



Bwrdd Uchelgais Economaidd Gogledd Cymru
North Wales Economic Ambition Board

**North Wales Economic
Ambition Board**
Portfolio Management Office

**2020–2021
Annual Report**



Llywodraeth Cymru
Welsh Government



UK Government Wales
Llywodraeth y DU Cymru

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Foreword

The current economic position is unprecedented with the UK's exit from the European Union and the Covid-19 pandemic continuing to disrupt and impact the wellbeing of our economy and importantly, our people.

However, delivery of the North Wales Growth Deal is on the horizon and this investment will inject much needed vitality into our economy to deliver sustainable and inclusive growth needed over the next 15 years.

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.

The deal is a unique opportunity to invest in our future and is a key enabler to building a more vibrant, sustainable and inclusive economy for 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, helping to push the boundaries in high value manufacturing. Further investment will enhance our reputation and enable growth in this important industry.

We aim to make North Wales more investable by tackling known areas where long-term market failure has been a barrier to attracting commercial investment. This unlocks the potential to create highly skilled job opportunities, ensuring that our young people and future generations can thrive and contribute to the local economy. We are also addressing the shortage of suitable land and property

to facilitate business growth, and investing in commercial employment and housing sites to meet the region's needs.

Alwen Williams



Being connected as a region is one of our strengths. Our partnership across the six local authorities, universities, colleges and the private sector is well-established and growing in strength. We are driving a step change in connectivity through addressing those areas most in need of faster and more reliable broadband connections, and exploiting the potential of 5G and new innovation.

We are developing relationships across our borders, because we know that by working together, we can be stronger.

It's important to us that we keep building on our reputation as a cohesive region; fostering and leveraging partnerships to promote scalable, sustainable and inclusive economic growth. Our investment in low-carbon energy enables 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 valued economies in agriculture and tourism, where we will focus on enabling and encouraging diversification to improve the long-term future of these key industries, ensuring they have the opportunity to develop sustainably and flourish.

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.

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

We are privileged to lead this important investment in North Wales - our home and our region.



Alwen Williams
Portfolio Director



Councillor Dyfrig Siencyn
Chair of the North Wales Economic Ambition Board



Councillor Mark Pritchard
Vice-Chair of the North Wales Economic Ambition Board



The Last 12 Months

Alwen Williams
Portfolio Director

The last 12 months have been unlike any other, with Covid-19 changing and challenging our lives and the way we work potentially forever.

The Portfolio Management Office was established in January 2020, with members including two Programme Managers, our Operations Manager and myself. We had a challenging remit to secure the Growth Deal funding for North Wales by December 2020. The pandemic meant we only had two and half months together in the office before everything changed.

In April, we were adjusting to the new normal of running a virtual office, engaging with our partners to map out the process to agreeing the final deal with the UK and Welsh Governments. We also focused on learning all about HM Treasury's Better Business Case methodology which provides the framework for construction of all our investment business cases.

In May, we secured £2.9 million in funding from the Welsh European Funding Office (WEFO) to expand the team to support the delivery of the Growth Deal. Growing and developing a new team virtually over the past 12 months has been both challenging and rewarding. We are a close knit, dynamic and collaborative team and I'm immensely proud of what we have achieved together, considering the majority of us have never met in person. Following our latest recruitment campaign in February 2021, at 18 members, we are close to completing the team, with only a couple of remaining vacancies to fill.

From June onwards our focus as a team was split between supporting the regional recovery work led by local authority partners and on preparing the business cases required to secure the Growth Deal. During June and July, we agreed our approach to programme and project management and began to put in place the structures we would need to deliver the deal. Our work to develop the portfolio and programme business cases continued through a series of workshops, with support provided from Joe Flanagan, co-author of the guidance document for HM Treasury's Better Business Case methodology. June also saw the first of many virtual meetings of the North Wales Economic Ambition Board.

In August, we commissioned a Gateway Review on the Growth Deal. This independent review, organised by Welsh Government's Assurance Hub, provided useful challenge and recommendations, in addition to endorsing the progress the team had made during the first half of the year.

By September, we had finalised our business cases and associated governance documents ready for the approval process - internally and with both Welsh and UK Governments. During November, our Economic Ambition Board partners approved the documents required for a final deal agreement and our governance arrangements to deliver the Growth Deal.

