improvements in standards of living across the region reducing poverty, inequality and deprivation</li> <li>+ Through its partnership with the Regional Skills Partnership, the NWEAB has engaged with the Public Sector Boards considering ways the programmes/projects can equitably benefit the region’s residents through skills development and employment</li> <li>+ The regional transport decarbonisation project will improve air quality across North Wales supporting improvements to cardiovascular and respiratory diseases and overall life expectancy</li> </ul>	<p>assets in our communities to include supporting positive mental health in workforces, supply chain and in communities</p> <ul style="list-style-type: none"> <li>• The NWEAB will work with national and local planning processes to promote and champion well-being outcomes through procurement activity and test key policies in areas such as <i>building designs that promote health; access to project sites by walking/cycling, including for those with disabilities; and consideration of opportunities to incorporate green infrastructure.</i></li> </ul>
<p><b>A more equal Wales</b> A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).</p>	<ul style="list-style-type: none"> <li>+ Regional Skills Partnership has been a key partner in portfolio development considering how the programmes/projects can equitably benefit the region’s residents through skills development and employment</li> <li>+ Growth Deal programmes have been distributed across the North Wales region with leadership and engagement from all County Councils with the intention of distributing benefits equitably</li> <li>+ Procurement systems will support local supply chains to engage with larger contracts through supply chain briefings and joint bidding opportunities and pipeline of projects</li> <li>+ Leakage of economic benefits through jobs created being filled by residents from outside</li> </ul>	<ul style="list-style-type: none"> <li>• The NWEAB will promote and champion the delivery of social value and community benefits through procurement activity and test key policies such as the socio economic duty and the social partnerships bill.</li> <li>• Work with our partners to ensure we support people from all backgrounds and circumstances to retrain, develop new skills through volunteering or contribute to education/apprenticeships through innovative recruitment and engagement strategies</li> <li>• Target opportunities and engage with existing mechanisms to support specific groups such as young people or those in areas of deprivation to engage in education and learning/development.</li> </ul>

	<p>the North Wales boundary has been factored into each programme/project</p> <ul style="list-style-type: none"> <li>+ Jobs created across the portfolio will be disaggregated by gender, age, diversity and job satisfaction</li> <li>- North Wales’ residents with poor inter-generational educational experiences may not be able to access quality training and employment opportunities created by the Growth Deal, perpetuating the region’s long-standing poverty gap</li> </ul>	<ul style="list-style-type: none"> <li>• Support engagement and connections with schools and engage with the new curriculum 2022 in Wales, with a focus on digital inclusion.</li> </ul>
<p><b>A Wales of cohesive communities</b> Attractive, viable, safe and well-connected communities.</p>	<ul style="list-style-type: none"> <li>+ The Growth Deal focuses on scalable and dispersed growth across the region to achieve sustainable, balanced and inclusive economic growth with the benefits shared across the region.</li> <li>+ The digital programme will enable better communication across North Wales, connecting communities virtually</li> <li>+ Jobs created across the portfolio will be disaggregated (annually?) by gender, age, and diversity</li> <li>+ Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age.</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• Work with procurement partners and third sector organisations to maximise community wealth building opportunities.</li> <li>• On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages hard-to-reach groups and communities and those disadvantaged by gender, disability, ethnicity or age</li> <li>• All project business cases will be required to include a plan setting out steps the project will take to ensure equitable and inclusive access to opportunities arising from the Growth Deal investment as part of their development and approval process</li> </ul>



<p><b>A Wales of vibrant culture and thriving Welsh language</b>  A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.</p>	<ul style="list-style-type: none"> <li>• The Growth Deal will create jobs and training opportunities for young people to stay and work in North Wales and continue to use Welsh in their personal and professional lives</li> <li>• The Growth Deal includes projects within growth industries of low carbon energy and high value manufacturing which will provide high value job opportunities cross North Wales, particularly in Gwynedd and Anglesey which have a greater percentage of Welsh speakers across the region</li> <li>• There are also projects focused on more traditional foundation sectors – agri-food and tourism. This is particularly relevant for the agriculture sector where a greater percentage of workers speak Welsh compared to the general population.</li> <li>• The Agri-Food and Tourism programme will enhance opportunities for residents and visitors to engage positively with our cultural and environmental heritage by providing enhanced customer service opportunities and more opportunities for developing Welsh food products</li> <li>• The NWEAB operates as a bilingual entity in all its operations; all public material is produced bilingually</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• Engage with new partnership such as museums, theatres and arts to support developing our cultural and Welsh language considerations in contract opportunities</li> <li>• All project business cases will be required to complete a Welsh Language impact assessment as part of their development and approval process, and consider opportunities to incorporate celebration of and engagement with Welsh culture and language into the commissioning of each infrastructure project</li> </ul>
<p><b>A globally responsible Wales</b>  A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account</p>	<ul style="list-style-type: none"> <li>• The portfolio will support the transition to a low carbon economy through energy generation, carbon savings and pioneering low carbon technologies within industry and at a business/farm level. Projects will</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> </ul>

<p>of whether doing such a thing may make a positive contribution to global well-being.</p>	<p>contribute towards Wales' action on climate change and towards global decarbonisation efforts.</p>	<ul style="list-style-type: none"><li>• Consider global off-setting for any carbon emissions</li><li>• Look for opportunities to engage refugees and asylum seekers with valuable skills relevant to the programmes / projects</li><li>• Ensure that supply chains for projects do not support modern slavery, environmental and human rights abuses</li></ul>
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Cross-cutting theme	How does the proposal deliver against the cross-cutting theme?	What actions have/will be taken to mitigate any negative impact or to improve positive impact?
<p><b>Equal Opportunities</b></p>	<ul style="list-style-type: none"> <li>+ The Growth Deal aims to provide increased opportunities for all across North Wales through a range of transformational projects that will bring opportunities for skills development and training. One of the key aspects of the North Wales Growth Deal is that it is spatially targeted to create opportunities across the region</li> <li>+ Regional Skills Partnership has been a key partner in portfolio development considering how the programmes/projects can equitably benefit the region's residents through skills development and employment</li> <li>+ Procurement systems will support local supply chains to engage with larger contracts through supply chain briefings and joint bidding opportunities and pipeline of projects</li> <li>+ The strategic transport and digital programmes will better connect communities across North Wales physically and virtually</li> <li>+ Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age</li> </ul>	<ul style="list-style-type: none"> <li>• The NWEAB will promote and champion the delivery of social value and community benefits through procurement activity and test key policies such as the socio economic duty and the social partnerships bill.</li> <li>• Work with our partners to ensure we support people from all backgrounds and circumstances to retrain, develop new skills through volunteering or contribute to education/apprenticeships through innovative recruitment and engagement strategies</li> <li>• Target opportunities and engage with existing mechanisms to support specific groups such as young people or those in areas of deprivation to engage in education and learning/development.</li> <li>• Support engagement and connections with schools and engage with the new curriculum 2022 in Wales, with a focus on digital inclusion</li> <li>• Jobs created across the portfolio will be disaggregated by gender, age, and diversity</li> <li>•</li> </ul>

<p><b>Sustainable Development</b></p>	<ul style="list-style-type: none"> <li>+ Sustainable development is at the core of the Growth Deal with a clear focus on low carbon energy, improving digital infrastructure, promoting innovation and securing longer-term sustainability for the region and communities</li> <li>+ Strengthens North Wales’ leadership in low carbon technologies across high value manufacturing (biotechnology, hydrogen cell technology), agri-food (carbon neutral agriculture), transport and energy production</li> <li>+ Builds skills of business and individuals helping those businesses and individuals adapt to change and prepare for future-focused opportunities</li> <li>+ The Agri-Food &amp; Tourism Programme will build skills in carbon neutral land management and renewable energy technologies through education of young people and SMEs</li> <li>+ The strategic transport and digital programmes will help improve air quality through a shift from travel in petrol/diesel vehicles to remote working and low or zero carbon travel options</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• Environmental considerations will be embedded into contract opportunities, minimising impact on the environment, with a focus on redevelopment of brownfield sites over greenfield development, incorporation of the circular economy and integration of green infrastructure</li> <li>• Seek to minimise the carbon footprint of projects and support low carbon economy, focused on the commitment by Welsh Government to achieve a carbon neutral public sector by 2030, reducing greenhouse gases, improving our natural environment and protecting our biodiversity.</li> <li>• Support and engage with the third sector in a valued based approach that support resilience in the third sector to work with and support contractors and the supply chain.</li> </ul>
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<p><b>Tackling Poverty</b></p>	<ul style="list-style-type: none"> <li>+ The Growth Deal delivers against the North Wales Growth Vision and its objectives, specifically to improve the economic, environmental and cultural well-being of North Wales. A key element of this is supporting and retaining young people in the region and addressing wordlessness and inactivity.</li> <li>+ The portfolio will create several thousand new jobs for North Wales</li> <li>+ It will also train businesses and individuals and expand space for training, incubation, research and development</li> <li>+ Strengthens North Wales' economy through leadership in low carbon technologies across high value manufacturing (biotechnology, hydrogen cell technology), agri-food (carbon neutral agriculture), transport and energy production.</li> <li>+ Regional Skills Partnership has been a key partner in portfolio development considering how the programmes/projects can equitably benefit the region's residents through skills development and employment</li> <li>+ Growth Deal programmes have been distributed across the North Wales region with leadership and engagement from all County Councils with the intention of distributing benefits equitably</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> <li>• Work with our partners to ensure we support people from all backgrounds and circumstances to retrain, develop new skills through volunteering or contribute to education/apprenticeships through innovative recruitment and engagement strategies</li> <li>• Target opportunities and engage with existing mechanisms to support specific groups such as young people or those in areas of deprivation to engage in education and learning/development.</li> <li>• Work with procurement partners and third sector organisations to maximise community wealth building opportunities.</li> <li>• Support engagement and connections with schools and engage with the new curriculum 2022 in Wales, with a focus on digital inclusion</li> </ul>
<p><b>Welsh Language &amp; Culture</b></p>	<ul style="list-style-type: none"> <li>• The Growth Deal will create jobs and training opportunities for young people to stay and work in North Wales and continue to use Welsh in their personal and professional lives</li> </ul>	<ul style="list-style-type: none"> <li>• The Future Generations Act will be embedded into all procurement activity assessing contribution to relevant national wellbeing indicators for Wales</li> </ul>

	<ul style="list-style-type: none"><li>• The Growth Deal includes projects within growth industries of low carbon energy and high value manufacturing which will provide high value job opportunities cross North Wales, particularly in Gwynedd and Anglesey which have a greater percentage of Welsh speakers across the region</li><li>• There are also projects focused on more traditional foundation sectors – agri-food and tourism. This is particularly relevant for the agriculture sector where a greater percentage of workers speak Welsh compared to the general population.</li><li>• The Agri-Food and Tourism programme will enhance opportunities for residents and visitors to engage positively with our cultural and environmental heritage by providing enhanced customer service opportunities and more opportunities for developing Welsh food products</li><li>• The NWEAB operates as a bilingual entity in all its operations; all public material is produced bilingually</li></ul>	<ul style="list-style-type: none"><li>• Engage with new partnership such as museums, theatres and arts to support developing our cultural and Welsh language considerations in contract opportunities</li><li>• All project business cases will be required to complete a Welsh Language impact assessment as part of their development and approval process, and consider opportunities to incorporate celebration of and engagement with Welsh culture and language into the commissioning of each infrastructure project</li></ul>
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# Welsh Language Impact Assessment

## Does the proposal align with Welsh Government strategy for the Welsh language - Cymraeg 2050: A million Welsh Speakers

The Cymraeg 2050 strategy provides a focus for the Welsh Language and sets out the Welsh Government's vision to achieve a million Welsh Speakers by 2050. A thriving Welsh language is also one of the 7 main goals of the Well-being of Future Generations (Wales) Act 2015.

The ambitious target in the strategy requires action and intervention from across all sectors. The strategy includes a specific theme to create 'favourable conditions – infrastructure and context', this includes community and economy, culture and media, and digital technology; all of which the Growth Deal will contribute towards. The NWEAB have adopted a vision to develop "a confident, cohesive region with sustainable economic growth, capitalising on the success of high value economic sectors and our connection to the economies of the Northern Powerhouse & Ireland." This Vision was founded on three key principles for a smart, connected and resilient North Wales.

The Welsh language strengthens our communities, culture and heritage here in North Wales. The Growth Deal will promote the relevance and value of bilingualism to our economy to support the Welsh language within our communities and within workplaces.

## Describe the impact of the proposal on the Welsh Language?

According to the Annual Population Survey in the year ending June 2018, North Wales had 286,400 Welsh speakers in the region. Gwynedd was the authority with the highest proportion of Welsh speakers both in North Wales and in Wales as a whole, with 76.4 per cent of residents aged three and over saying they could speak Welsh. Flintshire had the lowest rate of Welsh-speaking in North Wales at approximately 23.3 per cent. On a regional level, North Wales had the highest proportion of Welsh speakers in Wales, at an estimated 42.7 per cent in the year ending June 2018.

The economy is integral to creating the social conditions for Welsh speakers to remain in the area in Welsh speaking communities or return to those communities. The Growth Deal portfolio aims to create between 3,400 and 4,200 new jobs by 2036. It will also support a net additional GVA uplift of between £1.4billion and £1.7billion for the North Wales economy; to deliver a total investment of upto £1.1billion in the North Wales economy. The programmes and projects within the portfolio will deliver benefits that will have a positive impact on as many communities as possible across the region; enable economic growth; and attract investment.

Employment opportunities are key to the future of the Welsh language, the language is a valuable skill for employment in the region. The programmes and projects will enable job creation; this will provide opportunities for Welsh speakers to work in North Wales. Historically North Wales has seen the outward migration of young people, the delivery of the Growth Deal will support to retain young people in the region. This will protect and promote the Welsh language and culture, and contribute towards scalable and dispersed growth in the region. Having a bilingual workforce in North Wales, both current and future, enables us to promote the diversity of language skills. This will ultimately lead to retention and development of the Welsh language across all sectors adding value and strength to our economy.

The Welsh language can be seen as an economic driver boosting business and tourism within the region for the community and visitors to experience the culture and strong sense of community within the region.

The Growth Deal will proactively seek opportunities to promote and support good practice with regard to the language. The North Wales Economic Ambition Board promotes and facilitates the use of the Welsh language within new regional ways of working.

**How will you mitigate any negative impact on the Welsh language or promote the positive impact on the language?**

The North Wales Growth Deal aims to create between 3,400 and 4,200 new jobs to benefit the region's residents. Leakage of economic benefits through jobs created being filled by residents from the outside North Wales could be a risk, this will be managed on a project by project basis.

The North Wales Economic Ambition Board is a partnership that operates bilingually; all documentation and Board meetings are bilingual.

The Programme Office team is a bilingual team, our key public facing roles have Welsh language skills as an essential requirement in order for people to engage with us through their language of choice. The team promote the use of the Welsh language, and in time will develop a Welsh language Policy.

The Welsh language will be embedded in our procurement processes. Our Procurement Strategy includes a series of procurement principles, as part of the community resilience and well-being principles. The NWEAB will 'engage with new partnerships such as museums, theatres and arts to support developing our cultural and Welsh language considerations in contract opportunities.'

The North Wales Growth Deal will proactively support, facilitate and seek opportunities to promote the Welsh language across the portfolio, programmes and projects. We will encourage the integration of the Welsh language across our projects. It is key that we recognise the importance of the Welsh and English languages here in North Wales. All Growth Deal projects will undertake a Welsh language Impact Assessment and a Future Generations Impact Assessment as part of the decision making process.

Promotion of the Welsh language in the delivery and outcomes of the Growth Deal enables the NWEAB to be context specific and holistic in tackling economic challenges and sustainable economic growth.



# Equality Impact Assessment

Protected Characteristics – Please detail the evidence you have / impact if any / mitigation			
Characteristic	Evidence and information	Details of the impact	What actions have/will be taken to mitigate any negative impact or to improve positive impact?
Race	<ul style="list-style-type: none"> <li>According to the Annual Population Survey (June 2019) 97.8% of the population was classified as being 'white', 0.5% Mixed / multiple ethnic groups, 1% Asian, and 0.5% from other ethnic groups.</li> </ul>	<ul style="list-style-type: none"> <li>The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age.</li> </ul>	<ul style="list-style-type: none"> <li>We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>Ensure that communications messages and mechanisms are inclusive.</li> </ul>

<p><b>Gender</b></p> <p style="text-align: center;">Page 206</p>	<ul style="list-style-type: none"> <li>At the 2011 Census, 49.2% of North Wales's population was male and 50.9% was female, similar to the Wales average.</li> </ul>	<ul style="list-style-type: none"> <li>The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age.</li> </ul>	<ul style="list-style-type: none"> <li>We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>Ensure that communications messages and mechanisms are inclusive.</li> </ul>
<p><b>Sexual orientation</b></p>	<ul style="list-style-type: none"> <li>TONS data for 2016 indicated that 95.2% of people in Wales identified themselves as heterosexual/straight, 1.7% as gay/lesbian/bisexual and 0.4% as other (the remainder either did not respond to the survey or didn't know).</li> </ul>	<ul style="list-style-type: none"> <li>The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> </ul>	<ul style="list-style-type: none"> <li>We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>Ensure that communications messages and mechanisms are inclusive.</li> </ul>

		<ul style="list-style-type: none"> <li>• These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>• Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age.</li> </ul>	
<p style="text-align: center;">Page 207</p> <p><b>Marriage or Civil Partnership</b></p>	<ul style="list-style-type: none"> <li>• According to the Annual Population Data (February 2019), 50% of the population of North Wales are married, 32% single, 21 Divorced / Separated / Dissolved Civil Partnership, and 14% Widowed / Surviving Civil Partnership.</li> </ul>	<ul style="list-style-type: none"> <li>• The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>• The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>• These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>• Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age.</li> </ul>	<ul style="list-style-type: none"> <li>• We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>• All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>• On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>• Ensure that communications messages and mechanisms are inclusive.</li> </ul>

<p><b>Gender reassignment</b></p> <p style="text-align: center;">Page 208</p>	<ul style="list-style-type: none"> <li>No data for North Wales available at this point.</li> </ul>	<ul style="list-style-type: none"> <li>The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age.</li> </ul>	<ul style="list-style-type: none"> <li>We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>Ensure that communications messages and mechanisms are inclusive.</li> </ul>
<p><b>Pregnancy and Maternity</b></p>	<ul style="list-style-type: none"> <li>According to Maternity and Birth Statistics, Wales there were 6,740 live births in the Betsi Cadwaladr University Health Board area in 2018.</li> </ul>	<ul style="list-style-type: none"> <li>The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> </ul>	<ul style="list-style-type: none"> <li>We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>Ensure that communications messages and mechanisms are inclusive.</li> </ul>

		<ul style="list-style-type: none"> <li>• These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>• Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age. It is important that this group has easy access to services and facilities within the communities and not to feel isolated.</li> </ul>	
<p style="text-align: center;">Page 209</p> <p><b>Religion or belief</b></p>	<ul style="list-style-type: none"> <li>• According to the Annual Population Data (June 2019), the proportion of North Wales residents who are Cristian is 60%, 1 % Muslim, 4% other religion and 37% reported no religion.</li> </ul>	<ul style="list-style-type: none"> <li>• The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>• The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>• These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>• Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those</li> </ul>	<ul style="list-style-type: none"> <li>• We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>• All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>• On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>• Ensure that communications messages and mechanisms are inclusive. Where appropriate we will protect cultural resources and the services.</li> </ul>

		<p>disadvantaged by gender, disability, ethnicity or age.</p>	
	<ul style="list-style-type: none"> <li>• According to the Annual Population Data (June 2019), a total of 77,000 of working age people in North Wales were classified as disabled equivalent to 18.7% of the working age population.</li> </ul>	<ul style="list-style-type: none"> <li>• The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>• The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>• These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>• Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age. Digital connectivity can enable home working, in particular in rural areas that are less accessible. This could enable home working for people with mobility issues.</li> <li>• The Land &amp; Property projects will facilitate improved access to transport, employment, training and access to goods / services to benefit all protected groups.</li> </ul>	<ul style="list-style-type: none"> <li>• We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>• All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>• On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>• Ensure that communications messages and mechanisms are inclusive. We will consider accessibility in infrastructure developments with consideration to accessible locations. This could include transport accessibility, community facilities and services etc. Where appropriate we will seek to enhance provision and accessibility for disabled people.</li> <li>• Promote good accessibility, inclusive design in new developments including internal accessibility suitable for disabled people; external accessibility by transport.</li> </ul>

<p>Age</p> <p>Page 211</p>	<ul style="list-style-type: none"> <li>• North Wales has an ageing population.</li> <li>• Between 1998 and 2018, the proportion of the population aged 65 and over has increased from 18.5 per cent to 23.0 per cent, while the proportion of the population aged 15 and under has fallen from 19.8 per cent to 17.8 percent.</li> </ul>	<ul style="list-style-type: none"> <li>• The North Wales Growth Deal aims to build a more vibrant, sustainable and resilient economy and seeks to have a positive impact on all on all protected groups.</li> <li>• The Growth Deal aims to create several thousand new jobs in a region. Building a more skilled workforce within the region through supporting skills and training initiatives provides opportunities for all.</li> <li>• These opportunities will support improvements in standards of living across the region for all protected groups.</li> <li>• Programmes and projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, including a focus on engagement of those and those disadvantaged by gender, disability, ethnicity or age. Opportunities through employment to attract and retain young people to North Wales.</li> <li>• Opportunities for older people living in rural areas but not restricted to could include improved access to services.</li> </ul>	<ul style="list-style-type: none"> <li>• We will adopt a positive approach to social inclusion in order to promote sustainable, prosperous and equal communities.</li> <li>• All project business cases will develop Equality Impact Assessments to identify and assess barriers.</li> <li>• On-going work to build understanding and ownership of the Growth Deal at the community level across the region, ensuring an inclusive approach that engages all protected groups.</li> <li>• Ensure that communications messages and mechanisms are inclusive. Target opportunities and engage with existing mechanisms to support specific groups such as young people or those in areas of deprivation to engage in education and learning/development.</li> <li>• Consider accessibility for the elderly. Ensure development does not have an impact on community facilities and that are suitable for all ages.</li> </ul>
<p>Welsh language</p>	<p>Please see separate Welsh Language Impact Assessment completed for the North Wales Growth Deal</p>		

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**REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD**  
**23 OCTOBER, 2020**

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**TITLE:** *Final Growth Deal*  
**AUTHOR:** *Alwen Williams, Programme Director*

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**1. PURPOSE OF THE REPORT**

- 1.1. The purpose of this report is to present the key documents required to reach Final Deal Agreement for the North Wales Growth Deal with the UK Government and Welsh Government.
- 1.2. These key documents include the following:
- Portfolio Business Case
  - Overarching Business Plan
  - Draft Final Deal Agreement
  - Governance Agreement 2

**2. DECISION SOUGHT**

- 2.1. To approve the submission of the Portfolio Business Case and the 5 Programme Business Cases to UK and Welsh Governments for Final Deal Agreement on the North Wales Growth Deal.
- 2.2. To recommend that each of the Partners individually approve the Overarching Business Plan that sets out the arrangements for delivering the North Wales Growth Deal as the basis for completing the Final Deal Agreement and acceptance of the Grant Funding Letter with the UK and Welsh Governments.
- 2.3. To recommend that each of the Partners individually approve and enter into Governance Agreement 2 and specifically adopt the delegations and Terms of Reference in “*Governance Agreement 2: Appendix 1*” thereof as the basis for entering into the Final Deal Agreement and acceptance of the Grant Funding letter with the UK and Welsh Governments.
- 2.4. To recommend approval of the method used to calculate the cost of borrowing notionally required to facilitate the negative cash flow for the Growth Deal, and the corresponding annual partner contributions required to meet this cost and the established core and supplementary contributions as set out in GA2 (and in paragraphs 5.5 - 5.7 below).
- 2.5. That the Programme Director in consultation with the Chair and Vice Chair of the NWEAB, the Accountable Body Monitoring Officer and the Accountable Body Section 151 Officer be granted delegated authority to agree minor changes to the documents as necessary to complete the agreement.