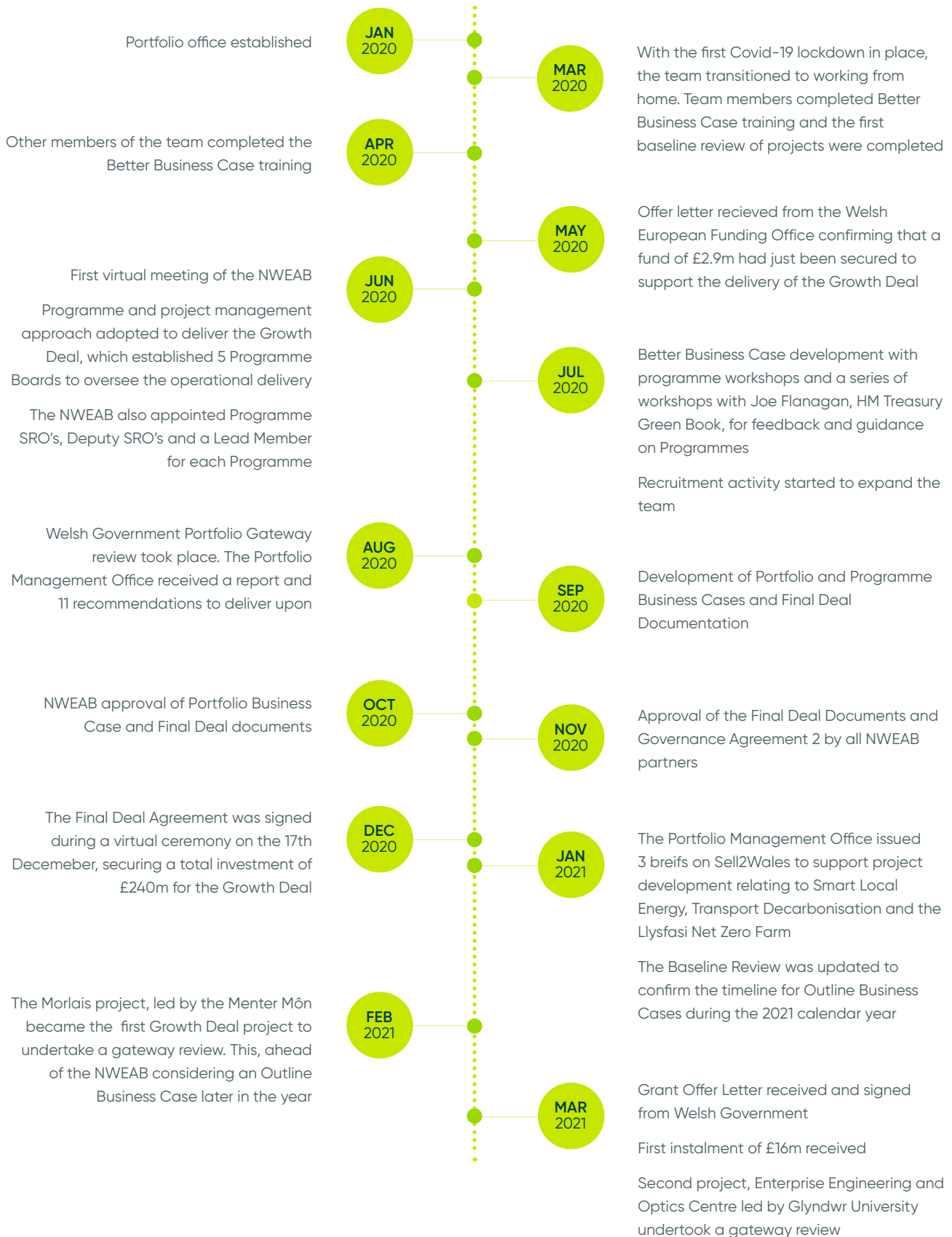
The final deal agreement was signed during a virtual ceremony on the 17th of December 2021. The Final Deal is the contract between the UK Government, Welsh Government and the North Wales Economic Ambition Board for the delivery of the Growth Deal and was secured on the basis of a Portfolio Business Case and five Programme Business Cases securing the total investment of £240m (£120m by UK Government and £120m by Welsh Government).

The first three months of 2020 have been focused on delivery and working with our project sponsors to progress the project business cases. In February, the Morlais project, led by Menter Môn became the first Growth Deal project to undertake a gateway review ahead of the Outline Business Case being considered by the Economic Ambition Board later in the year.

In March 2021, having signed the Grant Award Letter and submitted the required documentation we received the first instalment of £16million from Welsh and UK Governments. This funding will enable project delivery to commence during the next financial year, when we expect to consider and make a decision on our first tranche of project business cases.

Looking back at the last 12 months, I am proud of the team and the significant progress made. Securing the Final Deal within our original timetable despite the challenges posed by Covid-19 was unquestionably down to the grit and determination by everyone involved. I'm now looking forward to delivering the deal, with the team and our partners over the next 12 months.

Snapshot Of The Last 12 Months





The Growth Deal

Aims

To build a more vibrant, sustainable and resilient economy in North Wales.

To build on our strengths, to boost productivity while tackling long-term challenges and economic barriers to deliver inclusive growth.

The approach is to promote growth in a scalable, inclusive and sustainable way, in line with the Wellbeing of Future Generations (Wales) Act 2015.

Investment

Growth Deal investment:
£240m

Private sector investment:
£722.1m

Public sector investment:
£184.3m

Total investment:
£1.1bn

Spending objectives

To create between 3,400 - 4,200 net additional jobs

Generate £2.0 - £2.5 billion net additional GVA

Programmes



Low Carbon Energy



Digital



Agrifood & Tourism



Innovation in High Value manufacturing



Land & Property

Working with the Private Sector

The North Wales Growth Deal is a partnership between the public and the private sectors and our progress over the past 12 months would not have been possible without the support of key stakeholders from the private sector.

Askar Sheibani, Comtek Network Systems and Chair of the Business Delivery Board, quotes

"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 Board have been working as united partners to make sure that the Growth Deal leverages a substantial return on investment.

Board members are predominately entrepreneurs, have an independent voice with well-established track records within their sectors and industries which is recognised internationally. They 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 across 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".

Jim Jones, Managing Director of North Wales Tourism and Chair of the North Wales Mersey Dee Business Council and Ashley Rogers, Commercial Director, North Wales Mersey Dee Business Council quotes

"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 Economic Ambition Board, 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 Economic Ambition Board on this key investment package."



Askar Sheibani
Chair, Business
Delivery Board



Ashley Rogers
Commercial Director,
North Wales Mersey
Dee Business Council



Jim Jones
Chair, North Wales
Mersey Dee Business
Council



Responding to 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 is working closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery. The long-term effects of Covid-19 on the region's economy is still emerging but it is clear that some of our most significant and established economies have already been severely impacted, for example businesses in tourism, hospitality and leisure and those who rely on the visitor economy for trade.

The Growth Deal is designed to address structural, long-term barriers to economic growth. However, the Economic Ambition Board is fully aware that, in the short-term, a range of actions will be required to facilitate economic recovery and an approach that aligns these short to medium term recovery interventions with the longer term aims and measures to be delivered by the Growth Deal.

The Growth Deal on its own will not 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 local economy 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.

In March 2020 a regional tactical response group was established in response to Covid-19. Their remit was to assess the emerging impact of the pandemic on businesses and agree the key actions needed to address these. The group met weekly and included representatives from the Local Authorities, WLGA, Welsh Government, UK Government and the North Wales Mersey Dee Business Council. This enabled the coordination and compilation of regular insight briefings which were shared directly with Government Ministers to influence the decisions being made on fiscal recovery packages for the business community. Key themes started to emerge including, support for businesses, the visitor economy, town centres and regeneration, supply chains, people, skills and employment and public procurement.

During early May 2020 a joint press release was issued to highlight the collaboration across North Wales and between the Economic Ambition Board, the Regional Skills Partnership, Welsh Government, and the DWP to help broker the connection between job seekers and available vacancies in the region.

Also during May, in collaboration with UK and Welsh Government, the Economic Ambition Board hosted a webinar for businesses which attracted over a hundred and fifty participants and gave the opportunity for businesses impacted by the pandemic to ask their questions directly to Government Ministers.

Early in summer 2020 a Regional Economy Recovery Group was established to work collaboratively on economic recovery on behalf of the region. The group commissioned a business impact survey, conducted over the summer, to which over 1,800 businesses responded. The data delivered valuable insights about the direct impact of Covid in different industries and sectors and allowed for breakdown view by local authority.

The Economic Ambition Board and Welsh Government also jointly commissioned research on the impact of Covid-19 on the economy in North Wales. This research, conducted by Hatch Regeneris, includes a proposed plan for recovery looking at immediate interventions, considerations for the Growth Deal and long term considerations, all of which are designed to foster the environment for resilience and Growth post Covid-19.

In addition, and cognisant of the impact to the tourism, hospitality and leisure industry, the Economic Ambition Board commissioned an independent piece of work led by Professors Nigel Morgan and Annette Pritchard, looking at the impact of Covid was having on the industry. The paper, presented to the board, sets out the situation and sets out considerations needed to reset, reignite and reimagine a sustainable and resilient visitor economy for North Wales.

The insights collated throughout the year validated the key priority themes emerging. The later part of the year has been focused on using existing regional structures and fora to develop recovery plans in response to each of the key themes emerging. For example, the Regional Skills Partnership has developed a proposed recovery plan focusing on people, skills and employment and the Regional Tourism Forum has aligned with the visitor economy theme. Work is underway to agree a comprehensive regional recovery plan to address each of these themes and with the aim of rebuilding a resilient and sustainable economy for North Wales.

The Portfolio Office Team

The portfolio management office, led by Alwen Williams, Portfolio Director was established in January 2020 and consisted of Hedd Vaughn-Evans, Operations Manager; Henry Aron, Low Carbon Energy Programme Manager and Stuart Whitfield, Digital Programme Manager. During the team's first few months in post, the team set up the Portfolio Office and associated working processes at the Conwy Business Centre, Llandudno Junction. From March 2020 onwards the team have been working virtually from home. In April, David Mathews joined the team, as Land and Property Programme Manager, followed by Nia Medi Williams as Senior Operations Officer in August, having previously supported the team from Gwynedd Council.

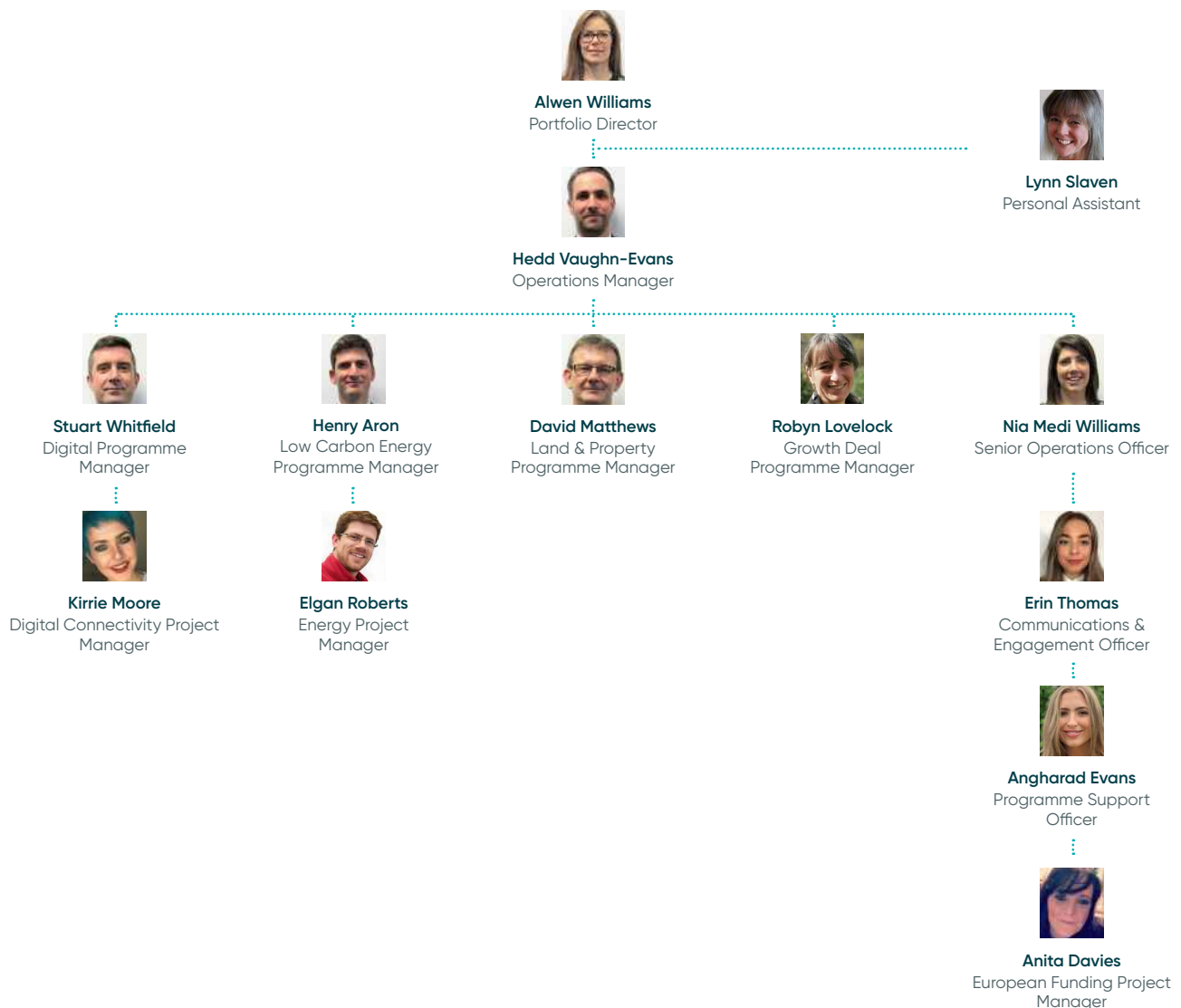
Growth Deal Programme Manager, responsible for leading on the Agri-food and Tourism Programme and the Innovation in High Value Manufacturing Programme. Erin Thomas joined as the Communications and Engagement Officer and Angharad Evans as Programme Support Officer. Shortly after Elgan Roberts, joined as Energy Project Manager.