- 2.6. To approve the renaming of the of Programme Office to the Portfolio Management Office in line with best practice and as a consequence, and change the job title of the Programme Director to Portfolio Director.

### **3. REASONS FOR THE DECISION**

- 3.1. In 2016 the North Wales Economic Ambition Board adopted A Growth Vision for the Economy of North Wales. Based on the Growth Vision Strategy, a Growth Deal was prepared and agreed by all the partners working with both the UK and Welsh Government and the private sector in October 2018. In November 2019 the NWEAB and the Welsh and UK Governments agreed the Heads of Terms, for Final Deal Agreement to be completed in 2020.
- 3.2. The NWEAB are committed to achieving the Final Deal Agreement with both Governments before the end of December 2020.
- 3.3. The Portfolio Management Office have developed the documentation required to submit to both Governments to reach Final Deal Agreement. The contents of these documents are outlined within this report, and copies of the documents attached as appendices.
- 3.4. This report recommends that the Programme Office is renamed as the Portfolio Management Office. This proposed change responds to questions raised during the recent gateway review with Welsh Government where the review team questioned the name of the Programme Office given the Growth Deal is a portfolio of programmes and projects. The proposed name 'Portfolio Management Office' aligns with recognised best practice and creates a clear differential between the role of the Director who has responsibility for the whole Growth Deal and the Programme Managers responsible for the delivery of individual programmes.

### **4. BACKGROUND AND RELEVANT CONSIDERATIONS**

- 4.1. The North Wales Growth Deal is a portfolio consisting of 5 programmes to be delivered over the next 15 years. It is to be delivered by the Portfolio Management Office on behalf of the North Wales Economic Ambition Board.
- 4.2. The Growth Deal is seeking to deliver a total investment of up to £1.1bn in the North Wales economy (£240m from the Growth Deal), to create 3,400 – 4,200 net additional jobs and generate £2.0- £2.4 billion in net additional GVA.
- 4.3. The five programmes include 14 projects, which have been carefully designed and developed with stakeholders to address specific market failures and barriers to economic growth.
- 4.4. To agree the Final Deal with both Governments, the NWEAB have prepared a suite of documents, namely the Overarching Business Plan, Portfolio Business Case, Draft Final Deal Agreement and Governance Agreement 2.

#### **4.5. Overarching Business Plan**

- 4.5.1. The Overarching Business Plan developed by the Portfolio Management Office sets out the arrangements for delivering the North Wales Growth Deal, including an overview of the programmes and projects and to seek approval from each partner for the financial implications of delivering the deal.
- 4.5.2. A copy of the Overarching Business Plan is available in **Appendix 1**.

#### 4.6. Portfolio Business Case

4.6.1. The Portfolio Business Case has been developed by the Portfolio Management Office with support from Hatch Regeneris.

4.6.2. The purpose of the portfolio business case is to provide an overview of the North Wales Growth Deal and its programmes.

4.6.3. The portfolio and programme business cases once approved as part of the Final Deal will be live documents used to manage the delivery of the Growth Deal on an ongoing basis and updated regularly as the programmes and projects develop.

4.6.4. The Portfolio Business Case follows the structure of the Five Case Model and HM Treasury Green Book principles. The Portfolio Management Office have consulted with UK and Welsh Government throughout the development of the business case.

4.6.5. The Portfolio Business Case consists of the five cases:

- **The Strategic Case:** the rationale for the Growth Deal investments, their objectives and fit with wider policy
- **The Economic Case:** the value for money provided by the Growth Deal
- **The Commercial Case:** the contractual and procurement approach to be taken
- **The Financial Case:** the costs and funding profile for the Growth Deal
- **The Management Case:** the approach to managing the Growth Deal

4.6.6. The portfolio business case document provides a summary investment proposal for the North Wales Growth Deal, to inform the agreement of a Final Deal in 2020. It accompanies the Programme level business cases, which set out the detail for the five constituent programmes using the Five Case Model framework.

4.6.7. The Portfolio Business Case is available in **Appendix 2**.

4.6.8. The Portfolio Business Case is supported by a set of programme level business cases, which provide details on the five individual programmes. The programme business cases are summarised below, and the executive Summaries are available in **Appendix 3** (full copies of the programme business cases are available on request).

#### 4.6.9. Low carbon energy

**Strategic aims:** To unlock the economic benefits of transformational low carbon energy projects and position North Wales as a leading UK location for low carbon energy generation, innovation and supply chain investment.

**Types of intervention:** Enabling works for new low carbon energy generation, enhancing research and innovation facilities for low carbon energy sectors, transport decarbonisation and support for local energy projects.

#### 4.6.10. Innovation in high value manufacturing

**Strategic aims:** To consolidate North Wales' position as a powerful and innovative high value manufacturing cluster, building on existing specialisms and leading expertise to create a higher value, more diverse economic base that supports the transition to a low carbon economy.

**Types of intervention:** Industry and research collaborations along with the establishment of centres of excellence to help overcome barriers and market failures in the research commercialisation process.

#### 4.6.11. Agri-food and tourism

**Strategic aims:** To build a more sustainable, vibrant and resilient foundation economy within the region, optimising opportunities for employment and prosperity through our environment and landscape.

**Types of intervention:** Introducing new technologies & innovation, skills and practices to these sectors, via business support and upskilling.

#### 4.6.12. Land and property

**Strategic aims:** To address the shortage of suitable land and properties for business growth and to bring forward sites for housing development and to deliver improvements that stimulate investment in the Port of Holyhead and the wider region. These projects will play an enabling role for the other programmes by ensuring that serviced sites are available for investors and developers.

**Types of intervention:** The provision of primary services and enabling works to bring forward commercial and housing development sites, delivery of employment floor space and future proofing and capacity enhancement works to the port of Holyhead.

#### 4.6.13. Digital

**Strategic aims:** To deliver the step change in digital connectivity needed to ensure North Wales is able to satisfy user demand, maintain pace with the rest of UK, unlock the growth potential of priority sectors and sites and underpin a flourishing innovation ecosystem. Plays an enabling role for other programmes to deliver maximum benefit.

**Types of intervention:** The programme has identified a need to which balance investment in infrastructure and technology, through enhanced fixed broadband footprint at key sites in rural areas, unlocking applications through 5G access, and furthering digital innovation.

4.6.14. The Growth Deal is based on 14 transformational projects to be delivered across the 5 programmes named above. Individual project business cases will be developed and will be presented to the NWEAB for approval from January 2021 onwards.

### 4.7. Final Deal Agreement

4.7.1. The Heads of Terms Agreement was agreed by the NWEAB, Welsh Government and UK Government in November 2019, with the aim for Final Deal Agreement to be completed in 2020.

4.7.2. The Draft Final Deal Agreement was developed collaboratively between the NWEAB and both Governments.

4.7.3. The Final Deal Agreement is the contract between the NWEAB, UK Government and Welsh Government for the delivery of the North Wales Growth Deal.

4.7.4. The Final Deal will be signed on the basis of the portfolio business case and five programme business cases.

4.7.5. The Draft Final Deal Agreement is included in **Appendix 4**.

#### **4.8. Governance Agreement 2**

4.8.1. Governance Agreement 2 has been developed by the regional Heads of Legal with expert and independent advice by legal advisers Pinsent Masons.

4.8.2. Governance Agreement 1 was adopted into in order to take forward the formal offer of funding to both Governments. Government Agreement 2 will take the partnership into the implementation stage of the Growth Deal. The agreement is a partnership agreement between the 6 Local Authorities and the Partner University and College bodies. It continues the governance model adopted in GA1 namely a Joint Committee supported by a host authority and provides for the commitments and responsibilities of the Partners to the partnership. It also defines the relationship between the Board and its constituent Partner organisations, the limits of delegation and accountability.

4.8.3. Governance Agreement 2 is a necessary element for implementing the Growth Deal. It provides assurance to the Governments as to the governance of the partnership. It establishes a legally binding commitment by and to the Partners and Accountable Body which is necessary to enable the Growth Deal Final Agreement and Grant Letter to be agreed. Without that assurance the Final Deal Agreement and the Grant Offer Letter could not be entered into on behalf of the Partners.

4.8.4. A more detailed explanatory summary of Governance Agreement 2 is provided in **Appendix 5** and a copy of Governance Agreement 2 is included in **Appendix 6**.

### **5. FINANCIAL IMPLICATIONS**

5.1. There is a medium-term temporary funding gap between the expected expenditure profile of the Growth Deal and the expected profile of government funding received over 15 years. The NWEAB, through the host authority, will be responsible for managing this negative cash flow, and have worked with Arlingclose to model the cost of borrowing notionally required to facilitate the negative cash flow for the Growth Deal, and the corresponding annual partner contributions required to meet this cost.

5.2. With a range of assumptions to consider, the NWEAB have forecasted a range of figures, modelled as the best case scenario (Version 1) and the worst case scenario (Version 2), to reflect the timing of finalising the Growth Deal and consequent timing of government grant funding. The difference between the best and worst case scenarios highlights the importance of finalising the Growth Deal by the end of the calendar year. In both versions the other variables, i.e. interest rate and NNDR income have remained the same. The interest rate used was 2.2% and is considered to be a prudent assumption. The NWEAB will utilise its “retained” NNDR grant from Welsh Government to offset against the negative cash flow, with the net total cost (£12.46m - £17.73m) met by the local authorities (proportional to population) for regional NWEAB projects, and with project lead sponsors responsible for the cost in relation to their projects.

5.3. Any changes to the projects, will result in a reserved matter if it means increasing partner contributions (e.g. change from project lead sponsor to NWEAB, lower NNDR yield, higher cost, earlier spend profile).

5.4. With capital projects, there is always a risk of overspending, and controls will be put in place to limit overspending costs on specific projects. For regional projects, the Portfolio Management Office would be responsible for controlling expenditure and ensuring sufficient contingency budgets are included in the project business cases. Overspend would be a matter for the Lead Sponsor to deal with in relation to their projects.

5.5. The table below shows the **total (15 years) partner contributions** to cover the cost of ‘borrowing’ notionally required to facilitate the negative cash flow.

Version	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Other Commerical Partners	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
1	1.40	0.51	0.75	0.52	2.29	1.17	0.96	1.56	1.24	0.70	1.36	12.46
2	1.99	0.73	1.07	0.74	3.24	1.67	1.36	2.22	1.77	1.00	1.94	17.73

5.6. The table below shows the **annual partner contributions** to cover the cost of ‘borrowing’ notionally required to facilitate the negative cash flow.

Version	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Other Commerical Partners	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total
	£	£	£	£	£	£	£	£	£	£	£	£
1	93,330	34,000	50,000	34,670	152,660	78,010	64,000	104,000	82,670	46,670	90,670	830,680
2	132,670	48,670	71,330	49,330	216,000	111,340	90,670	148,000	118,000	66,670	129,340	1,182,020

5.7. These annual partner contributions above are in addition to the established ‘core’ and ‘supplementary’ annual contributions below.

Contributions	Bangor University	Glyndwr University	Grŵp Llandrillo Menai	Coleg Cambria	Conwy	Denbighshire	Flintshire	Gwynedd	Isle of Anglesey	Wrexham	Total
	£	£	£	£	£	£	£	£	£	£	£
Core	25,000	25,000	25,000	25,000	50,000	50,000	50,000	50,000	50,000	50,000	400,000
Supplementary	0	0	0	0	40,000	40,000	40,000	40,000	40,000	40,000	240,000

## 6. LEGAL IMPLICATIONS

6.1. The report explains relevant provisions of Governance Agreement 2 (GA2), The Overarching Business Plan (“OBP”) and the Final Deal Agreement. They form part of the legal implications, but in order to avoid duplication are not repeated in this section.

6.2. The recommendations in the report are made pursuant to the powers conferred on the Councils under sections 101, 102, 111 and 113 of the Local Government Act 1972, section 1 of the Local Authority (Goods & Services) Act 1970, section 25 of the Local Government (Wales) Act 1994, section 2, 19 and 20 of the Local Government Act 2000, section 9 of the Local Government Wales Measure 2009 and all other enabling powers now vested in the Councils.

6.3. The provisions of the Local Government and Elections Bill (Wales) 2019 in relation to proposed Corporate Joint Committees (CJC’s) and the recent publication of a consultation document on the proposed regulations are clearly of relevance to the matters addressed in this report. However, the North Wales Economic Ambition Board has been in operation as a formal Joint Committee since January 2019. GA2 does not change this basic governance model but is a necessary component to enable the Partners to commit to the Growth Deal within the given time frame. As a result there is no proposal to make any changes to the recommendations pending the advent of CJC’s although GA2 does acknowledge the provisions of the Bill and the possibility of future review.

- 6.4. The OBP is a key document in relation to the delivery of the Growth Deal. The content of the Plan serves to create a legitimate expectation that the Programmes will be progressed as set out in the Plan. Accordingly, it is important that each Partner is content with the content of the OBP. Decisions relating to the delivery of the programmes and projects will need to be considered in accordance with the provision set out in GA2 at which stage any legal issues raised in relation to a specific project can be considered and detailed legal advice provided.
- 6.5. In considering this matter regard should be had, amongst other matters, to the Councils duties under the Wellbeing of Future Generations (Wales) Act 2015. In summary the Act places a duty on public bodies in to act in accordance with the principle of sustainable development so as to ensure that the needs of the present can be met without undermining the ability of future generations to meet their needs. This is in order to improve the economic, social, environmental and cultural well-being of Wales. The OBP explains that the Wellbeing of Future Generations (Wales) Act 2015 will be intrinsic to the development and implementation of the Growth Vision and Growth deal.
- 6.6. A Well-being and Equality Assessment has been undertaken and is included in **Appendix 7**. Regard should be had to the same in reaching a decision on this matter.
- 6.7. Regard has been given to public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to:
- a. eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by that Act;
  - b. advance equality of opportunity between people who share a relevant protected characteristic and those who do not;
  - c. foster good relations between people who and share a protected characteristic and those who do not.
- 6.8. In Wales, public sector bodies listed are required to take certain steps in order to demonstrate that they have due regard to the public sector equality duty. These Welsh specific equality duties include assessing the impact of policies and procedures on equality (often called Equality Impact-Assessment).
- 6.9. The Well-being and Equalities Assessment demonstrates that the detail contained in the preparation of and in the draft OBP demonstrates compliance with the well-being 5 ways of working, supports the well-being goals and identifies that the Growth Vision and Growth Deal will a positive impact on all groups and people with protected characteristics.

## **7. STAFFING IMPLICATIONS**

- 7.1. None.

## **8. IMPACT ON EQUALITIES**

- 8.1. Copies of the impact assessments are included in **Appendix 7-8**.

## **9. CONSULTATIONS UNDERTAKEN**

- 9.1. On 7<sup>th</sup> of October, 2020 the contents of this report and the documentation was supported by the Executive Officers Group.

- 9.2. A report and the relevant documents have been circulated to all partner organisations. The covering report and appendices will be presented to all six local authority Scrutiny, Cabinet and Council Meetings – copy of the draft report can be found in **Appendix 9**.
- 

**APPENDICES:**

<b>Appendix 1</b>	Overarching Business Plan*
<b>Appendix 2</b>	Portfolio Business Case*
<b>Appendix 3</b>	Programme Business Cases: Executive Summaries* (full copies of the programme business cases are available on request)
<b>Appendix 4</b>	Draft Final Deal Agreement*
<b>Appendix 5</b>	Summary of Governance Agreement 2*
<b>Appendix 6</b>	Governance Agreement 2*
<b>Appendix 7</b>	Equality Impact Assessment
<b>Appendix 8</b>	Welsh Language Impact Assessment
<b>Appendix 9</b>	Draft Report to Scrutiny, Cabinet and Council Meetings

*\*subject to final edit and proof read*

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**STATUTORY OFFICERS RESPONSE:**

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

“I have contributed to the preparation of this report and I have no specific observations to add in relation to propriety but I will be in a position to give further guidance at the meeting.”

**ii. Statutory Finance Officer (the Host Authority’s Section 151 Officer):**

“I have contributed to the financial aspects of the report and support the recommendations.”





## ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday 10 <sup>th</sup> November, 2020
<b>Report Subject</b>	Budget 2021/22 – Stage 1
<b>Cabinet Member</b>	Deputy Leader and Cabinet Member for Streetscene and Countryside; and  Cabinet Member for Planning and Public Protection
<b>Report Author</b>	Corporate Finance Manager, Chief Executive, Chief Officer (Planning, Environment & Economy) and Chief Officer (Streetscene & Transportation)
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

A report to Cabinet in October provided an update on the financial forecast for 2021/22 and the following two financial years. The report is attached as Appendix 1.

A full review of the forecast has been undertaken to build an accurate and robust baseline of cost pressures that will need to be funded. The review has taken into full account the ongoing impacts of the emergency situation including the speed of recovery of income against set targets.

Due to the current level of uncertainty, scenarios have been presented in a range of low to high.

The report also sets out the limited solutions available to fund these cost pressures. The funding strategy is highly dependent on sufficient national funding for local government, a position which is unchanged since the budget for 2020/21 was set.

The details of the cost pressures for Streetscene and Transportation and Planning, Environment and the Economy are included within this report. The Committee is invited to review the costs pressures and risks, and to advise on any potential efficiency options to explore.

A slide presentation will be made at the meeting.

## RECOMMENDATIONS

1	That the Committee reviews and comments on the Streetscene and Transportation and Planning, Environment and the Economy cost pressures.
2	That the Committee advises on any areas of cost efficiency it would like to be explored further.
3	That the Committee reviews and advises on the overall budget strategy

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE FINANCIAL FORECAST</b>
1.01	A report to Cabinet in October provided an update of the overall Flintshire Council financial forecast for 2021/22.
1.02	Due to the current level of uncertainty scenarios have been presented in a range of low to high.
1.03	As in recent years the budget for 2021/22 will be considered in stages. This is a first stage report which details the forecast and the cost pressures which make-up the total budget requirement.
1.04	<p><b>Revisions to the Forecast</b></p> <p>All inflationary, demand-led service and other cost pressures have been reviewed and evaluated.</p> <p>The cost pressures have been categorised as:</p> <ul style="list-style-type: none"><li>- Prior Year Decisions/ Approvals</li><li>- Loss of Income</li><li>- Legislative/Unavoidable Indexation</li><li>- Issues requiring national resolution</li><li>- National Funding Requirements (Pay Awards)</li><li>- Strategic Considerations</li></ul>

1.05 The full details of the forecast are attached to this report in Appendix 1. A summary is given below.

**Table 1. Revised Summary 2021/22**

Summary of Pressures	21 / 22		
	L	M	T
	£m	£m	£m
Prior Year Decisions/Approvals	1.257	1.257	1.257
Income Loss	0.708	0.876	1.261
Legislative/Unavoidable Indexation Pressures	0.576	0.576	0.576
National Resolution Pressures	3.652	4.359	7.079
National Funding Requirement (Pay)	5.787	6.949	8.073
Strategic Decisions	2.444	5.619	9.090
<b>Total Pressures</b>	<b>14.423</b>	<b>19.636</b>	<b>27.336</b>

1.06 This report sets out in detail the cost pressures within the portfolio of this Committee.

1.07 **Streetscene and Transportation and Planning, Economy and the Environment Portfolio Pressures**

These are set out in the paragraphs below.

1.08 **Table 2: Streetscene and Transportation Pressures**

Pressure Title	£m	Note
<b>Loss of Income</b>		
<ul style="list-style-type: none"> <li>Reduced Energy Sales – Reduction in gas generation</li> </ul>	0.120	1.
<ul style="list-style-type: none"> <li>Recyclate Markets – volatility in price and volume</li> </ul>	0.299 - 0.730	2.
<b>Strategic Decisions</b>		
<ul style="list-style-type: none"> <li>School Transport – General</li> </ul>	0.163	3.
<ul style="list-style-type: none"> <li>School Transport - Closure of John Summers</li> </ul>	0.050	4.
<ul style="list-style-type: none"> <li>Post 16 Transport</li> </ul>	0.047	5.
<ul style="list-style-type: none"> <li>Social Services Adults Transport</li> </ul>	0.063	6.
<ul style="list-style-type: none"> <li>Social Services Children’s Transport</li> </ul>	0.044	7.
<ul style="list-style-type: none"> <li>Ash Dieback</li> </ul>	0.060	8.
<ul style="list-style-type: none"> <li>Business Manager – Streetscene</li> </ul>	0.072	9.