In January 2021, Kirrie Moore joined the team as our Digital Project Manager, followed in March 2021 by Anita Davies as European Funding Project Manager. During March, Lynn Slaven formally joined the team as Alwen's PA having previously provided this support from Gwynedd Council.

Following a successful recruitment campaign in October, three new members joined the team including Robyn Lovelock as

Six new members are joining the team during April and May 2021, with two further vacancies left to fill.

Portfolio Management Office



Digital

Strategic Aim

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 the 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.

Investment

Growth Deal investment:

£37m

Private sector investment:

£1.6m

Public sector investment:

£3.1m

Total investment:

£41.7m

Spending objectives

Job creation

To create between 315 and 380 jobs.

Robust & competitive connectivity market at key sites

Robust and competitive connectivity market at 28 strategic key sites in step with or in advance of UK Government 2025 target for gigabit capability coverage.

High bandwidth mobile coverage transport networks

High bandwidth mobile coverage on transport networks (A55, A483, A5) with deployment in step with or in advance of UK Government 2027 target for 5G coverage.

Digital infrastructure innovation

Innovate and commercialise new digital infrastructure technology and embed the region in this strategically important industry for the long term.

Investment

Investment of between £37 - £46m.

GVA

Create net additional GVA of £130 - £158m.

Superfast digital connectivity everywhere

Ensure all premises have Superfast broadband connectivity by 2023 with Gigabit upgrade capability where possible.

The projects

Digital Signal Processing Centre (DSP)

The project brings 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.

Total investment of £7.3m | Growth Deal £3m

Connected Campuses

By campuses we mean key sites of economic activity. The project will accelerate the development of infrastructure for 19 key regional economic sites. It is estimated some 2,600 business premises will have access to high bandwidth 5G and low power Wi-Fi services and therefore better connectivity once complete.

Total investment of £21m | Growth Deal £21m

Connecting the last few %

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). 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. Up to 10,100 residential and 4,300 business premises will have access to superfast broadband once complete.

Total investment of £4m | Growth Deal £4m

Connected Corridor

This responds 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.

Total investment of £2.2m | Growth Deal £2.2m

Full Fibre at key sites

This project will deliver full fibre connectivity (gigabit capable). That's fibre all the way from the exchange to the premises to 28 key business sites across North Wales.

Total investment of £7.2m | Growth Deal £6.8m





Last 12 Months

Stuart Whitfield
Digital Programme Manager

Significant progress has been made on the Digital Programme over the past 12 months, with the development of the programme business case and the establishment of programme governance structures to support delivery.

The Digital Programme is unique within the Portfolio Management Office as the programme oversees the delivery of a non-Growth Deal project. The programme is currently delivering the UK DCMS funded North Wales Local Full Fibre Network Project and by the end of March 2021 this is expected to have delivered around 100 new full fibre broadband upgrades to a range of public sector sites around the region, bringing gigabit capable connectivity to support service delivery for the first time. A further 250 connections are due to be made before the end of 2021.

Benefits are already starting to be realised, associated with improved productivity and efficiency of service delivery and supporting new ways of working, particularly with GP surgeries affected by Covid-19 restrictions.

In November, the programme board selected the Digital Signal Processing Centre, the Last Few % and the Connected Corridors projects as priorities for business case development during 2021. All three projects now have established project boards and senior responsible owners in place to support delivery.

Much of the past 12 months have focused on developing the necessary partnerships to support the delivery of the programme, with a total of thirteen organisations now involved at either programme or project board level; Wrexham County Borough Council, Isle of Anglesey County Council, Gwynedd Council, Flintshire County Council, Denbighshire County Council, Conwy County Borough Council, Welsh Government, Transport

for Wales, Network Rail, Betsi Cadwaladr University Health Board, NHS Wales Informatics Service, Bangor University and Menter Môn. Market engagement has also taken place with the private sector during 2020-21 with interest from potential delivery partners building as the project business cases take shape.