1. Reduced Energy Sales; the sale of energy is dependent upon the rate of gas extraction from the former landfill sites. The production of gas has gradually declined and thus the associated sales revenue is not being delivered.
2. Recyclate Markets; the market for paper and cardboard has seen significant change over the past year with related recycling plants being saturated by volumes collected nationally as part of normal Local Authority waste collection.
3. School Transport General; each year the number of school days varies and in 2021-22 will include 7 additional days. In order to strengthen the sustainability and resilience of the underlying financial position, in future years a level of headroom will be created that will allow for such and other future fluctuation in the underlying cost of the service.
4. School Transport, Closure of John Summers; due to the requirement for additional transport to be provided for the reallocation of pupils to alternative schools, this additional cost has arisen and will be required on an ongoing basis.
5. Post 16 Transport; due to an amendment to Welsh Government Guidance around the charging for pupils attending college. The amendment related to the eligibility of charging for transport provided in non-DDA compliant vehicles, the operator base across Flintshire unfortunately is currently non-compliant. The residual efficiency built into the approved budget from 2020/21 makes provision for Coleg Cambria to support transport costs to the college for Post 16 students.
6. Social Services Adults Transport; due to an increase in requests for transport and additional cost of complex support required for adults, this pressure has arisen and is ongoing.
7. Social Services Children's Transport; this pressure has arisen due to both an increase in requests and an increase in distances travelled dependent upon where children are placed. This is due to the length of a number of new routes now required.
8. Ash Die Back; Following a revision to National guidance on the prevalence of the disease, this pressure has reduced from that initially indicated. A programme of managed testing will take place with priority on removal of the most impacted trees from the roadside.
9. Business Manager – Streetscene; this post will lead on the identification, quantification and implementation of service efficiencies across the Portfolio. The post holder will be instrumental in assuring the affordability and sustainability of services in the medium to longer term.

**Table 3: Planning, Environment and the Economy Pressures**

<b>Pressure Title</b>	<b>£m</b>	<b>Note</b>
<b>Prior Year Decisions / Approvals</b>		
• Unrealised Efficiency – Market Review	0.035	1.
<b>Loss of Income</b>		
• Markets – Scale of markets reducing	0.074 - 0.114	2.
• Pest Control – Reduction in customer led demand	0.040 - 0.052	3.
<b>Legislative / Unavoidable Indexation Pressures</b>		
• Private Water Supplies	0.104	4.
• SuDS	0.112	5.

1. Unrealised Efficiency - Market Review; further decline in Markets popularity, reducing footfall in town centres from influence of large out of town shopping centres, together with the impact of COVID-19.
2. Markets; The markets service has always been an income generator for the Council, covering its own costs as well as returning a surplus to the Council. However, the income targets set for the service have risen year on year while the number and scale of street markets has declined dramatically across the UK including in Flintshire.
3. Pest Control; Pest Control is a customer demand led service and has varying levels of operation based on seasonality, climate conditions and environmental issues. The annual income target had remained static and was generally underachieved at a steady rate of 50%.
4. Additional resource is required to meet statutory obligations under the Private Water Supplies (Wales) Regulations 2017. The regulations require local authorities to carry out risk assessments of every supply in its area and there is also a requirement for on-going monitoring. If the supplies do not meet the requisite standards the Council are responsible for enforcement and may need to undertake works in default due to the potential significant public health risk.  
In December 2019 officers from the Drinking Water Inspectorate undertook an audit of compliance with the aforementioned regulations. It highlighted that the Council are not wholly meeting their statutory duties in respect of these regulations. At present, there are 1.5 FTE employees undertaking these duties and the time of these officers is currently taken up investigating large complex supplies that have been identified as very high risk.

5. SuDS; The statutory requirement for the Council to operate as a SuDS Approving Body (SAB) came into force in January 2019 with the commencement of Schedule 3 of the Flood and Water Management Act. This added a significant workload burden to the existing Flood and Coastal Risk Management Team which only comprises 3.54 FTE employees with one of the full time posts also vacant at present. The team also carry out the statutory function of Lead Local Flood Authority (LLFA) in relation to surface water management and flood risk for the Council. There is insufficient capacity in the present team to fulfil both of these statutory roles.

1.10

**Table 4: Summary of Pressures**

Summary of Pressures	21 / 22		
	Low	Medium	Top
	£m	£m	£m
<b><u>Streetscene &amp; Transportation</u></b>			
Income Loss	0.419	0.599	0.850
Strategic Decisions	0.498	0.498	0.498
<b>Total Pressures</b>	<b>0.917</b>	<b>1.097</b>	<b>1.348</b>
<b><u>Planning, Environment and the Economy</u></b>			
Prior Year Decisions / Approvals	0.035	0.035	0.035
Income Loss	0.114	0.132	0.166
Legislative/Unavoidable Indexation Pressures	0.216	0.216	0.216
<b>Total Pressures</b>	<b>0.365</b>	<b>0.383</b>	<b>0.417</b>

1.11

**Strategic Funding Solutions**

The solutions available to the Council to fund the cost pressures outlined in the report are three-fold:-

- Government Funding (Aggregate External Finance)
- Local Taxation and Income
- Service Transformation and Efficiencies

We can also consider suppressing the budget requirement by not making full budget provision for some risks and treating them as 'Open Risks' to be managed in-year.

The funding strategy is highly dependent on sufficient national funding for local government.

1.12	<p><b>Budget Timeline</b></p> <p>The UK Spending Review has been confirmed for 25<sup>th</sup> November with the draft Welsh Government Budget set for 21 December 2020 and with the Final Budget set for 2 March 2021.</p> <p>An outline of the local budget timeline at this stage is set out in the table below:</p> <p><b><u>Table 5: Budget Timeline</u></b></p> <table border="1"> <thead> <tr> <th>Date</th> <th>Event</th> </tr> </thead> <tbody> <tr> <td>November</td> <td>Overview and Scrutiny Committees</td> </tr> <tr> <td>15 December</td> <td>Cabinet</td> </tr> <tr> <td>21 December</td> <td>WG Draft Budget</td> </tr> <tr> <td>22 December</td> <td>Provisional Local Government Settlement</td> </tr> <tr> <td>23 December</td> <td>Cabinet and all Member Briefing</td> </tr> <tr> <td>19 January</td> <td>Cabinet</td> </tr> <tr> <td>16 February</td> <td>Cabinet and Council</td> </tr> <tr> <td>2 March</td> <td>WG Final Budget/Settlement</td> </tr> </tbody> </table>	Date	Event	November	Overview and Scrutiny Committees	15 December	Cabinet	21 December	WG Draft Budget	22 December	Provisional Local Government Settlement	23 December	Cabinet and all Member Briefing	19 January	Cabinet	16 February	Cabinet and Council	2 March	WG Final Budget/Settlement
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	As set out in the report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	As set out in the report.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	As set out in the report.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 - Cabinet Report 20 <sup>th</sup> October 2020 – Medium Term Financial Strategy and Budget 2021/22

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Cabinet Report 20 <sup>th</sup> October 2020 – Medium Term Financial Strategy and Budget 2021/22

	<p><b>Contact Officer:</b> Gary Ferguson, Corporate Finance Manager  <b>Telephone:</b> (01352) 702271  <b>E-mail:</b> gary.ferguson@flintshire.gov.uk</p>
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<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Specific Grants:</b> An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p><b>Annual Settlement:</b> the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget and to individual councils one by one. The amount of Revenue Support Grant each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example, of population size and demographics and levels of social deprivation.</p> <p><b>Financial Year:</b> the period of 12 months commencing on 1 April</p> <p><b>Revenue:</b> a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p><b>Budget:</b> a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>





## CABINET

<b>Date of Meeting</b>	Tuesday, 20 <sup>th</sup> October 2020
<b>Report Subject</b>	Medium Term Financial Strategy and Budget 2021/22
<b>Cabinet Member</b>	Cabinet Member for Finance for Finance
<b>Report Author</b>	Corporate Finance Manager and Chief Executive
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The Council works to a cycle of reviewing its Medium Term Financial Strategy (MTFS) on an annual basis.

This report provides an update on the financial forecast for 2021/22 and the following two financial years.

A full review of the forecast has been undertaken to build an accurate and robust baseline of cost pressures that will need to be funded. The review has taken into full account the ongoing impacts of the emergency situation including the speed of recovery of key income targets.

The main purpose of this report is to set out in detail the forecast cost pressures for 2021/22 prior to referral for review and challenge to Overview and Scrutiny Committee.

The report also sets out the solutions available to fund these cost pressures. The funding strategy is highly dependent on sufficient national funding for local government and is unchanged since the budget for 2020/21 was set.

## RECOMMENDATIONS

1	To (1) note the overall forecast for the period 2021/22 – 2023/24 and (2) refer the list of cost pressures for 2021/22 to Overview and Scrutiny Meetings in November for review and challenge.
2	To note the solutions available to meet these cost pressures and re-set the funding strategy for 2021/22.

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE MEDIUM TERM FINANCIAL STRATEGY FORECAST 2021/22 – 2023/24</b>
1.01	<p>The Council has a cycle of reviewing its Medium Term Financial Strategy (MTFS) on an annual basis.</p> <p>This report provides an update on the forecast position, last reported in full in February, for 2021/22 and the following two financial years.</p>
1.02	<p>When setting the budget for 2020/21 a projected estimate was reported for the major cost pressures predicted over the next two years. The forecast was based on (1) annual pay increases trending at 2% (2) similar level of commissioning cost pressures within Social Services and (3) other known pressures at that time. The total of all cost pressures identified at the time totaled £9.829m for 2021/22 and £7.433m for 2022/23.</p>
1.03	<p>A full review of the forecast has been undertaken to build an accurate and robust baseline of cost pressures that will need to be funded. The review has taken into full account the ongoing impacts of the emergency situation including the speed of recovery of key income targets.</p>
	<b>The National Position</b>
1.04	<p>The impact of the pandemic continues to have a significant impact on the Council's cost base and its ability to generate income. The Welsh Government has made a number of funding announcements over the last few months which have given some certainty as to how these additional costs and income losses can be recouped in the current financial year.</p>
1.05	<p>The Autumn Budget of the UK Government has been postponed. This, in turn, has caused budget uncertainty for Welsh Government. It is expected that there will still be some form of a UK Spending Review on a date to be announced.</p>

	<b>Updates to the Financial Forecast</b>
1.06	Over the summer the inflationary and demand led service cost pressures have been assessed and this report provides in detail the outcome of this work.
1.07	<p>The cost pressures have been categorised as:</p> <ul style="list-style-type: none"> <li>- Prior Year Decisions/ Approvals</li> <li>- Loss of Income</li> <li>- Legislative/Unavoidable Indexation</li> <li>- Issues requiring national resolution</li> <li>- National Funding Requirements (Pay Awards)</li> <li>- Strategic Considerations</li> </ul> <p>Appendix 1 sets out the latest position for the Medium Term Financial Forecast in detail and includes ranges where pressures are subject to sensitivities such as national pay awards, ongoing uncertainty due to the pandemic or where they can be subject to some choice regarding the level of service to be provided. In summary the ranges are:</p> <ul style="list-style-type: none"> <li>- 2021/22 - £14.423m - £27.336m</li> <li>- 2022/23 - £9.447m - £13.036m</li> <li>- 2023/24 - £8.982m - £11.996m</li> </ul> <p>Forecasts for 2022/23 and 2023/24 will continue to be refined alongside the work to agree the 2021/22 budget as decisions made throughout the process will impact on the projections for later years.</p> <p>The main purpose of this report is to set out in detail the forecast cost pressures for 2021/22 prior to referral for review and challenge to Overview and Scrutiny Committee.</p>
1.08	<p><b>Prior Year Decisions/ Approvals</b></p> <p>These are built-up of commitments and adjustments made in prior years and include:</p>
1.09	<p><b>Marleyfield Residential Care Home</b></p> <p>The cost pressure of £0.425m for the additional revenue costs of the expansion of in house residential care services to meet increasing demand.</p>
1.10	<p><u>Minimum Revenue Provision</u></p> <p>This is the amount set aside for the repayment of debt for historic capital spend. The policy was changed to the annuity method a couple of years ago and the annual inflationary uplift of £0.300m needs to be included in the budget on a recurring basis.</p>
1.11	<p><u>One-Off Efficiencies/Pressures Dropping Out</u></p> <p>The benefit of a Single Person Discount review has a one-off benefit in the current financial year and will be built into the overall Council Tax base</p>

	calculation for 2021/22. In addition a pressure in relation to social services day services that was included in 2019/20 budget is no longer required.
1.12	<p><u>Unrealised Efficiencies</u></p> <p>There are a number of areas relating to previous year efficiencies which are not able to be achieved. Some of these are due in part to changes in demand on services or lower than anticipated take-up on schemes such as the salary sacrifice scheme.</p>
1.13	<p><b>Loss of Income</b></p> <p>Reductions in demand is impacting on budgeted income levels across a wide range of service areas and include:</p>
1.14	<p><u>Reduced Energy Sales</u></p> <p>Due to a reduction in the levels of income generated by sales of Electricity which is dependent on the availability of gas produced by two closed landfill sites.</p>
1.15	<p><u>Recyclates</u></p> <p>Due to fluctuations in both the volumes of recycling waste and the amount of rebate available for certain recyclates in the current market. The volatility of the market makes it difficult to predict an accurate figure so at this stage a range of £0.299m to £0.730m is included.</p>
1.16	<p><u>Sale of Newtech Square</u></p> <p>Due to the loss of revenue income to the Council as a result of the sale of the asset which will result in a capital receipt to support our Capital Programme.</p>
1.17	<p><u>Markets</u></p> <p>Due to the need to reflect the current level of activity which has reduced over time as well as footfall being impacted due to the impact of the pandemic.</p>
1.18	<p><b>Legislative/Unavoidable Indexation</b></p> <p>The pressures within this category are a combination of legislative changes and indexation increases to organisations where we have no direct control and include:</p>
1.19	<p><u>'Sleep-In' Pay Ruling</u></p> <p>The outcome of a ruling by the Supreme Court for Sleep-In Shifts is due shortly which may mean allowances will need to be increased.</p>
1.20	<p><u>Private Water Supplies</u></p> <p>Due to the need to meet statutory obligations in relation to risk assessments for all water supplies in the Local Authority area. These include initial assessment, ongoing monitoring and enforcement where necessary.</p>

1.21	<p><u>North Wales Fire and Rescue Authority (NWFRA)</u></p> <p>The NWFRA levy is agreed each year and the Council is likely to need to contribute an inflationary uplift. The principle of adding NWFRA levy increase to the local taxation bill will need to be continued.</p>
	<p><b>Issues Requiring National Resolution</b></p>
1.22	<p><u>Council Tax Income / Council Tax Reduction Scheme</u></p> <p>The Pandemic has resulted in a significant increase in demand for the Council Tax Reduction Scheme (CTRS) and the receipt of Council Tax income is currently well below target.</p> <p>Both of these issues are acknowledged by Welsh Government and discussions will need to continue to secure additional funding supported by the WLGA.</p> <p>The cost of indexation for social care commissioning is also included here and the same principle applies, particularly in view of the current demand pressures in this area.</p>
	<p><b>National Pay Awards</b></p>
1.23	<p>The impact of the nationally agreed pay awards for Teacher Pay and Non Teacher Pay are included in this category. The increases are not yet known so a range of potential impacts from 2% - 3.5% have been included at this stage for modelling purposes.</p> <p>The figures also include the estimated impact of the 2020/21 pay awards being higher than the 2% included in the budget. Whilst the in-year impact of a higher pay award will need to be met by reserves in the current financial year, the recurring impact will need to be built into the budget for 2021/22.</p>
1.24	<p><b>Strategic Considerations</b></p> <p>There are a number of areas where further strategic consideration are required over the coming months before the outcome can be included in the formal budget process.</p>
1.25	<p><u>Transport</u></p> <p>School Transport – to address fluctuations in the number of school days per year based on current operator costs as well as additional demand due to change of routes.</p> <p>Post 16 transport – to reflect shortfall in efficiency due to a policy change following changes in regulations - flagged as a risk in the 2020/21 budget.</p> <p>Social Care Transport – due to an increase in demand within both Adult and Children’s Services.</p>

1.26	<p><u>Social Care</u></p> <p>Transition to Adulthood – to reflect the additional cost of young people transitioning from Children to Adult Services. The range reflects different scenarios based on demand estimates and levels of support requirements.</p> <p>Children’s Registered Care Home – The Council is looking at options to support a reduction in the number of Out of County Placements and is reviewing options to deliver care in house. Support from Welsh Government is also being sought.</p>																																						
1.27	<p><u>Education</u></p> <p>Secondary School Funding – due to a requirement to address school deficits which was a recommendation within the Estyn report. The issue is twofold 1) to address the existing deficit position and 2) to try and ensure that schools are funded to the level needed. This may need to be a longer term strategy.</p> <p>Additional Learning Needs – due to a statutory obligation to meet the requirements of the new Additional Learning Needs &amp; Educational Tribunal Act which is due to be implemented in 2021/22. This will require additional resources for both schools and for the local authority in relation to the provision of support for Children.</p>																																						
1.28	<p>The table below summarises all cost pressures:</p> <p><b>Table 1: Updated Budget Requirement Forecast 2021/22</b></p> <table border="1" data-bbox="300 1111 1342 1659"> <thead> <tr> <th rowspan="3">Summary of Pressures</th> <th colspan="3">2021 / 22</th> </tr> <tr> <th>L</th> <th>M</th> <th>H</th> </tr> <tr> <th>£m</th> <th>£m</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Prior Year Decisions/Approvals</td> <td>1.257</td> <td>1.257</td> <td>1.257</td> </tr> <tr> <td>Income Loss</td> <td>0.708</td> <td>0.876</td> <td>1.261</td> </tr> <tr> <td>Legislative/Unavoidable Indexation Pressures</td> <td>0.576</td> <td>0.576</td> <td>0.576</td> </tr> <tr> <td>National Resolution Pressures</td> <td>3.652</td> <td>4.359</td> <td>7.079</td> </tr> <tr> <td>National Funding Requirement (Pay)</td> <td>5.787</td> <td>6.949</td> <td>8.073</td> </tr> <tr> <td>Strategic Decisions</td> <td>2.444</td> <td>5.619</td> <td>9.090</td> </tr> <tr> <td><b>Total Pressures</b></td> <td><b>14.423</b></td> <td><b>19.636</b></td> <td><b>27.336</b></td> </tr> </tbody> </table>	Summary of Pressures	2021 / 22			L	M	H	£m	£m	£m	Prior Year Decisions/Approvals	1.257	1.257	1.257	Income Loss	0.708	0.876	1.261	Legislative/Unavoidable Indexation Pressures	0.576	0.576	0.576	National Resolution Pressures	3.652	4.359	7.079	National Funding Requirement (Pay)	5.787	6.949	8.073	Strategic Decisions	2.444	5.619	9.090	<b>Total Pressures</b>	<b>14.423</b>	<b>19.636</b>	<b>27.336</b>
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1.29	<p><b>Risks Issues</b></p> <p><u>North Wales Growth Bid</u></p> <p>The above is reaching a key stage and it is likely that some capital borrowing costs will be incurred by the partnership for advance capital access to ‘front-load’ investment for priority projects, noting that the Government grant is paid over to the partnership on an annualised bases over fifteen years. The detail of the Growth Deal is being finalised and the partnership aim to keep capital</p>																																						

	borrowing costs to the lowest possible level. Final cost estimates, and how they are to be shared, will be reported when available.														
	<b>Strategic Funding Solutions</b>														
1.30	<p>The solutions available to the Council to fund the cost pressures outlined in the report can be spilt into three themes:-</p> <ul style="list-style-type: none"> <li>- Government Funding (Aggregate External Finance)</li> <li>- Local Taxation and Income</li> <li>- Service Transformation and Efficiencies</li> </ul> <p>We can also consider suppressing the budget requirement by not making full budget provision for some risks and treating them as ‘Open Risks’ to be managed in-year.</p> <p>The funding strategy is highly dependent on sufficient national funding for local government and is unchanged since the budget for 2020/21 was set.</p>														
1.31	<p><b>Government Funding (Aggregate External Finance)</b></p> <p>The Council receives the largest amount of its funding from Welsh Government in the form of the Revenue Support Grant (RSG).</p> <p>For the Council to be sustainable future settlements will need to reflect the national financial pressures imposed on councils that are outside of their e.g. pay awards and legislative cost pressures.</p>														
1.32	<p>In 2020/21 the Council received an increase of 3.7% on its RSG – 0.6% below the Welsh Average of 4.3%.</p> <p>The impact of a range of RSG scenarios ranging from 0% to 5% are set out below.</p> <p><b>Table 2 – RSG Uplift Scenarios</b></p> <table border="1"> <thead> <tr> <th>Percentage Increase</th> <th>0%</th> <th>1%</th> <th>2%</th> <th>3%</th> <th>4%</th> <th>5%</th> </tr> </thead> <tbody> <tr> <td>Increase (£m)</td> <td>0</td> <td>1.994</td> <td>3.988</td> <td>5.982</td> <td>7.975</td> <td>9.969</td> </tr> </tbody> </table>	Percentage Increase	0%	1%	2%	3%	4%	5%	Increase (£m)	0	1.994	3.988	5.982	7.975	9.969
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1.33	<p><b>Local Taxation and Income</b></p> <p>No assumptions have been made on the level of Council Tax increases for future years at this stage and a decision will need to be made during the budget process in the context of the overall position.</p> <p>The impact of a range of scenarios are detailed below ranging from 0% - 5%:</p>														

**Table 3: Council Tax Scenarios**

Percentage Increase	0%	1%	2%	3%	4%	5%
Increase (£m)	0.677	1.550	2.423	3.296	4.169	5.041

*Based on Estimated Council Tax Base for 21/22 and 98.7% collection rate*

Fees and charges remain unchanged and will be subject to indexation as per the Council Policy for Fees and Charges with the aim of achieving full cost recovery wherever possible.

**1.34 Service Transformation and Efficiencies**

There are no local budget choices presented at this stage. There are no efficiencies of scale remaining and the position has not changed since we set the last annual budget. The need for safe and resilient services has been highlighted by the response to the emergency situation. A realistic minimum target of £1m has been estimated as a contribution to the budget for 2021/22.

**1.35 'Open Risks'**

The forecast as presented is subject to decisions on the level of the financial pressures to be included in the base and whether to take some 'open risks' as explained in 1.30 above.

**1.36 Summary and Conclusions**

**Table 4: Potential Scenarios**

Gap at the Lower Level	14.423	14.423	14.423	14.423	14.423	14.423
Percentage Increase	0%	1%	2%	3%	4%	5%
	£m	£m	£m	£m	£m	£m
RSG	0	1.994	3.988	5.982	7.975	9.969
Efficiencies	1.000	1.000	1.000	1.000	1.000	1.000
Council Tax	0.677	1.550	2.423	3.296	4.169	5.041
<b>Total Potential Funding</b>	<b>1.677</b>	<b>4.544</b>	<b>7.411</b>	<b>10.278</b>	<b>13.144</b>	<b>16.010</b>
<b>Remaining Gap</b>	<b>12.746</b>	<b>9.879</b>	<b>7.012</b>	<b>4.145</b>	<b>1.279</b>	<b>(1.587)</b>

1.37 As shown in table 4 a minimum RSG uplift of between 4% and 5% is required to cover the current level of cost pressures at the lower end.



1.38 **Budget Timeline**

The draft Welsh Government Budget has provisionally been set for 8 December 2020 with the Final Budget set for 2 March 2021. However, UK Government have recently announced that they will not be presenting an Autumn budget this year so the Welsh Government dates may be subject to change.

An outline of the local budget timeline at this stage is set out in the table below:

**Table 5: Budget Timeline**

Date	Event
20 October	Cabinet
November	Overview & Scrutiny Committees
8/9 December	WG Draft Budget/Provisional Settlement
15 December	Cabinet
19 January	Cabinet
16 February	Cabinet and Council
2/3 March	WG Final Budget/Settlement

**2.00 RESOURCE IMPLICATIONS**

2.01 **Revenue:** the revenue implications for the 2021/22 budget are set out in the report.

**Capital:** there are no new implications for the approved capital programme for either the current financial year or for future financial years – the capital programme will be subject to a separate report

**Human Resources:** there are no implications for additional capacity or for any change to current workforce structures or roles at this stage.

3.00	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>																					
3.01	<p data-bbox="320 232 1283 271"><b>Ways of Working (Sustainable Development) Principles Impact</b></p> <table border="1" data-bbox="320 304 1386 1072"> <tr> <td data-bbox="320 304 743 674">Long-term</td> <td data-bbox="743 304 1386 674">Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.</td> </tr> <tr> <td data-bbox="320 674 743 712">Prevention</td> <td data-bbox="743 674 1386 712">As above</td> </tr> <tr> <td data-bbox="320 712 743 750">Integration</td> <td data-bbox="743 712 1386 750">Neutral Impact</td> </tr> <tr> <td data-bbox="320 750 743 931">Collaboration</td> <td data-bbox="743 750 1386 931">Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.</td> </tr> <tr> <td data-bbox="320 931 743 1072">Involvement</td> <td data-bbox="743 931 1386 1072">Communication with Members, residents and other stakeholders throughout the budget process.</td> </tr> </table> <p data-bbox="320 1111 700 1149"><b>Well-Being Goals Impact</b></p> <table border="1" data-bbox="320 1182 1386 2101"> <tr> <td data-bbox="320 1182 743 1480">Prosperous Wales</td> <td data-bbox="743 1182 1386 1480">Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands and new legislation will aid sustainability and support a strong economy that encourage business investment in the region. The opposite will be true if settlements are inadequate.</td> </tr> <tr> <td data-bbox="320 1480 743 1662">Resilient Wales</td> <td data-bbox="743 1480 1386 1662">Continuation of services to support communities and social cohesion will have a positive impact. The opposite will be true if settlements are inadequate.</td> </tr> <tr> <td data-bbox="320 1662 743 1809">Healthier Wales</td> <td data-bbox="743 1662 1386 1809">An appropriate level of funding will ensure that communities are supported and will have a positive impact. The opposite will be true if settlements are inadequate.</td> </tr> <tr> <td data-bbox="320 1809 743 1957">More equal Wales</td> <td data-bbox="743 1809 1386 1957">A positive impact with greater parity of funding from Welsh Government for all Welsh Local Authorities. The opposite will be true if settlements are inadequate.</td> </tr> <tr> <td data-bbox="320 1957 743 2101">Cohesive Wales</td> <td data-bbox="743 1957 1386 2101">Appropriate level of funding will support services working alongside partners. The opposite will be true if settlements are inadequate.</td> </tr> </table>		Long-term	Negative – the absence of longer-term funding settlements from Welsh Government means that sustainable support for service delivery is challenging for the longer term. Sustainable funding from Welsh Government that provides additional funding for Indexation, Service demands and new legislation will provide a positive and sustainable position for the Council in the longer term.	Prevention	As above	Integration	Neutral Impact	Collaboration	Services continue to explore opportunities for collaboration with other services and external partners to support positive impacts.	Involvement	Communication with Members, residents and other stakeholders throughout the budget process.	Prosperous Wales	Longer term funding settlements from Welsh Government that provide additional funding for indexation, service demands and new legislation will aid sustainability and support a strong economy that encourage business investment in the region. The opposite will be true if settlements are inadequate.	Resilient Wales	Continuation of services to support communities and social cohesion will have a positive impact. The opposite will be true if settlements are inadequate.	Healthier Wales	An appropriate level of funding will ensure that communities are supported and will have a positive impact. The opposite will be true if settlements are inadequate.	More equal Wales	A positive impact with greater parity of funding from Welsh Government for all Welsh Local Authorities. The opposite will be true if settlements are inadequate.	Cohesive Wales	Appropriate level of funding will support services working alongside partners. The opposite will be true if settlements are inadequate.
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	Vibrant Wales	As Healthier and Cohesive Wales above
	Globally responsible Wales	Neutral impact.

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	The Forecast for 2021/22 – 2023/24 will be considered by Overview and Scrutiny Committees during November.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1. MTFS Forecast 21/22 – 23/24.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	None.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<b>Contact Officer:</b> Gary Ferguson,, Corporate Finance Manager <b>Telephone:</b> 01352 702271 <b>E-mail:</b> <a href="mailto:gary.ferguson@flintshire.gov.uk">gary.ferguson@flintshire.gov.uk</a>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<p><b>Medium Term Financial Strategy (MTFS):</b> a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.</p> <p><b>Revenue:</b> a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p><b>Budget:</b> a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

**Revenue Support Grant:** the annual amount of money the Council receives from Welsh Government to fund what it does alongside the Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.

**Specific Grants:** An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.

**Welsh Local Government Association:** the representative body for unitary councils, fire and rescue authorities and national parks authorities in Wales.

**Financial Year:** the period of 12 months commencing on 1 April.

**Local Government Funding Formula:** The system through which the annual funding needs of each council is assessed at a national level and under which each council's Aggregate External Finance (AEF) is set. The revenue support grant is distributed according to that formula.

**Aggregate External Finance (AEF):** The support for local revenue spending from the Welsh Government and is made up of formula grant including the revenue support grant and the distributable part of non-domestic rates.

**Provisional Local Government Settlement:** The Provisional Settlement is the draft budget for local government published by the Welsh Government for consultation. The Final Local Government Settlement is set following the consultation.

**Funding Floor:** a guaranteed level of funding for councils who come under the all-Wales average change in the annual Settlement. A floor has been a feature of the Settlement for many years.

MTFS - SUMMARY OF PRESSURES	Revisions			Revisions			Revisions		
	2021/22			2022/23			2023/24		
	Bottom	Middle	Top	Bottom	Middle	Top	Bottom	Middle	Top
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Prior Year Decisions / Approvals</b>									
One Off Efficiencies dropping out (20/21)	0.300	0.300	0.300						
One Off Pressures dropping out (19/20)	(0.056)	(0.056)	(0.056)						
Unrealised Efficiency - Legal Svcs/Ind Est Review	0.092	0.092	0.092						
Unrealised Efficiency - Postage - Council Tax	0.035	0.035	0.035						
Unrealised Efficiency - Postage - Benefits	0.041	0.041	0.041						
Unrealised Efficiency - Market Review	0.035	0.035	0.035						
Unrealised Efficiency - Salary Sacrifice - AVC's	0.070	0.070	0.070						
Minimum Revenue Provision (MRP) - Existing	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
Further borrowing costs for Capital Programme	0.015	0.015	0.015	0.001	0.001	0.001	0.001	0.001	0.001
Marleyfield Revenue Costs	0.425	0.425	0.425						
<b>Total - Prior Years Decisions / Approvals</b>	<b>1.257</b>	<b>1.257</b>	<b>1.257</b>	<b>0.301</b>	<b>0.301</b>	<b>0.301</b>	<b>0.301</b>	<b>0.301</b>	<b>0.301</b>
<b>Loss of Income</b>									
Reduced Energy Sales - Reduction in gas generation	0.120	0.120	0.120						
Markets - Scale of markets reducing	0.074	0.086	0.114						
Pest Control - Reduction in customer led demand	0.040	0.046	0.052						
Sale of Newtech Square - Rent no longer collected	0.095	0.095	0.095						
Enterprise Centres - Reduction in occupancy levels	0.050	0.050	0.050						
Recyclate Markets - Volatility in price & volume	0.299	0.479	0.730						
Registration Service - Cancellation of events	0.030		0.100	(0.030)		(0.100)			
<b>Total - Loss of Income</b>	<b>0.708</b>	<b>0.876</b>	<b>1.261</b>	<b>(0.030)</b>		<b>(0.100)</b>			
<b>CUMULATIVE TOTAL</b>	<b>1.965</b>	<b>2.133</b>	<b>2.518</b>	<b>0.271</b>	<b>0.301</b>	<b>0.201</b>	<b>0.301</b>	<b>0.301</b>	<b>0.301</b>
<b>Legislative / Unavoidable Indexation Pressures</b>									
Sleep in Pay Ruling	0.125	0.125	0.125						
Private Water Supplies	0.104	0.104	0.104				(0.052)	(0.052)	(0.052)
SUDS	0.112	0.112	0.112						
Fee Increases - Coroners	0.025	0.025	0.025	0.027	0.027	0.027	0.029	0.029	0.029
Independent Review Panel for Wales (IRPW)	0.028	0.028	0.028	0.029	0.029	0.029	0.030	0.030	0.030
North Wales Fire and Rescue Authority	0.160	0.160	0.160	0.162	0.162	0.162	0.164	0.164	0.164
Adoption Service	0.022	0.022	0.022						
Liberty Protection Safeguards				0.150	0.275	0.400			
<b>Total - Legislative / Unavoid Index'n Pressures</b>	<b>0.576</b>	<b>0.576</b>	<b>0.576</b>	<b>0.368</b>	<b>0.493</b>	<b>0.618</b>	<b>0.170</b>	<b>0.170</b>	<b>0.170</b>
<b>CUMULATIVE TOTAL</b>	<b>2.541</b>	<b>2.709</b>	<b>3.094</b>	<b>0.639</b>	<b>0.794</b>	<b>0.819</b>	<b>0.471</b>	<b>0.471</b>	<b>0.471</b>
<b>Requiring National Resolution</b>									
Benefits - CTRS	1.172	1.414	1.654	0.608	0.621	0.633	0.639	0.652	0.664
Council Tax Collection Levels	0.600	1.000	1.600						
Social Care Commissioning	1.880	1.945	3.825	2.037	2.037	2.037	2.116	2.116	2.116
<b>Total - National Resolution Pressures</b>	<b>3.652</b>	<b>4.359</b>	<b>7.079</b>	<b>2.646</b>	<b>2.658</b>	<b>2.670</b>	<b>2.755</b>	<b>2.767</b>	<b>2.780</b>
<b>CUMULATIVE TOTAL</b>	<b>6.193</b>	<b>7.068</b>	<b>10.173</b>	<b>3.285</b>	<b>3.452</b>	<b>3.489</b>	<b>3.226</b>	<b>3.239</b>	<b>3.251</b>
<b>National Funding Requirement</b>									
NJC Pay Award Estimate (Non Schools)	1.926	2.556	3.147	1.817	2.428	3.051	1.636	2.289	2.949
NJC Pay Award Estimate (Non Schools) - 20/21	0.612	0.612	0.612						
NJC Pay Award Estimate (Schools)	0.709	0.922	1.134	0.765	0.990	1.219	0.784	1.023	1.063
NJC Pay Award Estimate (Schools) - 20/21	0.206	0.206	0.206						
Teacher Pay Award Estimate	1.798	2.118	2.438	1.564	2.131	2.703	1.609	2.209	2.822
Teacher Pay Award Estimate - 20/21	0.536	0.536	0.536						
<b>Total - National Funding Requirement</b>	<b>5.787</b>	<b>6.949</b>	<b>8.073</b>	<b>4.145</b>	<b>5.549</b>	<b>6.973</b>	<b>4.029</b>	<b>5.521</b>	<b>6.834</b>
<b>CUMULATIVE TOTAL</b>	<b>11.980</b>	<b>14.017</b>	<b>18.246</b>	<b>7.430</b>	<b>9.001</b>	<b>10.461</b>	<b>7.254</b>	<b>8.759</b>	<b>10.085</b>

MTFS - SUMMARY OF PRESSURES	Revisions			Revisions			Revisions		
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	Bottom	Middle	Top	Bottom	Middle	Top	Bottom	Middle	Top
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Strategic Decisions</b>									
School Transport - General	0.163	0.163	0.163						
School Transport - Closure of John Summers	0.050	0.050	0.050						
Post 16 Transport	0.047	0.047	0.047						
Social Services Adults Transport	0.063	0.063	0.063						
Social Services Childrens Transport	0.044	0.044	0.044						
Carelink - Alarm Monitoring Contract	0.125	0.125	0.125						
Carelink - Budget Issue (HSG)	0.216	0.216	0.216	0.109	0.109	0.109			
Transition to Adulthood	0.495	0.656	1.100	1.176	1.176	1.176	0.656	0.656	0.656
Secondary School Funding Review		0.764	1.529						
Secondary School Deficits		1.474	2.948		1.914	0.440		0.180	0.180
ALN - Reforms	0.144	0.340	0.597	0.223	0.223	0.223	0.017	0.017	0.017
ALN - Schools		0.413	0.825						
PRU new Build (Increased capacity)		0.061	0.074		0.045	0.113			
New PRU Building - Revenue Costs	0.027	0.027	0.027	0.019	0.019	0.019			
Children's Registered Residential Care Home	0.138	0.138	0.138	0.413	0.413	0.413			
P2P Upgrade	0.024	0.024	0.024	(0.019)	(0.019)	(0.019)			
Addressing Poverty - FSM - Demand	0.253	0.253	0.253						
Addressing Poverty - FSM - Increase in Allowance		0.107	0.174						
Joint Archive Service - Borrowing Costs							0.142	0.142	0.142
Joint Archive Service - Revenue costs			0.039			0.004			0.004
Benefits - Additional Staffing	0.300	0.300	0.300						
Ash Dieback	0.060	0.060	0.060						
21C Schools - Band B Borrowing Costs	0.015	0.015	0.015	0.097	0.097	0.097	0.912	0.912	0.912
Business Manager - Streetscene	0.072	0.072	0.072						
Home Education	0.046	0.046	0.046						
Primary Learning Advisor	0.080	0.080	0.080						
Missing from Home Coordinator	0.034	0.034	0.034						
Feasibility Study Provision Top Up	0.050	0.050	0.050						
<b>Total - Strategic Decisions</b>	<b>2.444</b>	<b>5.619</b>	<b>9.090</b>	<b>2.017</b>	<b>3.977</b>	<b>2.575</b>	<b>1.727</b>	<b>1.907</b>	<b>1.911</b>
<b>CUMULATIVE TOTAL</b>	<b>14.423</b>	<b>19.636</b>	<b>27.336</b>	<b>9.447</b>	<b>12.978</b>	<b>13.036</b>	<b>8.982</b>	<b>10.666</b>	<b>11.996</b>

Summary of Pressures 21/22 - 23/24

Summary of Pressures	21 / 22			22 / 23			23 / 24		
	L	M	T	L	M	T	L	M	T
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Prior Year Decisions/Approvals	1.257	1.257	1.257	0.301	0.301	0.301	0.301	0.301	0.301
Income Loss	0.708	0.876	1.261	(0.030)	0.000	(0.100)	0.000	0.000	0.000
Legislative/Unavoidable Indexation Press	0.576	0.576	0.576	0.368	0.493	0.618	0.170	0.170	0.170
National Resolution Pressures	3.652	4.359	7.079	2.646	2.658	2.670	2.755	2.767	2.780
National Funding Requirement (Pay)	5.787	6.949	8.073	4.145	5.549	6.973	4.029	5.521	6.834
Strategic Decisions	2.444	5.619	9.090	2.017	3.977	2.575	1.727	1.907	1.911
<b>Total Pressures</b>	<b>14.423</b>	<b>19.636</b>	<b>27.336</b>	<b>9.447</b>	<b>12.978</b>	<b>13.036</b>	<b>8.982</b>	<b>10.666</b>	<b>11.996</b>

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## ENVIRONMENT & ECONOMY OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday 10 <sup>th</sup> November, 2020
<b>Report Subject</b>	Recovery Strategy (Planning, Environment & Economy Portfolio)
<b>Cabinet Member</b>	Cabinet Member for Planning and Public Protection, Cabinet Member for Streetscene and Countryside, Cabinet Member for Economy
<b>Report Author</b>	Chief Officer (Planning, Environment and Economy)
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The Council has developed a corporate Recovery Strategy for the pandemic emergency situation.

This work has been led by the Chief Executive and Leader and overseen by a cross-party Member Recovery Board. The Board, which was an advisory sub-committee of Cabinet, has completed its work and has stood down. Cabinet endorsed the Recovery Strategy at a special meeting on 15th September. Cabinet has invited each of the Overview and Scrutiny Committees to support recovery in their respective portfolio areas, and specifically to have oversight of:-

1. The portfolio risk register and the risk mitigation actions both live and planned;
2. The objectives for recovery for the portfolio;

This report represents the second update on the above documents since its initial meeting on 21<sup>st</sup> September 2020.

### RECOMMENDATIONS

1	That the Committee gives oversight to the progress made with respect to recovery planning for the Planning, Environment and Economy portfolio.
2	That the Committee notes the content of the updated portfolio risk register and mitigation actions.

## REPORT DETAILS

1.00	EMERGENCY RECOVERY
1.01	<p>The Council has developed a corporate Recovery Strategy for the pandemic emergency situation. The Strategy covers:-</p> <ol style="list-style-type: none"> <li>1. The chronology of the emergency response phase and transition to recovery</li> <li>2. The handover arrangements or recovery</li> <li>3. Organisational recovery of the corporate organisation</li> <li>4. Community recovery of the communities we serve</li> <li>5. Strategic priorities and performance for the remainder of 2020/21</li> <li>6. The roles the Council will play in regional recovery</li> <li>7. The democratic governance of recovery</li> </ol>
1.02	<p>The development of the Recovery Strategy been led by the Chief Executive and Leader and overseen by a cross-party Member Recovery Board. The Board, which is an advisory sub-committee of Cabinet, has completed its work and has stood down. The Board has met seven times in quick succession and has received multiple reports and presentations. Cabinet endorsed the Recovery Strategy at a special meeting on 15 September.</p>
1.03	<p>Cabinet has invited each of the Overview and Scrutiny Committees to support recovery in their respective portfolio areas, and specifically to have oversight of:-</p> <ol style="list-style-type: none"> <li>1. The portfolio risk register and the risk mitigation actions both live and planned;</li> <li>2. The objectives for recovery for the portfolio;</li> <li>3. The immediate strategic priorities for recovery for the portfolio extracted from the draft Council Plan for 2020/21; and</li> <li>4. The set of revised performance indicator targets for the portfolio for 2020/21.</li> </ol>
1.04	<p>The full latest version of the risk register and set of risk mitigation actions for the Planning, Environment and Economy portfolio within the terms of reference of this Committee is attached. In addition an update is provided below of progress against each of the portfolio's recovery objectives. Should further information on any of the recovery objectives be sought by the Committee that can be provide at a future meeting.</p>
1.05	<p>The recovery objectives for the Planning, Environment and Economy portfolio as established in July 2020 and relevant to this Committee are:-</p> <ol style="list-style-type: none"> <li>1. Re-instatement of Planning Strategy Group and Planning Committee</li> </ol> <p>Both Groups are now established and are operating virtually via Webex. PSG was the first Council group to operate in this way and met on seven occasions through the Spring and Summer to progress the Local Development Plan. Risk assessments continue to be completed by the Chair and Vice Chair of Planning Committee before any such visits can be arranged.</p> <ol style="list-style-type: none"> <li>2. Re-opening of destination sites – Wepre Park, Greenfield Valley, Waun y Llyn</li> </ol> <p>All sites were re-opened , but the however Wepre Visitor Centre remained closed to</p>

the public but its café is operating a take away service. The Greenfield Valley museum has closed early for the year to coincide with the two week “firebreak”.

3. Re-instatement of maintenance regimes for sites and paths

Countryside and Access Teams have re-established site and path maintenance regimes to ensure quality provision for public use. Any requests for further closures of footpaths are reviewed against our decision matrix. It is likely that the network would be subject to heavy use again during the “firebreak” period.