The programme is pursuing further activities to enhance digital connectivity in the region through improving the conditions for network operators to invest. Areas being investigated include development of common 'access agreements' for adoption by the wider public sector to facilitate the hosting of digital infrastructure at public sector premises. A common register of these assets is also being considered to streamline the process of site identification by network operators, rather than having to consult multiple sources. Both approaches will be informed by examples from across the UK and the UK Government's approach to so called 'barrier busting'.

With a Digital Connectivity Project Manager in post from January 2021 and a new Digital Project Officer starting in post in May 2021, the programme is well positioned to deliver.





Low Carbon Energy

Strategic Aim

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.

Investment

Growth Deal investment:

£86.4m

Private sector investment:

£441.7m

Public sector investment:

£140.4m

Total investment:

£668.5m

Spending objectives

Job Creation

To create between 800 and 980 new jobs.

Low carbon energy generation

Enable the deployment of at least 314MW of new installed low carbon energy generation capacity.

Carbon savings

To enable carbon savings of at least 2723 tonnes of CO₂e.

Investment

Total investment of between £602m - £735m.

GVA

Create net additional GVA of £433m - £530m.

The projects

Morlais

Investing in the infrastructure that connects the Morlais Zone with the electricity grid system, and preparing the site for private sector developers who will lease parts of the zone for deploying their tidal energy technologies. This would position the zone as the first consented, expandable and technology-agnostic site in the world with up to 240 MW of power generating potential.

Total Investment £36m | Growth Deal £9m

Transport Decarbonisation

Support delivery of a demonstrator project involving the production of green hydrogen from low carbon energy sources and its use within regional transport networks.

Total Investment £28.6m | Growth Deal £11.4m

Trawsfynydd Power Station

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 public and private sector investment, the Growth Deal will contribute funding towards enabling infrastructure, 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.

Total Investment £400m | Growth Deal £20m

Low Carbon Centre of Excellence

Investing in the development of facilities 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.

Total Investment £97.7m | Growth Deal £21m

Smart Local Energy

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.

Total Investment £106.2m | Growth Deal £25m



Last 12 Months

Henry Aron
Low Carbon Energy Programme Manager

Over the past 12 months, the Low Carbon Energy Programme has matured into a cohesive programme aimed at unlocking the economic benefits of transformational low carbon energy projects in North Wales.

The first half of the year was focused on the development of the programme business case, establishing programme delivery structures, training and recruitment. With these structures in place, the focus over the last six months has been to progress the project business cases. This included supporting Menter Môn to develop the Outline Business Case for Morlais, a transformational marine energy project in Anglesey. The Morlais project is scheduled to be the first project business case considered by the Economic Ambition Board in 2021.

The Low Carbon Energy Programme represents an opportunity for North Wales to establish itself as a leading UK location for low carbon energy generation, innovation and supply chain investment. Over the last year, we have taken part in a number of engagement events to promote the Growth Deal and the opportunities around the low carbon energy sector in North Wales. This has included presenting at the EGNI 2021 North Wales Energy Event (January 2021) and taking part in the Wales Week in London event in March 2021.

The programme has been successful in attracting additional funding from Welsh Government to support the development of projects business cases. £25k was secured from the Welsh Government Smart Living Programme to deliver a feasibility study into multi-vector energy systems on the Llyn Peninsula and £140k of grant funding secured to progress the business case for the Transport Decarbonisation Project.

Another significant milestone over the past 12 months has been working with Welsh Government and regional partners to develop the Regional Energy Strategy for North Wales, which received endorsement from the Economic Ambition Board in March 2021. The overall aim of the strategy is to illustrate a potential pathway for decarbonising the energy system whilst ensuring that the region maximises the economic benefits from the transition to a low carbon economy.

Two new project managers have been appointed with Elgan Roberts joining the team in November 2020 to lead on the Smart Local Energy project and Graham Williams will be joining the team in April to lead on the Transport Decarbonisation project. Over the next 12 months, we expect to see considerable progress as the programme moves into the delivery phase.





Agrifood & Tourism

Strategic Aim

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

Investment



Spending objectives

Job creation

To create between 310 and 380 new jobs.

Innovation & productivity

Provide 4,000 – 6,000m2 of incubator, R&D and training floor space to encourage innovation, promote upskilling and support business growth in the sector.

Decarbonisation and sustainable business models

Educating businesses on the benefits of decarbonisation, diversification and sustainable business models. 300-400 businesses diversifying from traditional core operation to adapting new practices in the first 5 years of programme.

Investment

Total investment of between £37m – £45m.

GVA

Create net additional GVA of £230m – £281m.

The projects

Llysfasi Net Zero Farm

Llysfasi Net Zero Farm 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.

Total Investment £15.4m | Growth Deal £10m

Glynllifon Rural Economy Hub

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.

Total Investment £13m | Growth Deal £10m

Tourism TALENT Network

This is all about future-proofing the pipeline of skills provision and increase commercial benefits from one of the most established sectors in the region. The sector is of course under huge pressure currently by Covid-19 so this must be monitored and evaluated as we move forward. The talent network will stimulate public-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.

Total Investment £12.9m | Growth Deal £4.5m





Last 12 Months

Robyn Lovelock
Growth Deal Programme Manager

With no Programme Manager in place at the start of the year, there was a significant collaborative effort across the partnership to develop the Agrifood and Tourism Programme and to build a clear, cohesive narrative for the programme. This collaborative approach enabled the programme business case to be developed with a clear aim to build a more sustainable, vibrant and resilient foundation economy in the region by focusing on agriculture, food and drink and tourism.

In October, Robyn Lovelock joined the team as the Growth Deal Programme Manager with responsibility for this programme, providing much needed capacity to drive the programme forward.

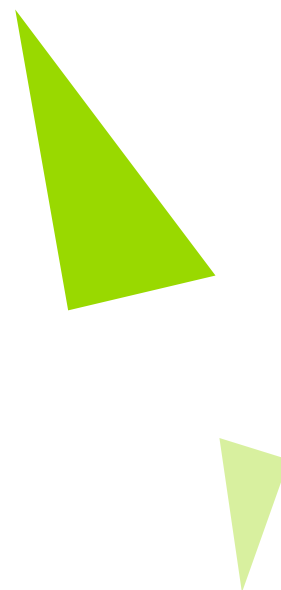
The informal steering group supporting the programme transitioned into a programme board with focus on the development of projects in line with the Better Business Case guidance, benefits realisation and discussions about how the Growth Deal can best support knowledge transfer, innovation and business support to realise the planned benefits.

In December, the programme secured £100k from Welsh Government through the Whole System Business Research Innovation for Decarbonisation Scheme (WBRID). Four businesses have been working with Coleg Cambria as the project sponsors for the Llysfasi Net Zero farm project and the Economic Ambition Board to explore the feasibility of pioneering innovations that could help North Wales farms reduce its greenhouse gas emissions. This work will help shape the development of the business case for the Net Zero farm during 2021.

The Glynllifon Rural Economy Hub project is on track to be the first business case from the programme considered by the Economic Ambition Board. All business case development workshops have now been completed and the project will be undertaking an external assurance review (Gateway Review) in April 2021.

The Tourism Talent Network project was paused in early 2020 as a result of Covid-19 and the specific impact on the tourism sector in North Wales to allow the impacts on the project to be considered. The project was reviewed in early 2021 and now continues with an immediate focus on the initial Hub element to be delivered by Grŵp Llandrillo Menai through other funding sources, with further exploration of the Spoke elements to be picked up again in late 2021, subject to continued progress managing Covid-19.

The programme and its three projects are well placed to deliver and make a significant contribution to the agrifood and tourism sectors in North Wales over the coming years.





Land & Property

Strategic Aim

To address the shortage of suitable land and properties for business growth and to bring forward sites for housing development.

To deliver improvements that stimulate investment in sites and premises in the port of Holyhead and the wider region. To enable other programmes by ensuring the right land and property infrastructure is available.

Investment

Growth Deal investment:

£79.1m

Private sector investment:

£274.4m

Public sector investment:

£1.9m

Total investment:

£355.4m

Spending objectives

Job creation

To create between 1,870 and 2,280 jobs.

Employment sites and premises

Deliver 30ha land and 20,000 square metres of employment premises between 2021 and 2026.

Residential sites

Deliver 1,000 plus residential development plots between 2021 and 2026.

Investment

Investment of between £320m - £390m.

GVA

Create net additional GVA of £1.06bn - £1.29bn.

Holyhead Gateway

Land reclamation, safeguarding and life extension works to the breakwater, access improvements and port capacity enhancements.

The projects

Warren Hall Strategic Site

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.

Total Investment £70m | Growth Deal £15m

Key Strategic Site, Bodelwyddan

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

Total Investment £82m | Growth Deal £10m

Holyhead Gateway

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.

Total Investment £80m | Growth Deal £35m

Wrexham Gateway

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.

Total Investment £43.4m | Growth Deal £9.1m

Former North Wales Hospital, Denbigh

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.

Total Investment £74m | Growth Deal £4m

Parc Bryn Cegin Strategic Site, Bangor

Provide industrial floor space to meet known demand for units.

Total Investment £6m | Growth Deal £6m



Last 12 Months

David Matthews
Land & Property Programme Manager

David Matthews joined as the Land and Property Programme Manager in April 2020 and led the development of the programme business case that was approved by the Economic Ambition Board in October 2020. The programme is a package of strategic investments in key sites across the region to address the shortage of land and properties for business growth in the region and to bring forward sites for housing development.

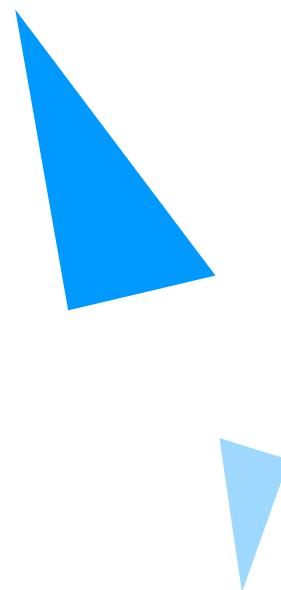
Over the past 12 month, we have developed a robust governance model including the establishment of a programme board and developed key relationships to support the programme and its ambitions. This includes regular bi-monthly meetings with the Housing Accelerator Group of North Wales Registered Social Landlords.

The five strategic development sites within the programme have been focused primarily on progressing planning matters over the past 12 months, with key achievements including the submission of a statement of common ground with Flintshire County Council and Welsh Government in support of the Warren Hall, Broughton development in the Flintshire Local Development Plan. A planning application has been submitted by Jones Bros to develop the Former North Wales Hospital site in Denbigh, with a decision expected during 2021 to inform the business case development. Progress continues to be made on the Western Gateway, Wrexham and the Parc Bryn Cegin, Bangor projects. Outline planning permission on the Key Strategic Site in Bodelwyddan has lapsed and Denbighshire County Council are currently reviewing the planning policy for the site as part of the new Local Development Plan to be adopted in 2023.

The Holyhead Gateway project remains a key strategic project for the region, however the scope of the project is currently being reviewed in light of escalating costs. Notwithstanding this, good progress continues to be made on obtaining statutory

consents for both the land reclamation and breakwater refurbishment with a good working relationship with Stena Line, their consultants and officers from Welsh Government and Anglesey County Council. Alternative drivers for additional port investment including offshore wind, cruise ships and a freeport continue to be explored.