4. Compliance with new Local Development Plan timeline

At the Special meeting of Council on 29<sup>th</sup> September it was agreed that the LDP should be submitted to Welsh Government for examination. This accords with the timeline within our Delivery Agreement with WG. The Plan has now been formally submitted to WG. The examination is likely to take place in early 2021 and is likely to place remotely by video conferencing.

5. Provision of business support service meeting needs of Flintshire businesses

Financial support to our businesses, in the shape of administering grants, was a key function of the Council’s Response phase to the pandemic. Further grant schemes are being rolled out by WG with a number being delivered by the Council. We are starting to see an increase in redundancies across all sectors and our employment teams are working with employers and those seeking employment.

6. Support for our local markets and town centres

Promotion of our towns and markets is a key theme in our Community Recovery work. Town centre parking charges have been suspended till after the Christmas period and significant resource has been spent making our town centres safer to shop in. A programme of longer term recovery actions is being developed.

7. Incorporation of social value into our procurement frameworks and contracts

A software package has been procured to build social value into Council contracts. Work is on-going with procurement and contract management colleagues to build social value into current and future procurement exercises.

8. Provision of employability support available to local residents

Support for residents is being provided via our employability team and is a workstream within the Council’s Community Recovery Strategy. The team has received extra funding from Welsh Government in readiness for the increased numbers of individuals needing support.

9. Meeting our Community and Business Protection statutory and enforcement duties in relation to Covid 19

This is an area of significant increasing demand for the Portfolio as the County moved into a Health Protection Zone during the week commencing 28<sup>th</sup> September and then into a two week “firebreak” on 2<sup>nd</sup> November. The teams are carrying out

enforcement activity including the closure of two venues, advising businesses and the public as well as advising the regional and local Test, Track and Protect teams.

10. Work with our regional and local partners to support victims of (Violence against women, domestic abuse and sexual violence) VAWDASV

Flintshire is fully engaged with regional partners to address this important area of work. The regional VAWDASV Board has recently transitioned into the North Wales Vulnerability and Exploitation Board where FCC is represented by the Chief Officer, Social Services. We are the host of the regional VAWDASV team and work closely with the office of the Police and Crime commissioner to ensure that the regional strategy is aligned to the budget received from Welsh Government.

11. Reinstatement of officer site visits where appropriate

A risk assessment for officer site visits has been produced and was being applied in all cases. Greater reliance is being placed on information that may be available from other sources e.g. Google Maps, Streetview etc. Officer site visits, for all but emergencies, have been suspended for the “firebreak” period.

12. Recommencement of all grant funded capital projects

Works have re-commenced at Bailey Hill, Mold, Wepre Park and the Greenfield reservoirs.

13. Undertaking of Ash Dieback surveys

Taking advantage of quieter roads in lockdown, dashcam surveys of ash trees adjacent to the highway were completed. This enabled a high level overview of the disease so more detailed inspections can be prioritised. The detailed inspections of the priority areas are due to be completed this month to enable a winter work programme to be established. An initial report is due to be delivered by the end of 2020.

14. Restoration of the Development Management function

The services of the Development Management function in great demand and our ability to deliver those services was compromised by the direct and indirect impacts of Covid 19. A similar situation is reflected across all North Wales authorities. September has offered the opportunity to address the backlog of cases (both planning applications and enforcement issues) which could not be concluded through the lockdown period. The “firebreak” will potentially negatively impact on service delivery mainly due to an inability to visit sites and place site notices.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	There are no specific resource implications from this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	None specific as this report is based on documented response and recovery work.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	This report specifically covers emergency situation risk management.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – Updated Risk Register Appendix 2 – Updated Risk Mitigation Actions

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<b>Contact Officer:</b> Andrew Farrow <b>Telephone:</b> 01352 703201 <b>E-mail:</b> <a href="mailto:andrew.farrow@flintshire.gov.uk">andrew.farrow@flintshire.gov.uk</a>

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# Planning, Environment and Economy Portfolio Risk Register

Version 7

Republished: 22.10.2020

## Risk Register - Part 1 (Portfolio Management)

### Finance

Key		
Underlying Risk Rating	The risk rating before any mitigating actions	
Current Risk Rating	This risk rating following the planned mitigation actions	
Target Risk Rating	The risk rating which is realistically achievable and by when	
Risk Trend	The trend of the risk since the last review date	
Risk Status	Open denotes a live risk	Closed denotes a closed risk
*Denotes the risk is specific to the 'Recovery'		
PE	Planning, Environment and Economy	

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*PE01	Loss of Community Benefits by not maximising the inclusion of social value in Contracts	Strategic	Niall Waller	Olivia Hughes	A	Y	G Q4 2020/21	NC ↔	Open
*PE02	Failure to meet income targets for Portfolio due to downturn in submission of planning applications, building regulations applications, Highways DC applications and licensing applications	Operational	Andrew Farrow	Mandy Lewis/Sian Jones	R	R	Y Q4 2021/22	NC ↔	Open
PE03	Unable to regenerate Town Centres through implementation of the Town Centre Strategy due to insufficient resources and the compound economic consequences of the emergency situation	Strategic	Niall Waller	Rachael Byrne	R	R	A Q4 2021/22	NC ↔	Open
PE04	Failure to prepare and deliver Growth Deal projects due to potential realigning of capital funding	Strategic	Niall Waller	Rachael Byrne	A	Y	G Q4 2021/22	NC ↔	Open
*PE05	Failure to meet income targets for Minerals and Waste Shared Service due to downturn in submission of planning applications and reduced compliance visits during lockdown and a subsequent potential economic downturn	Operational	Gary Nancarrow	Robin Williams	R	R	Y Q4 2021/22	NC ↔	Open
*PE06	Decreasing availability of funding to deliver fuel poverty projects due to re-prioritisation of funding streams	Operational	Niall Waller	Joseph Muxlow	R	A	G Q4 2021/22	NC ↔	Open

### Workforce

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*PE07 Updated Oct 20	Impact on service delivery due to the resilience of staff and succession planning Note : The Target Risk Rating has been amended to Q1 2021/22 to reflect the ongoing nature of the risk and the current situation with Flintshire being designated as a health Protection Zone and the national fire break	Operational	Andrew Farrow	PEESMT	R	R	A Q1 2021/22	NC ↔	Open
*PE08	Increased incidences of stress and mental health episodes due to the long-term implications of working from home and anxiety over the Covid-19 pandemic	Operational	Andrew Farrow	PEESMT	R	A	A Q3 2020/21	NC ↔	Open

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*PE09 Updated October 2020	Reluctance of staff to return to their work base and “normal” working patterns on lifting of lockdown restrictions due to anxiety levels linked to increased exposure and personal circumstances Note : Risk rating has increased to amber given the current lockdown restrictions and increasing rate of infection. Risk Trend is increasing	Operational	Andrew Farrow	PEESMT	R	A	G Q4 2020/21	R ↑	Open

#### Property & Assets

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
PE10 Updated Oct 20	Energy Saving initiatives not included in Capital Projects due to non-involvement of Energy Team with Property and Assets team on design of projects which may result in those projects accruing higher long-term costs Note : The target Risk rating has been amended to Q4 2020/21 to allow for two Capital Projects to be tested for inclusion and impact of the energy team	Strategic	Andy Roberts	Energy Team	R	A	G Q4 2020/21	NC ↔	Open

#### External Regulation

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
PE11	Non-compliance with Welsh Government Carbon Reduction Target due to external factors such as willingness of the wider public to support initiatives, access to funding to develop projects and the delayed appointment of project manager	Strategic	Andrew Farrow	(Project manager on appointment)	R	A	Y Q4 2021/22	NC ↔	Open
PE12	The implications of Ash Die back on finances and reputation of the Council due to the scale of the problem and the ability to make safe Highways and Council amenity land	Strategic	Tom Woodall	John Purchase	B	R	A Q3 2021/22	NC ↔	Open
*PE13 Updated Oct 20	Welsh Government call in the Local Development Plan due to our inability to meet the delivery agreement timetable Note : The Risk Rating has been amended to Green given that we have now reached a stage in the Delivery Agreement that call in of the plan is no longer a risk.	Strategic	Andy Roberts	Adrian Walters	B	G	G Q3 2020/21	G ↓	Open
*PE14	Non-compliance with Sustainable Urban Drainage System legislation due to capacity of the team	Operational	Andy Roberts	Ruairi Barry	R	A	A Q3 2020/21	NC ↔	Open
PE15	Decrease in Food Safety and Food Standards following exit from the European Union	Operational	Sian Jones	Helen O’Loughlin	R	A	Y Q4 2021/22	NC ↔	Open
*PE16 Updated October 2020	Capacity within the Community and Business Protection teams to resume planned and reactionary programmes of inspections whilst also enforcing national and local Covid-19 restrictions, Covid-19 regulatory activity and supporting the TTP work.	Operational	Sian Jones	Helen O’Loughlin/Jenny Prendergast	R	R	Y Q4 2021/22	R ↑	Open



	Note : Risk Rating has increased to red with the increased pressure on the Community and Business Protection teams due to lockdown restrictions compliance and TTP support. Risk Trend is increasing.								
PE17	Non-compliance with Welsh Language Standards due to the Welsh Language Commissioner's instruction to Flintshire County Council for translation of planning applications and consultation responses	Operational	Lynne Fensome	Sue Davies	R	A	Y Q4 2021/22	NC ↔	Open

#### ICT & Systems

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*PE21	Procurement, integration and assimilation to new case management system is not achieved	Project	Lynne Fensome	Sue Davies	R	A	G Q4 2021/22	NC ↔	Open

#### Risk Register - Part 2 (Portfolio Service & Performance)

##### Enterprise and Regeneration

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
PE19	Unsustainable demand on the Employment Mentoring service due to the economic implications of lockdown and the increase in referrals from Job Centres of those seeking employment	Operational	Niall Waller	Sharon Jones	R	R	A Q4 2020/21	NC ↔	Open

##### Development Management, Public Protection and Minerals and Waste

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*PE20	Increase in non-compliant sites due to inability to conduct enforcement and site monitoring inspections	Operational	Andrew Farrow	Mandy Lewis/Gary Nancarrow/Sian Jones/Andy Roberts/Tom Woodall	R	Y	G Q4 2020/21	NC ↔	Open

##### Closed Risks

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*PE18	Procurement, integration and assimilation to new case management system is not achieved due to market forces and compliance with Flintshire County Council terms of contract	Project	Lynne Fensome	Sue Davies	R	G	G Q4 2021/22	G ↓	Closed

<b>Impact Severity</b>	<b>Catastrophic</b>	Y	A	R	R	B	B
	<b>Critical</b>	Y	A	A	R	R	R
	<b>Significant</b>	G	G	Y	A	A	R
	<b>Marginal</b>	G	G	G	Y	Y	A
		<b>Unlikely</b>	<b>Very Low</b>	<b>Low</b>	<b>High</b>	<b>Very High</b>	<b>Extremely High</b>
<b>Likelihood of risk happening</b>							

# Planning, Environment & Economy Portfolio Risk Register

Version 7

Review Date: 22.10.2020

## Risk Register - Part 1 (Portfolio Management)

Finance

Mitigation Urgency Key	
IM – Immediate	Now
ST – Short Term	Within 1 month
MT – Medium Term	1 month plus
Upward arrow	Risk increasing
Downward arrow	Risk decreasing
Sideways arrow	No change in risk
*Denotes the risk is specific to 'Recovery'	

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*PE01 Page 255	Loss of Community Benefits by not maximising inclusion of social value in Contracts	↔	IM	We have procured software that will enable the Authority to manage and monitor social value clauses and financial benefits of contracts. We have plans in place to share learning with third sector and public sector partners to encourage adoption. We are working closely with neighbouring authorities to share learning and resources and actively learn from exemplar areas around UK to assist officers in drafting social value clauses to maximise Community benefits. We have developed and will deliver a Training Plan for relevant officers, those that are involved in procurement, which started with all Chief Officers and Service Managers receiving briefings from the Social Value officer and during lockdown the training is being delivered by webinar. Timescale of six months has been set for training delivery. We have developed and are in the implementation stage of an intensive communication plan to celebrate successes and show the benefits of social value inclusion in contracts.
*PE02	Failure to meet income targets for Portfolio due to downturn in submission of planning applications, building regulations applications, Highways DC applications and licensing applications	↔	IM	We are continuing to monitor income for planning, building regulations, highway related works and licensing applications to understand the impact of reduced income and will realign budgets where necessary. We have plans in place to focus the marketing of the Building Control function to try to increase income opportunities as the service returns to normal.
*PE03 Updated Oct 2020	Unable to regenerate Town Centres through implementation of the Town Centre Strategy due to insufficient resources and the compound economic consequences of the emergency situation	↔	IM	We are planning to review Town Centre Strategy to reflect the significant effect that COVID-19 will have had on the viability of Town Centres. As part of the review we will build a robust evidence-based plan to support the Town Centre Strategy. We will identify a package of regeneration projects ready for future funding opportunities, along with identifying property investment opportunities. Through the revised Strategy we will maximise the use of available regeneration resources. A new governance structure has been in place for economic recovery in Flintshire with town centres at the heart. Work streams have been in place to promote town centres and to help

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
				them to recover and reinvent themselves in the longer term. The service is currently recruiting additional short term staff to help deliver these work streams.
*PE04 Updated Oct 2020	Failure to prepare and deliver Growth Deal projects due to potential realigning of capital funding	↔	IM	We have established an oversight structure to review progress towards delivering growth deal projects that will enable monitoring and early identification of slippage against the projects timetable. Robust project management structures will be put in place for each work stream to deliver the projects in line with agreed timescales and highlight issues to the Project Board. This is in place currently for the first programme requiring this approach; Digital Connectivity. The Growth Deal funding process is on track with UK and Welsh Government approvals expected at the end of 2020.
*PE05 Updated 2020 Page 256	Failure to meet income targets for Minerals and Waste Shared Service due to downturn in submission of planning applications and reduced compliance visits during lockdown and a subsequent potential economic downturn	↔	MT	The service will resume and re-negotiate with quarry and waste site operators the programme of chargeable inspections as companies resume operations and come out of 'Furlough' to reduce the number of non-compliant sites. Inspections will be arranged as early as is possible during the quarter two and three of the current financial year. We will work with the operators to ensure risk assessments are in place and liaise with site operators to carry out safe site inspections. We will monitor the workloads of all officers in the team to explore the potential availability to assist with any backlog visits that may be required if the monitoring officer is unable to programme all site visits in. This will reduce the number of non-compliant sites. We are currently monitoring the submission of planning applications and will realign budget where necessary. The team are prepared to support operators with the possible upturn in demand on the sites as the UK construction industry recovers. Officer from the team who has been supporting the Development Management team has now been brought back to start compliance visits
*PE06	Decreasing availability of funding to deliver fuel poverty projects due to re-prioritisation of funding streams	↔	IM	The risk is being managed by diversifying income streams as broadly as possible. We will maximise the delivery of projects within current funding streams to deliver as many adaptations to homeowners as possible. We will develop proposals to de-carbonise the social housing stock, and innovative funding models that may draw on funding opportunities that have not been accessed previously to sustain project delivery

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*PE07	Impact on service delivery due to the resilience of staff and succession planning in particular with the Portfolio response to the Covid-19 pandemic and increasing pressures on teams to adapt to changing work practices, new duties, unsustainable working hours, sickness levels and decreased capacity within teams due to personal caring responsibilities	↔	IM	We have implemented a robust communication plan that delivers timely and consistent messages .Through our ongoing business continuity plan we have had early identification of the most impacted areas to allow robust monitoring and early intervention to minimise staff impact through various actions including the re-prioritisation of work streams to enable officers to concentrate on key tasks that are in hand and redeployment within the Portfolio to support those services most under pressure. Alongside this we have been proactively managing absences and leave to support our officers in maintaining a health working relationship and understanding the importance that leave plays in this. Of utmost importance has been providing protection and support for key officers to enable them to carry out their duties effectively and efficiently and minimise stress and unplanned absences. We have sought external support from sources (agency staff) when required and will continue to monitor areas that will benefit from intervention. Throughout lockdown, and for future resilience, managing our customers' expectations has been identified as key priority so that they fully understand any changes to service delivery. We have also been continually reviewing our succession plan in line with lessons learnt from the pandemic to identify key areas for the Portfolio to target in providing a more robust line of succession The Target risk rating has been moved to Q1 2021/22 to reflect the ongoing nature of this risk and the designation of Flintshire as a Health protection Zone and the national fire break.
*PE08	Increased incidences of stress and mental health episodes due to the long term implications of working from home and anxiety over the Covid-19 pandemic	↔	IM	We have implemented a robust portfolio communication plan to deliver timely and consistent messages and provide support from Senior Management to our officers and have encouraged the continuation of team meetings and 1 to 1 to allow open forums where issues can be identified or raised. The Plan has been widened to utilise all methods of communication where appropriate (e.g. Whats App groups) to enable officers to communicate via their chosen method. This open and honest communication throughout the Portfolio fosters a positive attitude so that officers feel able to raise sensitive issues and receive appropriate support and Team Leaders and Managers feel able to support officers. We have been proactively monitoring absence to identify trends in both services and absence reasons to allow early identification and intervention to support officers and to signpost to support being led by the needs of officers and their preferences. We recognise the importance of picking up on small changes that could indicate a problem such as not taking break out times during working day and unusual working patterns that may indicate an officer struggling to adjust to working from home. Officers are then encouraged to take breaks and adjust working hours to support personal circumstances and to take leave and not allowing officers to not take any leave when working from home. Officers have been encouraged to take a quarter of their leave allowance each calendar quarter when able

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*PE09 Updated Oct 2020  Page 258	Reluctance of staff to return to their work base and “normal “working patterns on lifting of lockdown restrictions due to anxiety levels linked to increased exposure and personal circumstances	↑	ST	<p>We are engaging with officers on business recovery so that they fully understand that their safety and wellbeing is uppermost in any recovery plans and that they are informed of the changes to office accommodation and working practices and stressed the importance of risk assessments to enable mitigation measures to be actioned before officers return to office accommodation and to understand any changes to normal working patterns. We have developed clear instructions for the return to the workplace to ensure the safety of our officers and these are currently being reviewed alongside the risk assessments. We have fostered honest and open communication that allows officers to feel fully supported and have a forum to raise concerns and have them dealt with accordingly. The approach we have taken is to prioritise job roles to begin phased return to ensure that return to offices is managed alongside national and corporate guidelines. We remain sensitive to personal circumstances and manage accordingly to enable officers to work in the most appropriate manner that allows continuation of service delivery. We are also fully engaged with the development of videos to show how work bases will look to reassure officers that all necessary precautions have been taken and so that they are familiar with how the workplace will look on return</p> <p>As schools reopened in September the number of officers able to return to normal working patterns has increased.</p> <p>Continue monitoring of officers given the return to local lockdown and school children being asked to self isolate</p>

Property & Assets

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
PE10	Energy Saving initiatives not included in Capital Projects due to non-involvement of Energy Team with Property and Assets team on design of projects which may result in those projects accruing higher long term costs	↔	IM	<p>We have promoted the early involvement of the Energy Team at project concept stage through engagement with the Capital Projects teams and procurement officers and are planning to review the Carbon Reduction Strategy to identify corporate requirements for incorporating energy efficiency and carbon reduction in all relevant aspects of our business. We are formalising the working relationship between Property, Design Team, and Energy Team so that all relevant officers notify the energy team of projects at the concept stage. The Target Risk Rating has been moved to Q4 2020/21 to allow for the testing of two Capital Projects for inclusion and impact of energy team.</p>

## External Regulation

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
PE11	Non-compliance with Welsh Government Carbon Reduction Target due to external factors such as willingness of the wider public to support initiatives, access to funding to develop projects and the delayed appointment of project manager	↔	MT	We have agreed terms of reference for the appointment of a project manager to oversee and deliver all aspects of the project and to report on a monthly basis to the project board on the delivery of the project plan. We have agreed the governance and terms of reference for the project board to ensure that all relevant parties to the project are represented and agree on key decisions to be made which will include agreeing the projects to be delivered that in the view of the board will deliver the maximum opportunities, given the external factors identified by the risk, for carbon reduction and confirming the individual timelines for project delivery to ensure projects can be monitored by the board and there is early identification of issues that may impact on the project timeline. The Board will also ratify a marketing/promotion strategy to increase awareness of projects with the public and garner support
Page 12 REF 59	The implications of Ash Die back on finances and reputation of the Council due to the scale of the problem and the ability to make safe Highways and Council amenity land	↔	IM	We have revised the timetable for planned surveys that could not be carried out whilst in lockdown to make best use of the limited survey window between July and September and to enable planned remedial works to be carried out October to February to make safe those areas identified in the survey. During the survey period we have established sites that will require further investigation and this will be built into future work programmes. We have prioritised surveys on Highway Routes and other FCC land with public access and school grounds as areas that have the highest risk rating for injury or damage. We have engaged with external Legal Counsel to advise on Ash Die Back plan, Risk Assessments and inspection regime, to test for appropriateness and reasonableness. Survey results are being assessed to understand the full impact of the disease in Flintshire. Process agreed with education to deal with trees on school grounds Counsels advice has been received and positively endorses the authorities approach to ADB. Results from surveys over lockdown have identified priority areas which have now been inspected, this work has indicated fewer higher risk (class 3 and 4) trees on FCC owned land and that the rate of decline of ash this year is slower than expected.
*PE13 Updated Oct 2020	Welsh Government call in the Local Development Plan due to our inability to meet the delivery agreement timetable	↓	ST	We have engaged with WG on a New Delivery Agreement to ensure that a timetable can be agreed that is realistic and approved by both WG and FCC. Cabinet agreed changes to timetable on 16th June and revised delivery agreement was submitted to WG w/b 29th June. LDP team are already working to revised timetable. Timetable revision was informally discussed and agreed with WG officers as reasonable as well as with the Planning Inspectorate from the perspective of a new date for Examination in January 2021, which they are comfortable with and have an Inspector available for this. Welsh Government formally agreed the amended Delivery Agreement on 27 <sup>th</sup> July 2020The Planning Strategy Group agreed responses to representations on 30 <sup>th</sup> July 2020 , and recommended this on to Cabinet who agreed the responses and to submit the plan for Examination in Public on 22 <sup>nd</sup> September 2020, followed by the same decision made by Full Council on 29 <sup>th</sup> September 2020. The Plan will be submitted to the Welsh



Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
				Government and Planning Inspectorate by 31 <sup>st</sup> October 2020. Risk rating has reduced to Green to reflect the stage of the Delivery Agreement that we have reached. It is proposed that this risk will close after the submission on October 31 <sup>st</sup> and a new risk to capture the examination stage of the Delivery Agreement will be drafted.
*PE14	Non-compliance with Sustainable Urban Drainage System legislation due to capacity of the team	↔	ST	We are working to evaluate the proposed posts within the SAB function to increase the capacity of the local Flood Risk and Coastal Management Team. FCC are leading on the production of a comprehensive SuDS Design Guide which will help the more efficient delivery of the SAB role in advising developers on the design of appropriate SuDs drainage schemes, as well as supporting Streetscene to more fully fulfill their role as statutory consultee to the SAB, and responsibilities in terms of design and maintenance of SuDS for highways. This is also being produced collaboratively with other North Wales Authorities. Longer term there is scope to work regionally with other North Wales Authorities to agree a regional template for a shared Sustainable Drainage Approval Body SAB service that will provide clear and consistent process for developers across all six Authorities. This may be led by Gwynedd who have the greatest existing staffing resource, but where with suitable staff in place, Flintshire could act as a North East Wales hub for the shared service. We are working to clarify the position between the SAB function and Development Management to ensure that the regulation of the SUDs legislation can be met.
PE15	Decrease in Food Safety and Food Standards following exit from European Union	↔	MT	We have developed and will continue to review advice for Small, Medium and Large enterprises to assist with planning for food supply. We are acting upon the guidance provided by the Food Standards Agency as the central competent authority for the UK to ensure that all relevant legislation and regulations are adhered to. We have provided consultation responses to any proposed changes to Food Standards and Food Hygiene legislation to highlight any areas of concern. We have reviewed succession planning for the Food Safety and Food Standards team in ability to deliver the statutory functions of the Council. This will need to be reviewed on a regular basis given the teams involvement in the response and recovery to COVID-19. We are preparing draft authorisations for officers undertaking food and feed enforcement and have the necessary scheme of delegation in place to fully undertake their duties. We have developed a training programme to train staff on Imported Food Controls to increase officer knowledge and competence in this area of enforcement
*PE16 Updated Oct 2020	Capacity within the Community and Business Protection teams to resume planned and reactionary programmes of inspections whilst also enforcing national and local Covid-19 restrictions,	↑	MT	We are awaiting national guidance that may change the inspection regime in light of the continuing role of Community and Business Protection Officers in the response and recovery to COVID-19 and will continue to monitor the local guidance. We are recruiting two Environmental Health Officers to increase the capacity within the teams and monitor changing demands on the teams to consider redeployment and movement of officers. In response to local lockdown and increasing numbers of confirmed infections redeployment of officers to response teams. Full review of duties of the teams that could be stood down. Where officers are able to increase of hours from part time to full time. 3 Team Leaders meet on daily



Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
	Covid-19 regulatory activity and supporting the TTP work.			basis with Police to review licensed premises compliance with regulations. Daily meeting with Education to review current situations in schools.
PE17	Non-compliance with Welsh Language Standards due to the Welsh Language Commissioner's instruction to Flintshire County Council for translation of planning applications and consultation responses	↔	MT	We have produced an Action Plan for Welsh Language Commissioner (WLC) that sets out how we aim to address the concerns raised on non-translation of website content. We have carried out all actions that address options for compliance as agreed by WLC that seek to address the concerns raised. We have ensured that the technical specification for new case management system has asked for translation capabilities that will be assessed when scoring the bids

#### ICT & Systems

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
Page 261 *PE21	Procurement, integration and assimilation to new case management system is not achieved	↔	IM	We have allowed a longer time for officers to score the tender responses with support offered by the Project Board to those involved in scoring particularly those areas heavily involved in COVID-19 activities The Project Manager is identifying teams that require early engagement with the companies to gain more details of areas of the system that require clarification and has a planned programme of demonstrations from the companies with particular emphasis on areas of the system that were not able to be demonstrated at the pre-tender stage IT colleagues reporting to the Board on the wider implications of any of the specifications of the systems for the Digital Strategy and in clarifying full system cost identification due to any internal costs that may be required to support the move to a new system

#### Part 2 (Portfolio Service & Performance)

#### Enterprise and Regeneration

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*PE19	Unsustainable demand on the Employment Mentoring service due to the economic implications of lockdown and the increase in referrals from	↔	IM	We are monitoring demand on a weekly basis and gather intelligence from DWP as to the likely numbers requiring access to the service to allow for workforce planning and prioritisation. We are maintaining communications with WG regarding demand management to allow for early discussions on future funding of the service. We are continuing partnership arrangements to share resources in order to maximise the help available to those seeking work opportunities

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
	Job Centres of those seeking employment			

Development Management, Public Protection and Minerals and Waste

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*PE20	Increase in non-compliant sites due to inability to conduct enforcement and site monitoring inspections	↔	IM	<p>We have implemented a robust risk assessment process for re-introduction of site visits to assess firstly if a site visit is required and that site visits are carried out safely, in line with lockdown restrictions and appropriate PPE is available to ensure the safety of our officers and customers. Training programme for officers before undertaking risk assessment and site visit to ensure consistency of approach. We have developed a Prioritisation model of site visits to ensure that all high-risk sites are given high priority and visited as soon as able. Phased reintroduction of visits in line with prioritisation to enable the backlog of site visits to be worked through in a logical manner and that officer's work can be planned accordingly. We have procured external support into the enforcement team as they have been short staffed during lockdown and enforcement sites will be some of the first sites to need visits</p> <p>Risk assessed external site visits are now happening but internal visits are still affected.</p>

Open Risks

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*PE18	Procurement, integration and assimilation to new case management system is not achieved due to market forces and compliance with Flintshire County Council terms of contract	↓	IM	-



## ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday 10 <sup>th</sup> November 2020
<b>Report Subject</b>	Recovery Strategy Update (Streetscene and Transportation Portfolio)
<b>Cabinet Member</b>	Deputy Leader of the Council and Cabinet Member for Streetscene
<b>Report Author</b>	Chief Officer (Streetscene and Transportation)
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The Council has developed a corporate Recovery Strategy for the pandemic emergency situation which was endorsed at a special Cabinet meeting on 15 September.

Cabinet requested each of the Overview and Scrutiny Committees to support recovery in their respective portfolio areas, and specifically to have oversight of:-

1. The portfolio risk register(s) and the risk mitigation actions, both live and planned;
2. The objectives for recovery for the portfolio(s);

This report provides the Committee with an update on the above recovery documents.

### Recommendations

1	That the Committee considers and supports the progress made to support Recovery Strategy by the Streetscene and Transportation portfolio.
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## REPORT DETAILS

1.00	EMERGENCY RECOVERY
1.01	<p>The Council has developed a corporate Recovery Strategy for the pandemic emergency situation. The Strategy covers:-</p> <ol style="list-style-type: none"> <li>1. The chronology of the emergency response phase and transition to recovery</li> <li>2. The handover arrangements or recovery</li> <li>3. Organisational recovery of the corporate organisation</li> <li>4. Community recovery of the communities we serve</li> <li>5. Strategic priorities and performance for the remainder of 2020/21</li> <li>6. The roles the Council will play in regional recovery</li> <li>7. The democratic governance of recovery</li> </ol>
1.02	<p>The development of the Recovery Strategy been led by the Chief Executive and Leader and overseen by a cross-party Member Recovery Board. The Board, which was an advisory sub-committee of Cabinet, has completed its work and has stood down. Cabinet endorsed the Recovery Strategy at a special meeting on 15 September.</p>
1.03	<p>Cabinet invited each of the Overview and Scrutiny Committees to support recovery in their respective portfolio areas, and specifically to have oversight of:-</p> <ol style="list-style-type: none"> <li>1. The portfolio risk register(s) and the risk mitigation actions both live and planned;</li> <li>2. The objectives for recovery for the portfolio(s);</li> <li>3. The immediate strategic priorities for recovery for the portfolio(s) extracted from the draft Council Plan for 2020/21; and</li> <li>4. The set of revised performance indicator targets for the portfolio(s) for 2020/21.</li> </ol>
1.04	<p>The latest version of the risk register (Appendix 1) and table of risk mitigations (Appendix 2) for the Streetscene and Transportation portfolio are attached.</p>
1.05	<p>An update on the recovery objectives for the Streetscene and Transportation portfolio is shown below:</p> <p><b>Streetscene and Transportation</b></p> <ol style="list-style-type: none"> <li>1. Consolidate the Streetscene working standards at pre-COVID levels</li> </ol> <p><b>Update November 2020.</b> The service continues to work towards achievement of all the member approved Streetscene standards however, the second lockdown period will further impact on working priorities as some services close to allow staff to transfer to other service areas.</p> <ol style="list-style-type: none"> <li>2. Return workforce to standardised hours to ensure effective use of available resource.</li> </ol> <p><b>Update November 2020.</b> The frontline operational workforce returned to their contracted working hours and normal shift patterns from 5<sup>th</sup> October 2020. This will</p>

increase workforce availability and resilience as we move into the winter period.

3. Manage the recovery of the local bus network across the County while developing sustainable transport methods (Local travel Arrangements; Demand Responsive Services).

**Update November 2020.** The service is supporting the delivery of local transport arrangements across the County however, it is set against a backdrop of low utilisation levels and reducing commercial services on some routes. The services will continue to operate at the August 2020 levels during the 2 week lock down period

4. Enable the recovery of waste and recycling performance through education, behavioural change campaigns and enhanced enforcement.

**Update November 2020.** Recycling quantities, in common with all other waste streams, have significantly increased since the start of the pandemic as more people work from home. Recycling levels have fallen due to the closure of Household Recycling Centres (HRC) during the early stages of the emergency and this will be repeated during the second closedown. The suspension of side-waste enforcement has been extended until after Christmas however, we continue to monitor excessive quantities and advisory letters are being sent to the residents in such properties.

5. Develop Household Recycling Centres, working in partnership with charitable organisations to develop site “adoption” principles, to encourage re-use and recycling.

**Update November 2020.** Discussions with interested charities have been put on hold due to the difficulties in allowing volunteers to attend the sites, due to the current travel restrictions.

6. Progress the development of waste infrastructure to support increased recycling potential.

**Update November 2020.** The project to develop Standard Industrial Estate Waste Transfer Station is progressing, with funding approved for 2020/21 with the balance required in 2021/22. Construction work is expected to commence in early 2021. A plan to improve the facilities at the waste treatment plant in Greenfield is planned to commence in spring 2021.

7. Deliver the in-year Welsh Government (WG) funded transport schemes

**Update November 2020.** All of the WG funded projects are on-track to complete within the Welsh Government funding windows.

8. Develop initiatives to increase active travel (walking; cycling) for localised journeys linking to town centre to support recovery.

**Update November 2020.** The Council has been successful in the bid for significant WG stimulus funding to support town centre regeneration. All of the schemes include Active Travel infrastructure at their core.

	<p>9. Maintain the highway network during the winter period</p> <p><b>Update November 2020.</b> Inspection regimes are in place to protect the network condition during the winter period. The winter maintenance arrangements, which will deal with adverse weather conditions and the impact on the network, are in place which will ensure the Council delivers on our statutory responsibilities in this respect.</p>
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	There are no specific resource implications from this report. The service is experiencing additional costs across a number of service areas, which are being claimed through WG funding bids.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	None specific as this report is based on documented response and recovery work.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	This report specifically covers emergency situation risk management.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 - The latest version of the risk register Appendix 2 - Risk mitigation actions

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<b>Contact Officer:</b> Stephen Jones <b>Telephone:</b> 01352 704700 <b>E-mail:</b> stephen.o.jones@flintshire.gov.uk

# Streetscene and Transportation Portfolio Risk Register

Version 6

Published: 27.10.2020

## Risk Register - Part 1 (Portfolio Management)

Finance

Key		
Underlying Risk Rating	The risk rating before any mitigating actions	
Current Risk Rating	This risk rating following the planned mitigation actions	
Target Risk Rating	The risk rating which is realistically achievable and by when	
Risk Trend	The trend of the risk since the last review date	
NC ↔	Risk has not changed since the last review	
Risk Status	Open denotes a live risk	Closed denotes a closed risk
*Denotes the risk is specific to the 'Recovery'		
ST	Streetscene and Transportation	

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST01	Public bus services (commercial and subsidised) are financially unsustainable due to reduced passenger numbers	Operational	Anthony Stanford	Ceri Hansom	R	R	G Q4 2020/21	NC ↔	Open
*ST02	Increased transport operating costs due to reducing number of available transport operators to provide services	Operational	Anthony Stanford	Ceri Hansom	R	R	G Open	NC ↔	Open
ST03	Increasing cost of undertaking Public Health Funerals due to inability of families to fund funerals	Operational	Anthony Stanford	Richard Blake	A	Y	G Q4 2020/21	NC ↔	Open
ST04	Increased operational costs (resource, workforce) for Bereavement Services due to increased number of deaths	Operational	Anthony Stanford	Richard Blake	A	Y	G Open	NC ↔	Open
*ST05	National targets not being met for Road Safety and Active Travel due to an inability to complete essential schemes	Strategic	Anthony Stanford	Richard Flood	R	Y	G Q4 2020/21	NC ↔	Open
ST06	Unable to ensure highways infrastructure remains safe and capable of supporting economic growth due to reduced funding	Strategic	B Wilkinson	Area Managers	Y	Y	Y Open	NC ↔	Open
ST07	Unable to respond to Ash Die Back due to insufficient resource or funding	Strategic	B Wilkinson	Area Managers	Y	A	Y Open	NC ↔	Open
*ST08	Increase in third party claims due to changes in Highway Inspection process	Strategic	B Wilkinson	Area Managers	Y	G	G Q4 2020/21	NC ↔	Open
*ST09	Loss of income from the sale of recyclable materials due to reduced market demand	Operational	R Cartwright	G Povey	A	R	Y Open	NC ↔	Open
*ST10 Updated Oct 2020	Increased expenditure on contract, labour, plant, vehicles and materials due to changing work patterns in response to pandemic Note: current risk rating increased to red and risk trend increased due to the operational costs of treating higher volumes of recycling materials	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	A	R	A Q4 2020/21	R ↑	Open
*ST10a	Increased expenditure on the disposal of residual waste due to increased tonnage collected from residential properties	Strategic	Ruth Cartwright	G Povey	A	R	Y Q4 2020/21	NC ↔	Open

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST11	Significant loss of income from the suspension of services due to COVID-19 response	Strategic	Ruth Cartwright	Vicky Plant	R	R	G Q4 2020/21	NC ↔	Open

Workforce

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST12	Reduced numbers of frontline workers and contractors to deliver services safely due to increased sickness levels	Operational	Katie Wilby	Gareth Thomas / Kevin Edwards / Jamie Bennett	A	Y	G Q3 2020/21	NC ↔	Open
*ST13	Limited Personal Protective Equipment for workforce to conduct operations safely due to lack of availability in supply chain	Operational	Gareth Thomas	Steve O'Shaughnessy	A	G	G Q2 2020/21	NC ↔	Open
ST14	An increase in staff absence due to physical and verbal abuse while undertaking duties	Operational	Operational Managers	Supervisors	A	Y	G Open	G ↓	Open
ST15 Updated Oct 2020	Workforce industrial action will impact on our ability to deliver key operational services Note: current risk rating decreased to green and risk trend decreased due to changing shift working arrangements being introduced and working as required	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	G	G	G Open	G ↓	Open
ST16 Updated Oct 2020	Inability to provide staff with key training due to social distancing measures Note: the risk trend is amended to static	Operational	Ruth Cartwright	Gemma Boniface	Y	A	G Q3 2020/21	NC ↔	Open
*ST17	Increased referrals to occupational health for mental health issues due to the impacts of remote working or continuing to work in frontline services	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	A	A	G Q3 2020/21	NC ↔	Open
*ST17a	Increased risk of ill health due to mental health and well-being, personal and/or family issues	Strategic	Stephen O Jones	Ruth cartwright, Katie Wilby, Barry Wilkinson, Anthony Stanford	R	A	G Q4 2020/21	NC ↔	Open
*ST18	Backlog of administrative work due to home working (permit processing, payment refunds, tag printing)	Operational	Ruth Cartwright	Vicky Plant	A	G	G Q2 2020/21	NC ↔	Open
*ST19	Unable to build resilience and provide generic work functions due to remote working	Operational	Ruth Cartwright	Vicky Plant	Y	G	G Q2 2020/21	NC ↔	Open
*ST20	Missing key changes in employees' health and wellbeing due to Face to Face Occupational Health Surveillance appointments being placed on hold	Operational	Ruth Cartwright	Gemma Boniface	Y	Y	G Q3 2020/21	NC ↔	Open



## Property & Assets

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
ST21	Loss of depot facilities will impact our ability to deliver operational services	Operational	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	G	G	G Q3 2020/21	NC ↔	Open
*ST22	Lack of available burial capacity due to increased demand	Operational	Anthony Stanford	Richard Blake	R	Y	G Q4 2020/21	NC ↔	Open
ST23	Impact of adverse weather conditions on the highway network resulting in damage to infrastructure	Strategic	B Wilkinson	Area Managers	A	A	A Open	NC ↔	Open
*ST24	Unable to progress with key infrastructure improvement projects due to prolonged pandemic impacts due to reduced grant funding	Strategic	Anthony Stanford	Richard Flood	G	G	G Q4 2020/21	NC ↔	Open
*ST25	Inadequate vehicle capacity to transport pupils and passengers whilst adhering to social distancing	Operational	Anthony Stanford	Ceri Hansom	R	Y	Y Q2 2020/21	NC ↔	Open
*ST26	Lack of available space at the Alltami depot facility to be able to provide full service due to social distancing measure	Operational	Katie Wilby	Gareth Thomas	R	G	Y Q4 2020/21	NC ↔	Open

## Governance/Legal

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
ST27	Breach of legislation / Non-compliance with legislation (Environmental Permits, Health & Safety, Vehicle Operators' license, TROs) due to the inability to provide work services	Strategic	Katie Wilby	Gareth Thomas	A	Y	G Q3 2020/21	NC ↔	Open

## External Regulation

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
ST28	Unable to accept and process waste and recycling due to the loss of Environmental Permit	Strategic	R Cartwright	G Povey	A	G	G Q4 2020/21	NC ↔	Open
*ST30 Updated Oct 2020	Expiry of statutory training certifications due to the inability to undertake testing / training Note: the risk trend is amended to static	Strategic	Ruth Cartwright	Gemma Boniface	G	A	G Q3 2020/21	NC ↔	Open
*ST32	Backlog in vehicle MOTs due to the closure of test centres	Operational	B Wilkinson	Fleet Manager	Y	Y	Y Q4 2020/21	NC ↔	Open

## ICT & Systems

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
ST33	Unable to deliver key operational services due to the failure of telecommunications, ITC, mobile phone networks	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	G	G	G Q4 2020/21	NC ↔	Open

## Risk Register - Part 2 (Portfolio Service & Performance Risks)

### Service Delivery

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST34	Lack of available materials (tarmac, stone) to undertake planned works due to product availability	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	A	G	G Q3 2020/21	NC ↔	Open
*ST35	Lack of preparedness to respond to multiple emergencies or major incidents during the pandemic (severe weather event, fire, major transport accident) due to resource being focused on delivering key services	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	A	A	G Q4 2020/21	NC ↔	Open
*ST36	Loss of key suppliers or partner organisations to deliver key operational services due to company insolvencies	Strategic	Katie Wilby	Gareth Thomas, Kevin Edwards, Jamie Bennet	A	A	G Open	NC ↔	Open

### Highway Policy

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST38	Unable to undertake pedestrian/cycle safety training due to schools not operating and reduced funding	Operational	Anthony Stanford	Richard Flood	A	Y	G Q4 2020/21	NC ↔	Open
*ST39	Unable to undertake traffic surveys to support financial bids for transport schemes or justify implementing new safety measures	Strategic	Anthony Stanford	Richard Flood	R	Y	G Q4 2020/21	NC ↔	Open

### Fleet

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
ST40	Interruption of available fuel to sufficiently operate fleet vehicles	Strategic	B Wilkinson	Fleet Manager	G	G	G Q4 2020/21	NC ↔	Open

### Waste Strategy

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST41	Unable to dispose of waste and recycling products due to end producer availability	Operational	R Cartwright	G Povey	R	A	G Q4 2020/21	NC ↔	Open

### Parking and Enforcement

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST42	An increase in dangerous and obstructive parking due to the suspension of parking enforcement	Operational	Ruth Cartwright	Vicky Plant	A	G	G Q2 2020/21	NC ↔	Open

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST43 Updated Oct 2020	An increase in environmental crime (littering, dog fouling, side waste) due to the suspension of monitoring patrols Note: current risk rating increased to amber and risk trend increased due to reduction of side waste enforcement and foot patrols during lockdown period	Operational	Ruth Cartwright	Vicky Plant	A	A	G Q2 2020/21	R ↑	Open
*ST44 Updated Oct 2020	Increase in large scale fly tipping due to the closure of Household Recycling Centres and illegal waste collection companies operating Note: current risk rating increased to amber and risk trend increased due to the closure of Household Recycling Centres during lockdown	Operational	Ruth Cartwright	Vicky plant	A	A	G Q2 2020/21	R ↑	Open

Closed Risk

Risk Ref.	Risk Title	Risk Type	Lead Officer	Supporting Officers	Underlying Risk Rating	Current Risk Rating	Target Risk Rating	Risk Trend	Risk Status
*ST29	Loss of Industry Standard accreditations due to the inability to undertake external audits	Operational	R Cartwright	G Povey / P Murphy	G	G	G Q3 2020/21	NC ↔	Closed
*ST31	Expiry of calibrated equipment due to the inability to undertake testing	Operational	Ruth Cartwright	Gemma Boniface	G	G	G Q3 2020/21	NC ↔	Closed

Risk Matrix

Impact Severity	Catastrophic	Y	A	R	R	B	B
	Critical	Y	A	A	R	R	R
	Significant	G	G	Y	A	A	R
	Marginal	G	G	G	Y	Y	A
		Unlikely	Very Low	Low	High	Very High	Extremely High
Likelihood of risk happening							

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# Streetscene and Transportation Portfolio Risk Register

Version 6

Published: 27.10.2020

Mitigation Urgency Key	
IM – Immediate	Now
ST – Short Term	Within 1 month
MT – Medium Term	1 month plus
Upward arrow	Risk increasing
Downward arrow	Risk decreasing
Sideways arrow	No change in risk
*Denotes the risk is specific to 'Recovery'	

## Risk Register - Part 1 (Portfolio Management)

### Finance

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST01	Public bus services (commercial and subsidised) are financially unsustainable due to reduced passenger numbers	↔	MT	Subsidised bus services are monitored on a cost per passenger basis, fewer passengers result in the services becoming financially unsustainable. To prevent ongoing decline of passenger journeys, transportation officers are working with the Economic Regeneration team on the regeneration of town centres, thus encouraging people to return via public transport. Officers are working with bus operators to promote a safe environment ensuring social distancing on vehicles. This has include more frequent services to reduce passenger numbers per trip or promoting and developing the demand responsive service.
*ST02	Increased transport operating costs due to reducing number of available transport operators to provide services	↔	MT	Regular discussions are being held with transport operators to foresee any potential operating problems. Officers are working with the bus operators to develop and promote transport in the community encouraging passengers to utilise services. Additional transport service continue to be procured to respond to the crisis giving opportunity for operators to obtain further work to support sustainability
*ST03	Increasing cost of undertaking Public Health Funerals due to inability of families to fund funerals	↔	MT	A Fixed Price Funeral Service has been established in partnership with local Funeral Director. Officers are ensuring that funds are recovered from the deceased personal estates, where possible, to support the financial cost of burial.
*ST04	Increased operational costs (resource, workforce) for Bereavement Services due to increased number of deaths	↔	ST	Resource will be deployed from the Streetscene generic workforce to support additional demand in workload if required.
*ST05	National targets not being met for Road Safety and Active Travel due to an inability to complete essential schemes	↔	ST	All essential grant funded schemes have now recommenced. All such contracts are operating with revised risk assessments and safe methods of work in line with UK Government social distancing requirements. For those schemes that are located on strategic corridors (for which enable essential access to healthcare facilities and/or

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
				essential services), an individual assessment as to whether works should continue have been made.
<b>ST06</b>	Unable to ensure highways infrastructure remains safe and capable of supporting economic growth due to reduced funding	↔	ST	Highway Inspectors continue to inspect the network for defects with potential to cause serious injury or accident, and these are responded to immediately by our in-house road repair teams. Major resurfacing schemes have re-commenced and officers are working closely with contractors to ensure best value is achieved under the circumstances. Risk remains due to uncertainty of future funding.
<b>ST07</b>	Unable to respond to Ash Die Back due to insufficient resource or funding	↔	ST	Plans to train Streetscene staff to inspect and assess the risk of Ash Die Back affecting the highway network have been interrupted, and assistance from Planning, Environment & Economy tree service team has been sought to support this exercise going forward whilst Ash trees are in full leaf, when it is most obvious to spot the disease.
<b>*ST08</b>	Increase in third party claims due to changes in Highway Inspection process	↔	MT	Streetscene Area Coordinators continue to monitor roads in their area and report, on a risk-based methodology, any defect that could be deemed a significant danger. Designated teams within the service delivery team are available to provide emergency repair to identified defects.
<b>*ST09</b>	Loss of income from the sale of recyclable materials due to reduced market demand	↔	MT	Officers are undertaking regular participation in Welsh Government lead officer meetings in which information is provided on the recyclable market. Early notification of a decrease in potential values is being received and monitored. Expected loss of income is being included into the Medium Term Financial Strategy as prior to COVID-19, markets were already on the decline due to the changes in material use (e.g. reduced demand for high quality paper). Income levels have fallen considerably over the past several months, particularly for metal, plastics and textiles
<b>*ST10</b> Updated Oct 2020	Increased expenditure on contract, labour, plant, vehicles and materials due to changing work patterns in response to pandemic	↑	MT	Continual review is being undertaken at weekly Portfolio Senior Management Team meetings on the most appropriate methods of delivering services in an effective and cost-effective manner while abiding by Government guidance on social distancing. As alternative methods are identified to deliver service, procedures are adapted and contractors are being utilised to supplement Council staff if required. All operatives are now working to substantive rotas and the number of employed agency staff is at pre-COVID levels. Increasing operational costs have been identified at waste transfer stations where increasing volumes of waste and recycling have been recorded. The plants are subject to continued breakdown of aged machinery which results in waste being sent to third parties for processing.

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST10a	Increased expenditure on the disposal of residual waste due to increased tonnage collected from residential properties	↔	MT	Since the commencement of lockdown the tonnage of residual waste collected from residential properties has been increasing. On review of annual trends the increase is between 12-20% per month based on the same time last year. Officers will be promoting the national behavioral change campaign developed by Welsh Government to reinstate the message to residents that they must recycle all waste. Also, a relaunch of the side waste enforcement process will take place from early October to ensure that only the allocated amount of residual waste is placed out for collection each fortnight.
*ST11	Significant loss of income from the suspension of services due to COVID-19 response	↔	MT	Continual reviews are being undertaken at weekly Portfolio Senior Management Team meetings on the appropriate times to re-introduce chargeable services. All factors are being considered when making these decisions, including the available resources to deliver services and the Safety and Health of employees and public. Services will be resumes as soon as it is safe to do so, while some services such as brown bin collections have already been reintroduced. Loss of income as a result of service changes in the emergency response phase is being collated and monitored within the Medium Term Financial Strategy

#### Workforce

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST12	Reduced numbers of frontline workers and contractors to deliver services safely due to increased sickness levels	↔	MT	Sickness levels have improved are now at pre-COVID levels. The number of agency staff employed is also at pre-COVID levels.
*ST13	Limited Personal Protective Equipment for workforce to conduct operations safely due to lack of availability in supply chain	↔	ST	The Streetscene stores department are continually reviewing the availability of Personal Protective Equipment (PPE) that is required in line with service risk assessments. The existing supply chain is being monitored whilst officers are also identifying other companies that can provide the required equipment. There are currently no issues with the supply chain for PPE and all staff/workforce have the required equipment as risk assessed.
ST14	An increase in staff absence due to physical and verbal abuse while undertaking duties	↔	IM	Support and advice has been provided to the workforce with information about revised services being published to the public through our websites, social media and signage. All reports of abuse are passed to North Wales Police. Since new measures have been introduced there has been limited numbers of reported cases of abuse as members of the public are compliant with new measures.
ST15 Updated Oct 2020	Workforce industrial action will impact on our ability to deliver key operational services	↓	IM	There has been consultation with unions throughout the pandemic in relation to changes in working practice and measures put in place to protect staff and workforce welfare. From the 5 October, shift working patterns have been amended. All new shift patterns are now embedded and accepted by the workforce.



Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
ST16 Updated Oct 2020	Inability to provide staff with key training due to social distancing measures	↔	MT	Due to the changes to the workforce shift patterns and the implementation of 'bubble' working, non-essential training has been suspended so that workforce is available to deliver frontline services. Only essential training will take place should staff certifications become expired.
*ST17	Increased referrals to occupational health for mental health issues due to the impacts of remote working or continuing to work in frontline services continuing to work in frontline services	↔	MT	Continued workforce updates and welfare assessments are being undertaken to support those working remotely and on frontline services. Information is distributed on a service basis, and also corporately, with advice on ways of working to prevent worry or stress. All staff are offered Occupational Health referrals (on request) and access to Care First for independent support. Where possible meetings are held through the medium of video call to promote improved interaction. The service has representation on the workforce tactical group to raise any address ongoing HR issues.
Page 276 *ST17a	Increased risk of ill health due to mental health and well-being, personal and/or family issues	↔	MT	All Managers/supervisors maintain contact with staff members whom are on sick leave or have identified themselves are suffering from personal issues (bereavement; relationship separations; isolation) to ensure support and reassurance is given. Managers must allow staff the opportunity to work in an office environment to promote personal wellbeing and personal contact and engagement. Occupational Health support is provided should it be needed.
*ST18	Backlog of administrative work due to home working (permit processing, payment refunds, tag printing)	↔	MT	Where administration functions can be undertaken in a remote manner then they have continued as normal. Some procedures have been adapted so that they can now be done from a remote location. For work tasks that require a physical presence in the office, a rota has been put in to place so that a set number of officers can return to Alltami depot and undertake these functions.
*ST19	Unable to build resilience and provide generic work functions due to remote working	↔	MT	Streetscene prides itself on the use of generic teams to deliver a variety of functions thus providing resilience in service and supporting officer development. Due to remote working, cross working and training was prevented. In order to adapt, officers are now using technology to link to each other, utilising video calling and document sharing. Where required officers can meet in the office environment now that the physical distancing measures have been put in place, this further supports generic officer training and development.
*ST20	Missing key changes in employees' health and wellbeing due to Face to Face Occupational Health Surveillance appointments being placed on hold	↔	MT	Alternative methods of reviewing staff welfare and health have been introduced to ensure that key changes are not overlooked. Instead of face to face meetings an employee questionnaire has been developed to gain an understanding of those staff under surveillance. Service supervisors are in contact with operational staff during their shift to identify any possible issues or be available should they have concerns than need escalating. Should any health issue require escalation, then Occupational Health are holding telephone consultations.



## Property & Assets

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
ST21	Loss of depot facilities will impact our ability to deliver operational services	↔	IM	Required on-going maintenance at Alltami depot been facilitated throughout the pandemic period, and reviews of risks have taken place to foresee any change to working arrangements. Both Service delivery (operational teams) and office based staff have returned to the office environment and all depot locations are functioning as required.
*ST22	Lack of available burial capacity due to increased demand	↔	MT	Ongoing work is taking place to identify additional burial provision in proximity to current cemeteries. New legislation introduced in response to COVID-19 allows for Local authorities to compulsory purchase land to introduce additional burial capacity if required. These options are being explored
ST23	Impact of adverse weather conditions on the highway network resulting in damage to infrastructure	↔	MT	Preventative maintenance schemes have recommenced and officers are working closely with contractors to ensure best value is achieved. Gully Emptying, Sweeping and defect repair teams have continued to maintain the network in efforts to mitigate against loss of infrastructure.
*ST24	Unable to progress with key infrastructure improvement projects due to prolonged pandemic impacts due to reduced grant funding	↔	MT	During the initial stages of the lockdown, progress on infrastructure improvements was put on hold. However, since the improvement of connectivity in a remote nature, the planning of these schemes has commenced again, and while behind initial schedule progress is being made through design phase. Some highway infrastructure improvement schemes are being progressed and are underway as the service has made use of the quieter highway network. Discussions have resumed with Welsh Government on possible grant funding for further schemes.
*ST25	Inadequate vehicle capacity to transport pupils and passengers whilst adhering to social distancing	↔	MT	Guidance on the provision of school transport has now been issued by National Government. The guidance is achievable and a full return to service was achieved in September. Transport colleagues continue to have ongoing dialogue with colleagues in education to monitor the situation.
*ST26	Lack of available space at the Alltami depot facility to be able to provide full service due to social distancing measure	↔	MT	The service delivery team have sufficient space at the depot to provide all services, having made use of the staff car park for operational vehicles. The office facility has been reconfigured to ensure physical distancing and staff who require to attend the depot to provide key functions are now able to do this.

## Governance/Legal

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST27	Breach of legislation / Non-compliance with legislation (Environmental Permits, Health & Safety, Vehicle Operators' license, TROs) due to the inability to provide work services	↔	MT	All services have now resumed to pre-COVID standards and there are no ongoing potential risks to environmental breaches however this will continue to be monitored.

## External Regulation

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
Page 278 ST28	Unable to accept and process waste and recycling due to the loss of Environmental Permit	↔	MT	Officers are working with Natural Resources Wales to monitor temporary changes to permit conditions. Natural Resources Wales position statement of working with permit holders and easing some restriction on the permit has helped to reduce likelihood of loss of permit. Officers have been closely monitoring tonnage data weekly and monthly and will continue to do so, to ensure that waste is dealt with as effectively as possible. In addition, officers are working closely with operational teams to identify and manage any issues for collection and transfer/bulking. Contingency plans are ready to be enabled if any issues arise from contractors being unable to collect waste for correct and safe disposal. At present there are no issues with operating waste facilities and all end processors are accepting waste.
*ST30 Updated Oct 2020	Expiry of statutory training certifications due to the inability to undertake testing / training	↔	ST	Due to the changes to the workforce shift patterns and the implementation of 'bubble' working, non-essential training has been suspended so that workforce is available to deliver frontline services. Only essential training will take place should staff certifications become expired. Where training has expired and service demand remains, qualified sub-contractors will be engaged to undertake the work until the bubble arrangement is lifted and training can recommence
*ST32	Backlog in vehicle MOTs due to the closure of test centres	↔	MT	Vehicles will be maintained at MOT standard, even though the official test will not take place. Management team will closely monitor the industry situation in anticipation of any further service disruption at MOT facilities, although a 12-month extension period has been granted and should allow for the delivery of MOTs to now run normally.

## ICT & Systems

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
ST33	Unable to deliver key operational services due to the failure of telecommunications, ITC, mobile phone networks	↔	IM	Staff have amended lines of communication and adapted to the challenges brought about by the pandemic to ensure business continuity throughout. Managers have worked closely with IT colleagues to ensure that access to systems, or any issues that have occurred, have been dealt with and resolved.

## Risk Register - Part 2 (Portfolio Service & Performance)

### Service Delivery

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST34	Lack of available materials (tarmac, stone) to undertake planned works due to product availability	↔	ST	Streetscene stores department are continually monitoring product availability to identify any forthcoming problems. Alternative suppliers have been sourced which have product availability should it be needed. There are currently no issues within the supply chain and all planned works are commencing
*ST35	Lack of preparedness to respond to multiple emergencies or major incidents during the pandemic (severe weather event, fire, major transport accident) due to resource being focused on delivering key services	↔	MT	Quarterly Emergency Planning meetings are arranged with members of Streetscene, housing, emergency planning and North Wales Council-Regional Emergency service (NEC-REPS) to discuss and review procedures for emergencies. Combined resource and support could be compromised should another emergency issue arise during this time and resilience is being identified. Partnership working will allow for additional resource to respond to incidents. Accountable managers to support with additional emergencies have been identified
*ST36	Loss of key suppliers or partner organisations to deliver key operational services due to company insolvencies	↔	MT	All service areas have been in contact with key suppliers and contractors to review company Business Continuity Plans to ensure adequate response to the crisis. Discussions have included the sustainability of companies due to pressures of closure or reduced service. Where there has been concern, alternative suppliers/providers have been identified to continue service. In isolated cases there has been no alternative provider available (e.g. Textile disposal) therefore this service has stopped in the short term.

## Highway Policy

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST38	Unable to undertake pedestrian/cycle safety training due to schools not operating and reduced funding	↔	ST	Liaison with schools is underway in order restart essential training for pupils. It may be possible to continue to train larger gatherings of pupils due to the outdoor environment for which the training is often conducted.
*ST39	Unable to undertake traffic surveys to support financial bids for transport schemes or justify implementing new safety measures	↔	ST	Traffic surveys, including volumetric traffic counts, parking surveys, speed surveys, origin and destination surveys and public transport patronage surveys were suspended due to average commuting levels not being met. Since the lifting of lockdown restrictions, vehicle volumes on the public highway have increased and traffic counts are now possible with data gleaned reliable enough to make decisions on future transport schemes

## Fleet

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST40	Interruption of available fuel to sufficiently operate fleet vehicles	↔	IM	Officers have maintained regular contact with supplier throughout the pandemic to stay informed about issues such as demand, delivery lead times, and any supply interruptions. Officers have gained assurances that should any interruption to fuel supply occur, then under The Civil Contingencies Act, Alltami depot would be consider a key site.

## Waste Strategy

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST41	Unable to dispose of waste and recycling products due to end producer availability	↔	ST	Officers are working with Welsh Government and partners organisations to identify changes in the recycling market. An all Wales approach has been adopted to share knowledge of problems arising within the supply chain. Officers are discussing joint working with neighboring authorities to establish consistent recycling disposal companies. Contingency plans are being developed in response to known problems with recycling disposal streams and alternative methods of disposal are being explored.

## Parking and Enforcement

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST42	An increase in dangerous and obstructive parking due to the suspension of parking enforcement	↔	ST	Enforcement teams are back work and operating normally on matters of illegal parking.

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST43 Updated Oct 2020	An increase in environmental crime (littering, dog fouling, side waste) due to the suspension of monitoring patrols	↑	ST	Side waste and litter / dog fouling foot patrols have been suspended throughout the lockdown period. The enforcement team have been utilized to concentrate on school parking enforcement and fly tip investigations. They are also undertaking a sign review of all dog control areas.
*ST44 Updated Oct 2020	Increase in large scale fly tipping due to the closure of Household Recycling Centres and illegal waste collection companies operating	↑	ST	The enforcement team continue to investigate all fly tip cases. However, with Government instruction to close all Household Recycling Centers (HRCs), fly tip events are increasing. All residents are reminded of their duty of care to only use registered waste disposal companies and to store waste until such time the HRCs are open.

#### Previously Closed Risk

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*ST29	Loss of Industry Standard accreditations due to the inability to undertake external audits	↓	ST	-
*ST31	Expiry of calibrated equipment due to the inability to undertake testing	↓	ST	-

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## ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday, 10 <sup>th</sup> November, 2020
<b>Report Subject</b>	Mid-year Performance Indicators for Recovery, Portfolio and Public Accountability Measures
<b>Cabinet Member</b>	Deputy Leader of the Council and Cabinet Member for Streetscene and Countryside;  Cabinet Member for Planning and Public Protection; and  Cabinet Member for Economic Development
<b>Report Author</b>	Chief Officer (Planning, Environment and Economy); and  Chief Officer (Streetscene and Transportation)
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

Flintshire County Council Reporting Measures 2020/21 were identified by portfolios and approved by Cabinet in September 2020. This report presents a summary of performance at the mid-year point for the priorities relevant to the Environment & Economy Overview & Scrutiny Committee.

This mid-year performance monitoring report for the 2020/21 Reporting Measures shows that 69% of the performance indicators have met or exceeded their targets. Where performance can be measured against last year there has been a 64% downturn in trend, with 31% of measures improving on last year's performance and 5% maintaining stable performance.

This report is an exception-based report and concentrates on under-performance against target.

### RECOMMENDATIONS

1. That the Committee consider the Mid-Year Performance Indicators for Recovery, Portfolio and Public Accountability Measures to monitor areas of under performance and request further information as appropriate.

## REPORT DETAILS

1.00	<b>EXPLAINING THE PERFORMANCE AT MID YEAR 2020/2021</b>
1.01	<p>The mid-year performance monitoring reports provide explanation of the progress being made toward the agreed measures set out in the Flintshire County Council Reporting Measures 2020/21.</p> <p>These measures were approved by Cabinet after targets for 2020/21 were re-assessed for forecasted performance due to the disruptions caused during the response phase of the pandemic.</p>
1.02	<p>This report is an exception-based report and concentrates on under-performance against in-year targets.</p>
1.03	<p><b>Monitoring our Performance</b></p> <p>Analysis of performance against the performance indicators is undertaken using the RAG status. This is defined as:</p> <ul style="list-style-type: none"> <li>• RED - under-performance against target.</li> <li>• AMBER - where improvement may have been made but performance has missed the target.</li> <li>• GREEN - positive performance against target.</li> </ul>
1.04	<p>Analysis of current levels of performance against target shows the following:</p> <ul style="list-style-type: none"> <li>• 33 (69%) have achieved a green RAG status</li> <li>• 1 (2%) have an amber RAG status</li> <li>• 14 (29%) have a red RAG status</li> </ul>
1.05	<p>The performance indicators (PIs) which show a red RAG status for current performance against target relevant to the Environment &amp; Economy Overview &amp; Scrutiny Committee are:-</p> <p><b><u>Planning, Environment and Economy</u></b></p> <p><b>Total number of individuals supported to access learning and work opportunities</b></p> <p>The outbreak of the Covid-19 pandemic and the subsequent national lockdown made it impossible to meet with clients on a face to face basis. A re-design of the delivery of communities for work and communities for work plus programmes has resulted in a more digital online/telephone service. The teams have helped support our mentoring scheme participants with 31 individuals accessing further training and employment opportunities.</p> <p><b>Enforcement cases investigated within 84 days</b></p> <p>The ability of the team to investigate enforcement cases has been severely affected by the lockdown due to the inability to carry out site visits. There has been a slight recovery in quarter two as restrictions were lifted and with the appointment of external assistance to support the two enforcement officers.</p>



**Average time taken to determine planning applications**

Until September the service was operating with severely reduced staffing resources due to sickness absence and childcare responsibilities. The inability to carry out site visits also impacted on our ability to complete the decision making process. Welsh Government guidance allowed for officers to negotiate an extension of one month to the statutory decision date to assist with capacity therefore we expect this to be reflected in the performance targets set nationally.

**Streetscene and Transportation**

**Developing the number of bus quality partnerships on the core network**

Whilst major progress has been made to lay the foundations for future Quality Bus Partnerships an agreement for the Chester to Rhyl Partnership has not been achieved due to the uncertainty associated with the Covid-19 pandemic. This work will in future pass to Transport for Wales to provide national consistency for such agreements.