Following a challenging 2020, the programme continues to review the demand for sites and premises and while it remains to be seen what the long-term implications and changing working patterns may have on the nature of development sites required, the programme is well placed to adapt to these changes and deliver for North Wales. With a new project manager starting in May 2021 and one further vacancy to fill, the programme will have the resources required to deliver.





Innovation in High Value Manufacturing

Strategic Aim

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 lower carbon economy.

Investment

Growth Deal investment:

£13m

Public sector investment:

£26.5m

Total investment:

£39.5m

Spending objectives

Job Creation

To create between 145 and 180 new jobs.

Research & innovation

Work with 55 UK and International industry partners or SME's to develop new low carbon technologies and waste reduction.

Expand economic integration to facilitate technology adaption

Reinforce collaboration between regional Universities and businesses to facilitate technology adaption. Support three collaborative R&D projects per annum to develop new technologies.

Investment

Total investment of between £36m - £43m.

GVA

Create net additional GVA of £94m - £114m.

Skills development

Provide training and upskilling to 100 people / businesses in the targeted technologies over first 5 years.

The projects

Centre for Environmental Biotechnology (CEB)

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 £5m ERDF 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.

Total Investment £9.6m | Growth Deal £3m

Enterprise Engineering & Optics Centre

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.

Total Investment £29.9m | Growth Deal £10m



Last 12 Months

Robyn Lovelock
Growth Deal Programme Manager

The Innovation in High Value Manufacturing programme was initially developed by the founding Portfolio Management Office team with support from project sponsors Wrexham Glyndwr and Bangor Universities. The programme aims to consolidate North Wales position as a powerful and innovative high value manufacturing sector.

To do this we will build on existing specialisms and expertise in the region through targeted investment in research and development supporting long-standing and emerging business needs.

In October, Robyn Lovelock joined the team as the Growth Deal Programme Manager providing much needed capacity to drive the programme forward.

Programme progress and project development in line with the Better Business Case guidance has been overseen by the programme board, which evolved from an initial programme steering group. The board has been proactively exploring how the Growth Deal can best support knowledge transfer, innovation and business support to realise the overall programme aim, spending objectives and planned benefits.

The last quarter of the year has been focused on supporting project development, primarily the Enterprise Engineering and Optics Centre project with Wrexham Glyndwr University. This project is currently developing the Outline Business Case for consideration by the Economic Ambition Board and has recently completed an external assurance (Gateway) review. The Bangor University led Centre for Environmental Biotechnology project is at an earlier stage of development, with resources focused on refining the scope of the project at present, with further engagement of stakeholders planned later in 2021.

The programme and the two research and development projects are well placed to make a significant contribution to the North Wales economy through research, development and commercialisation in the fields of biotechnology, hydrogen fuel cells, composites and optics.

The Skills and Employment programme and Strategic Transport programmes sit outside the Growth Deal. The programmes are key to delivering the wider vision for North Wales, and the Economic Ambition Board are working with the Regional Skills Partnership and through its Transport Sub-Board to deliver these programmes

Skills & Employment Programme

Over the last 12 months, the North Wales Regional Skills Partnership have made progress in laying the foundations of the skills and employment programme. As we recover from the immediate economic challenges of Covid-19 and look ahead to develop a world-class talent base, we need to develop a more dynamic and agile skills ecosystem in the region, that closes the skills gaps and better matches skills demand with supply through closer collaboration with employers and industry.

We have worked closely with the Department for Work and Pensions, Job Centre Plus and Working Wales to provide a brokerage and rapid response to help employers during this challenging year. Employers have received support with matching individuals to jobs, we have trialled this approach with the Betsi Cadwaladr Heath Board with their recruitment needs around Track and Trace posts and with Ysbyty Enfys. During this next year, our intention is to build on the brokerage project by focusing on 'hard to reach' SMEs that often lack the time, capacity and awareness to engage with skills providers but invariably share common concerns and workforce requirements.

Work has also been ongoing to develop our skills pipeline for our capital investments in the region, including the North Wales Growth Deal. The need for science, technology, engineering and mathematics (STEM) and digital skills has been highlighted as key challenge for employers, especially as jobs and sectors evolve in our economy. We need to develop a STEM workforce, and to do that we need a sufficient flow of secondary school students who are interested in STEM and digital skills. If we are to respond regionally with a future workforce that is qualified and skills to meet the future STEM based opportunities across the region, we need a great co-ordinated approach and careers advice and guidance to help steer individuals towards these opportunities. Work has been ongoing in the region to develop a STEM statement and explore the series of STEM hubs which would inspire and enthuse individuals about future careers in STEM industries. We have set up a digital skills industry cluster group to help inform our understanding on the challenges that face employers.

Transport Programme

Having effective and reliable transport networks that link North Wales with key markets and destinations, is essential to support a thriving economy. The NWEAB established a Transport Sub-Board to support and prioritise investment in our transport networks and to work across the region to deliver improvements. The growing focus on safeguarding our environment has increased the need to provide genuine alternatives to road-based transport, including better passenger transport networks that properly integrate.

The NWEAB has supported Welsh Government and Transport for Wales with developing an integrated transport package branded as the North Wales Metro. There are some exciting projects currently under development that will see transformational improvement to the regions rail and bus networks over the years ahead. These include new rail stations and more capacity on our rail network, proposals to integrate bus and rail along with active travel are under development, along with quality programmes to achieve better branding, information, and ticketing arrangements. The aim is to ensure that viable alternatives to car-based travel are available for all residents and visitors.

Alongside improvements to transport networks, the decarbonisation of transport networks is an increasing priority. Preparing the region for accelerated roll-out of zero emission electric vehicles, with adequate charging infrastructure is a priority. The NWEAB has also led on the development of a hydrogen hub at Deeside, to complement another being developed at Holyhead, that aims to put the region at the forefront of the roll out of hydrogen fuelling and fuel cell vehicle technologies. Business cases for implementation will be completed over the next year.