**Achieve minimum level of agreed Streetscene standards**

A number of Streetscene services were curtailed or suspended whilst resources were redirected to other key functions during the response to the national lockdown restrictions and the global pandemic. The decision to prioritise key frontline services was based on our assessment of risk. Throughout quarter two, services have been reinstated as resources and restrictions allowed and performance has now recovered to almost pre Covid-19 levels.

**2.00 RESOURCE IMPLICATIONS**

2.01 There are no specific resource implications for this report.

**3.00 IMPACT ASSESSMENT AND RISK MANAGEMENT**

3.01	<b>Ways of Working (Sustainable Development) Principles Impact</b>	
	Long-term Prevention	Throughout all of the Mid-Year Monitoring Report there are demonstrable actions and activities which relate to all of the Sustainable Development Principles. Specific case studies will be included in the Annual Performance Report for 2020/21.
	Integration	
	Collaboration	
	Involvement	
	<b>Well-being Goals Impact</b>	
	Prosperous Wales	Throughout the Mid-Year Monitoring Report there is evidence of alignment with the Well-being Goals. Specific strategic and policy reports include impact and risk
	Resilient Wales	
	Healthier Wales	
	More equal Wales	

	Cohesive Wales	assessments.
	Vibrant Wales	
	Globally responsible Wales	
<p><b>Council's Well-being Objectives</b>  The Council's Well-being objectives will be included in the Annual Performance Report for 2020/21. We are currently in the process of reviewing our Well-being objectives alongside the development of the Council Plan 2021/22.</p>		

<b>4.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
4.01	The Reporting Measures are monitored by the respective Overview and Scrutiny Committees according to the priority area of interest.
4.02	Chief Officers have contributed towards reporting of relevant information.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1: Mid-year progress report against 2020/21 Reporting Measures.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Flintshire County Council Reporting Measures 2020/21.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Margaret Parry-Jones, Overview &amp; Scrutiny Facilitator  <b>Telephone:</b> 01352 702427  <b>E-mail:</b> <a href="mailto:Margaret.parry-jones@flintshire.gov.uk">Margaret.parry-jones@flintshire.gov.uk</a></p>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<p><b>Reporting Measures:</b> The document which sets out the performance indicators of the Council. This document provides a set of measures to support recovery and selected portfolio measures.</p> <p><b>CAMMS</b> – An explanation of the report headings.</p> <p><b>Measures (Key Performance Indicators - KPIs)</b></p> <p><u>New indicator</u> – A new measure that has been identified for reporting against.  <u>Pre. Year Period Actual</u> – The period actual at the same point in the previous</p>

year. If the KPI is a new KPI for the year then this will show as 'no data'.

Period Actual – The data for this mid-year point.

Baseline Year – As a new indicator, a target has not been established. This will be monitored and targets established for the following year.

Period Target – The target for this mid-year point as set at the beginning of the year.

Perf. RAG – This measures performance for the period against the target. It is automatically generated according to the data. Red = a position of under performance against target; Amber = a mid-position where improvement may have been made but performance has missed the target; and Green = a position of positive performance against the target.

Perf. Indicator Trend – Trend arrows give an impression of the direction the performance is heading compared to the same period of the previous year:

- A 'downward arrow' always indicates poorer performance regardless of whether a KPI figure means that less is better (e.g. the amount of days to deliver a grant or undertake a review) or if a KPI figure means that more is better (e.g. number of new jobs in Flintshire).
- Similarly an 'upward arrow' always indicates improved performance.

Outcome RAG – The level of confidence of meeting the target by the end of the year. Low – lower level of confidence in the achievement of the target (Red), Medium – uncertain level of confidence in the achievement of the target (Amber) and High - full confidence in the achievement of the target (Green).

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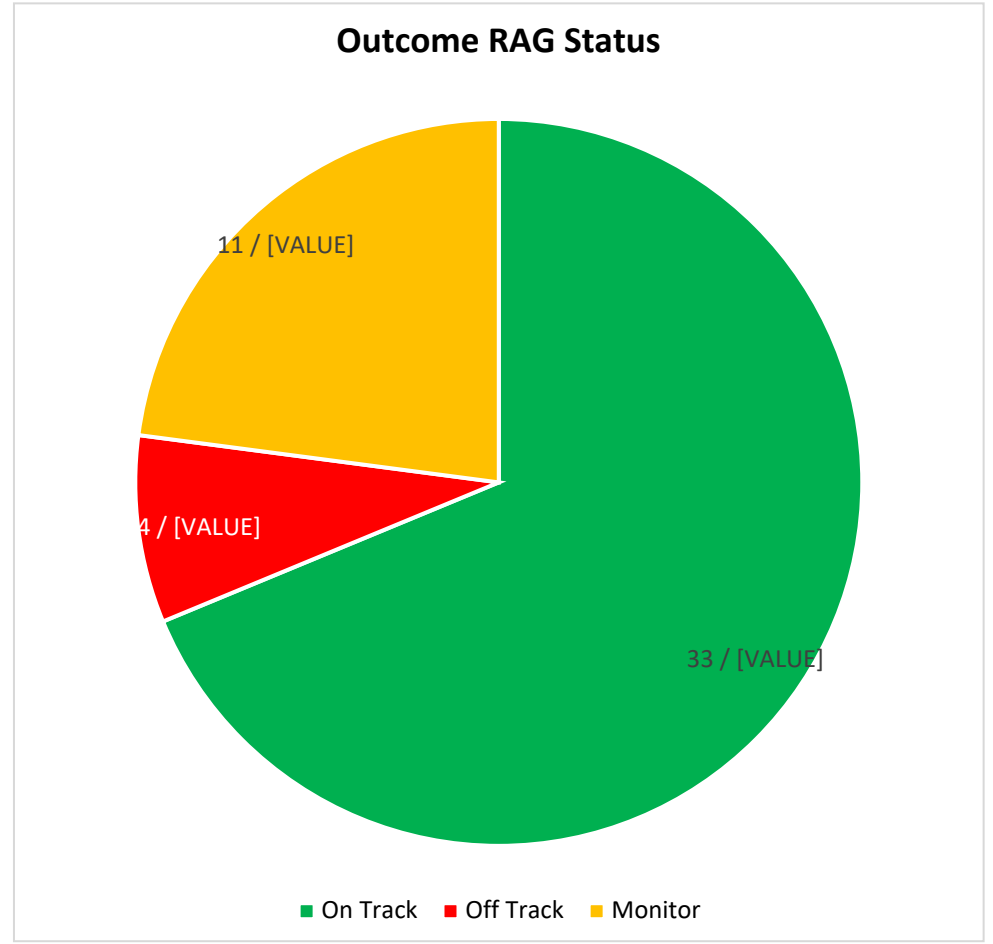
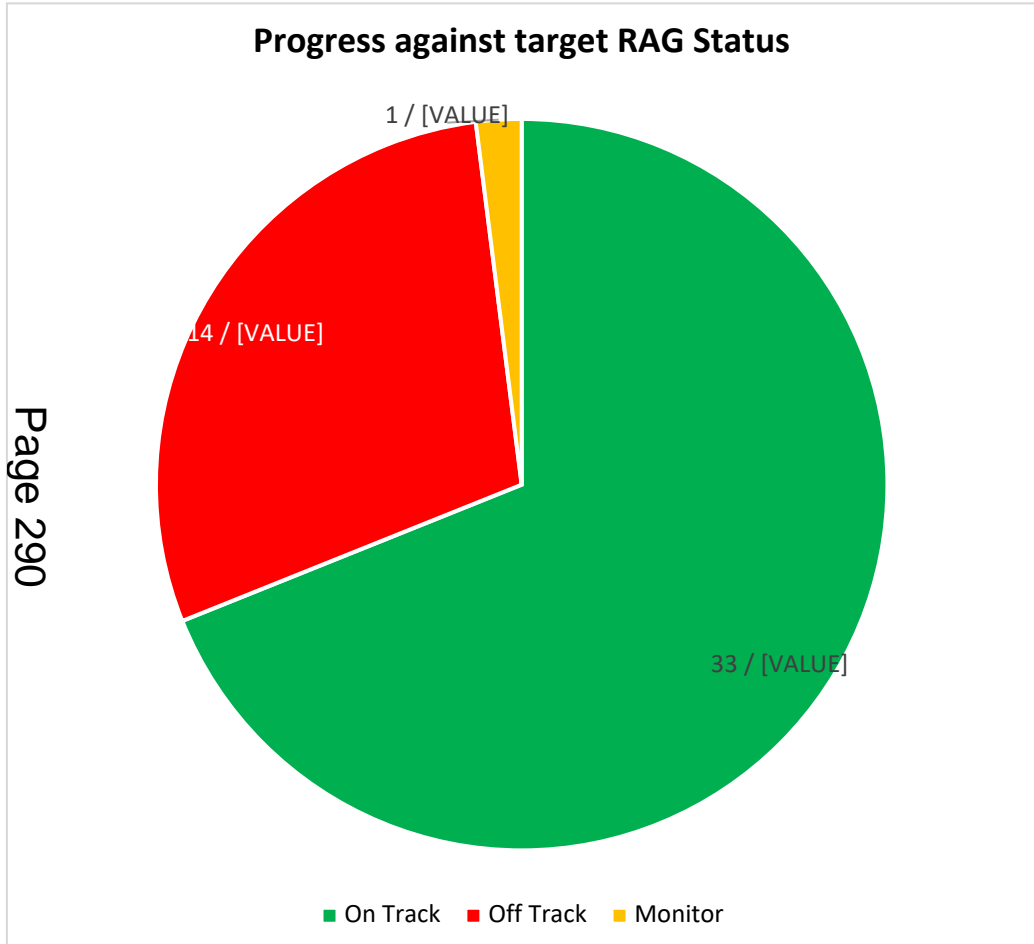
# Mid-Year Reporting Measures 2020/21 Progress Report

Flintshire County Council  
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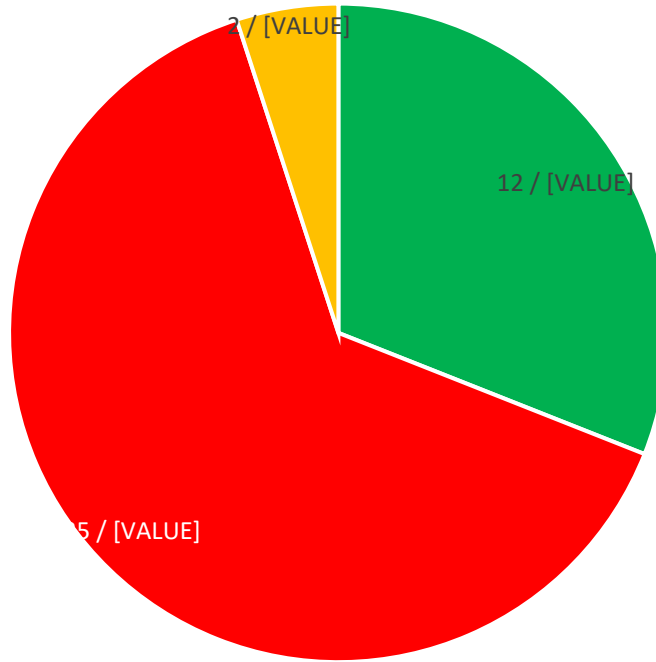


## Performance Analysis

Analysis is only carried out on measures that have targets or previous existing data.





### Performance Indicator Trend





■ Improved ■ Downturned ■ Maintained



## Performance Indicators – Planning, Environment and Economy



### Recovery Measures



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP1.5.2M01 (RM) Total number of energy efficiency measures delivered to reduce fuel poverty	857	946	300	 GREEN	↑	 GREEN
<p><b>Lead Officer:</b> Niall Waller - Service Manager - Enterprise and Regeneration  <b>Reporting Officer:</b> Joseph Muxlow - Regeneration Programme Lead  <b>Progress Comment:</b> The measure is made up of various component parts delivered by the Domestic Energy Efficiency Project team. Included within the statistic are work carried out on private and public housing stock for renewable heating, gas central heating, loft and cavity insulation and solar photo voltaic installations.                      Last Updated: 15-Oct-2020</p>						



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP1.5.2M02 (RM) Total number of individuals supported to access learning and work opportunities	New Indicator	31	130	 RED	N/A	 RED
<p><b>Lead Officer:</b> Niall Waller - Service Manager - Enterprise and Regeneration  <b>Reporting Officer:</b> Sharon Jones - Communities For work  <b>Progress Comment:</b> The outbreak of COVID-19 and the subsequent national lockdown made it impossible to meet with clients on a face to face basis this saw the re-design and delivery of communities for work and communities for work plus programmes, in the short term this led to an online/telephone service. The teams have helped support our mentoring scheme participants with 31 accessing further training and employment opportunities.                      Last Updated: 14-Oct-2020</p>						





KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(RM) Percentage of "major" applications determined within time periods required	New Indicator	66.66	60	 GREEN	N/A	 AMBER
<p><b>Lead Officer:</b> Mandy Lewis - Manager - Planning Development  <b>Reporting Officer:</b> Lynne Fensome - Management and Support Manager  <b>Progress Comment:</b> Six "major" applications were determined in the period four within the agreed time period.            Last Updated: 16-Oct-2020</p>						



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(RM) Average time taken to determine planning applications (days)	New Indicator	120	67	 RED	N/A	 AMBER
<p><b>Lead Officer:</b> Mandy Lewis - Manager - Planning Development  <b>Reporting Officer:</b> Lynne Fensome - Management and Support Manager  <b>Progress Comment:</b> Until September the service has been operating with severely reduced staffing resources due to sickness absence and childcare responsibilities. The inability to carry out site visits also impacted on our ability to complete the decision making process. Welsh Government (WG) guidance allowed for officers to negotiate an extension of one month to the statutory decision date to assist with capacity therefore we expect this to be reflected in the performance targets set nationally.            Last Updated: 16-Oct-2020</p>						

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(RM) Average time taken to determine "major" applications in days	New Indicator	213	232	 GREEN	N/A	 AMBER
<p><b>Lead Officer:</b> Mandy Lewis - Manager - Planning Development  <b>Reporting Officer:</b> Lynne Fensome - Management and Support Manager  <b>Progress Comment:</b> This figure represents a 100 day reduction from quarter one when the service was in full lockdown and officers were unable to make site visits and this impacted on the length of time to determine major applications. A return to more normal working conditions in quarter two enabled officers to reduce the average decision time to 213 days.            Last Updated: 19-Oct-2020</p>						

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(RM) Enforcement cases investigated within 84 days (%)	New Indicator	54	79.9	 RED	N/A	 AMBER
<p><b>Lead Officer:</b> Mandy Lewis - Manager - Planning Development  <b>Reporting Officer:</b> Lynne Fensome - Management and Support Manager  <b>Progress Comment:</b> The ability of the team to investigate enforcement cases has been severely affected by the lockdown due to the inability to carry out site visits. There has been a slight recovery in quarter two as restrictions were lifted and the appointment of external consultants to support the two enforcement officers.            Last Updated: 16-Oct-2020</p>						

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(M) Average time taken to pursue positive enforcement action where a breach had been identified (days)	New Indicator	34	100	 GREEN	N/A	 GREEN
<p><b>Lead Officer:</b> Mandy Lewis - Manager - Planning Development  <b>Reporting Officer:</b> Lynne Fensome - Management and Support Manager  <b>Progress Comment:</b> This indicator tracks the average time from expediency report to positive actions taken where a breach of planning has been found. Positive action includes:            a) informal negotiation removes the breach;            (b) an Enforcement Notice is issued;            (c) planning permission is subsequently granted through an application or enforcement appeal;            (d) prosecution is brought (with the date the case is first heard deemed as the "positive action" date);            (e) direct action by the authority removes the breach of control.            56 cases were closed in quarter two with 48 recording no breach had occurred.            Last Updated: 19-Oct-2020</p>						

## Portfolio Measures

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(PM) Decisions made contrary to officer recommendation (number)	New Indicator	3.58	5	 GREEN	N/A	 GREEN

**Lead Officer:** Mandy Lewis - Manager - Planning Development

**Reporting Officer:** Lynne Fensome - Management and Support Manager

**Progress Comment:** Training programme for Members has resulted in a decrease in decisions made contrary to officer recommendation.

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(PM) Number of applications received and determined during the quarter	New Indicator	179	N/A	N/A	N/A	N/A

**Lead Officer:** Mandy Lewis - Manager - Planning Development

**Reporting Officer:** Lynne Fensome - Management and Support Manager

**Progress Comment:** 254 received 179 determined. No target set as this is an activity measure.

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
(PM) Number of applications received, carried forward, transferred and determined during the quarter	New Indicator	254	N/A	N/A	N/A	N/A



**Lead Officer:** Mandy Lewis - Manager - Planning Development



**Reporting Officer:** Lynne Fensome - Management and Support Manager



**Progress Comment:** Carried forward from previous quarter 409, received 254, determined 179, withdrawn 13, and carried forward 471. No target set as this is an activity measure.



## Performance Indicators – Streetscene and Transportation

### Recovery Measures



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP4.1.2M01 (PAM/030) (RM) Percentage of waste reused, recycled or composted	70.65	65.19	60	 GREEN	↓	 GREEN
<p><b>Lead Officer:</b> Ruth Cartwright - Regulatory Services Manager  <b>Reporting Officer:</b> Gabrielle Povey - Recycling and Compliance Officer  <b>Progress Comment:</b> We are on target, but below last year point due to COVID-19 restrictions and changes in behavior - increased working from home, changes to buying/spending habits, less options to reuse, however more time to separate and recycle.                      Last Updated: 15-Oct-2020</p>						

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP4.1.2M02 (RM) Average recycling rate across all HRC sites (%)	82.71	84.85	70	 GREEN	↑	 GREEN
<p><b>Lead Officer:</b> Ruth Cartwright - Regulatory Services Manager  <b>Reporting Officer:</b> Gabrielle Povey - Recycling and Compliance Officer  <b>Progress Comment:</b> Recycling performance at Household Recycling Centres has remained relatively static despite the site closures due to COVID and social distancing restrictions being implemented, this is in part due to changes in resident behaviours. Although the sites were closed for a period of two month, since reopening, throughput has returned to pre COVID level with a steep rise in waste arising seen throughout June and July while residents brought in more household DIY waste which had been stored during lockdown.                      Last Updated: 15-Oct-2020</p>						

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP4.2.2M01 (RM) Developing the number of bus quality partnerships on the core network	0	0	1	 RED	↔	 AMBER
<p><b>Lead Officer:</b> Anthony Stanford - Highways Strategy Manager  <b>Reporting Officer:</b> Ceri Hansom - Integrated Transport Unit Manager  <b>Progress Comment:</b> Whilst major progress has been made to lay the foundations for future Quality Bus Partnerships (QBP's), an agreement for Chester to Rhyl Partnership has not been achieved due to the uncertainty associated with the COVID-19 pandemic. This work will in future pass to Transport for Wales (TfW) to provide national consistency for such agreements.            Last Updated: 14-Oct-2020</p>						

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP4.2.1M01 (RM) Provide Local Travel Arrangements (LTAs) in geographical areas of the County (number)	10	8	6	 GREEN	↓	 GREEN
<p><b>Lead Officer:</b> Anthony Stanford - Highways Strategy Manager  <b>Reporting Officer:</b> Ceri Hansom - Integrated Transport Unit Manager  <b>Progress Comment:</b> The Councils progress on the revision of LTA's has unfortunately been hindered by the recent COVID-19 pandemic and therefore, it has not been possible to obtain representative patronage data. That said, following the easing of the initial travel restrictions, patronage levels are in the process of recovery and as such, it will now be possible to recommence the review.            Last Updated: 13-Oct-2020</p>						

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KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP4.2.3M04 (RM) Undertake post completion inspections of utility works (%)	97.66	94.34	90	 GREEN	↓	 GREEN

**Lead Officer:** Barry Wilkinson - Highways Network Manager

**Reporting Officer:** Sam Tulley - Road Space Manager

**Progress Comment:** Utility companies (such as Welsh Water, BT or Scottish Power) carry out excavation works on the public highway, the repairs to the road are guaranteed by the Utility Company for a period of two years. Every Highway Authority is required to inspect 10% of all repairs before the end of this guarantee period, but FCC inspect more than required to promote best practice and avoid future costs. If any defects are identified during the inspection the Utility are required to carry out the required remedial works, preventing the Authority from being burdened with the future repair costs. Inspections are allocated on a weekly basis, and therefore in order to provide a meaningful and reflective report, the data provided for quarter two are inspections generated in quarter one.

Last Updated: 15-Oct-2020



KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP4.1.4M01 (RM) Achieve minimum level of agreed Streetscene standards (%)	85	51.22	85	 RED	↓	 GREEN

**Lead Officer:** Barry Wilkinson - Highways Network Manager

**Reporting Officer:** Katie Wilby - Transportation and Logistics Manager

**Progress Comment:** A number of Streetscene services were curtailed or suspended whilst resources were redirected to other key functions during the response to the national lockdown restrictions and the global pandemic. The decision to prioritise key frontline services was based on our assessment of risk and was reported through ERMT. Throughout quarter two, services have been reinstated as resources and restrictions allowed and performance has now recovered to almost pre-COVID levels.

Last Updated: 15-Oct-2020

KPI Title	Pre. Year Period Actual	Period Actual	Period Target	Perf. RAG	Perf. Indicator Trend	Outcome RAG
CP7.1.5M01 (RM) Number of targeted environmental educational campaigns	1	4	1	 GREEN	↑	 GREEN

**Lead Officer:** Ruth Cartwright - Regulatory Services Manager

**Reporting Officer:** Vicky Plant - Support Services Manager

**Progress Comment:** Four campaigns have taken place as follows: 6th August Fly-tipping Flint, 6th August Dog Fouling Connah's Quay, 7th August Buckley, and 28th September Riverside Park Deeside.

Last Updated: 14-Oct-2020

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