The publication of Llwybr Newydd – the updated Wales Transport Strategy, sets an ambitious programme of improvements to transport networks, decarbonisation proposals and a challenging agenda for change. Over the next year, work will commence on updating the North Wales Regional Transport Plan, in response to the agenda set by Llwybr Newydd.

Added value

Regional Response to Covid-19

The Portfolio Management Office played a key role in co-ordinating and supporting the region during the Covid-19 pandemic leading the development of regional structures to share information and learning.

Supporting transition to a low carbon, ecologically resilient economy

The Economic Ambition Board declared its commitment to sustainable development, net zero emissions and biodiversity in March 2021.

Jobs

During 2020-21, the Economic Ambition Board have made 15 appointments while growing the portfolio management office, providing new employment and career development opportunities in the region.

Funding

The team have secured an additional £265k from Welsh Government to support the development of projects within the region.

Collaboration

The team have developed formal and informal collaboration structures across the partnership including regular participation in governance boards, project development workshops and regular engagement events with business, strengthening networks and collaboration opportunities across the region.

Promotion

The team have promoted North Wales and the North Wales Growth Deal at a number of events during the year, including at Wales Week in London.

Expertise

We are developing a regional centre of excellence for project delivery. Having developed expertise in Better Business Case development, the team have recently been acting as a critical friend to the Theatre Clwyd re-development project.

Governance

Governance Agreement 2

The Economic Ambition 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, as well as leading on regional economic collaboration. Having secured the Final Deal, the partners 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 develop of the Growth Vision.

The agreement, which is a legally binding document, defines the role and function of the Economic Ambition Board and its use of delegated powers. It also outlines the decision-making structures and democratic accountability. Provision is also made for the commitments of partners to the projects and how these are managed and apportioned.

Growth Deal Governance

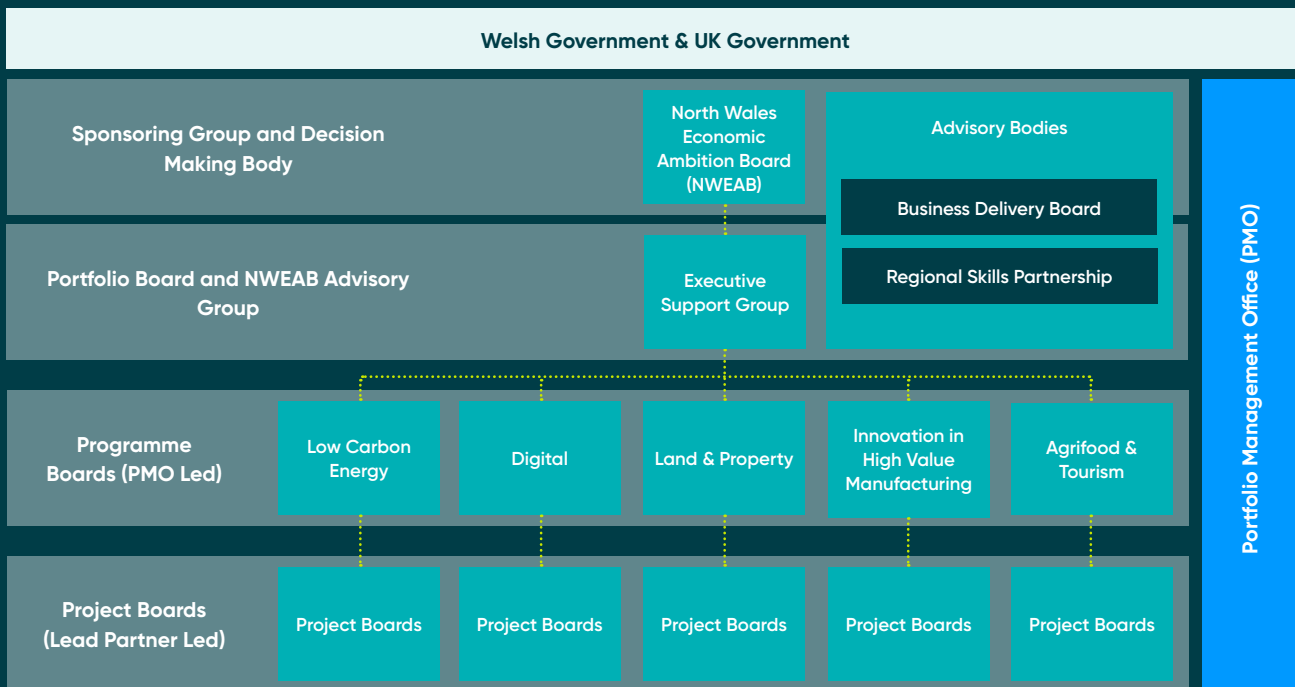
The Growth Deal's governance arrangements enable decisions to be made in an open and transparent way for the benefit of the whole of the region. While the Economic Ambition Board acts as the decision making body for the Growth Deal, there are strong links both formal and informal to the Welsh and UK Governments as funders of the Deal. The Welsh Government, UK Government and the Economic Ambition Board have agreed to adopt the City & Growth Deal Governance & Assurance Framework. The approach is based on the appropriate and proportionate application of best practice Governance, Assurance and Programme & Project Management, underpinned by an Integrated Assurance and Approval Plan in order to balance both Government oversight and regional delivery partner requirements.

Portfolio, Programme and Project Management Arrangements

The Economic Ambition 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 ambition, driving better decisions and increasing the likelihood of successful outcomes.

The diagram below sets the Economic Ambition Board's project delivery structure for the Growth Deal:

Growth Deal Project Delivery Structure



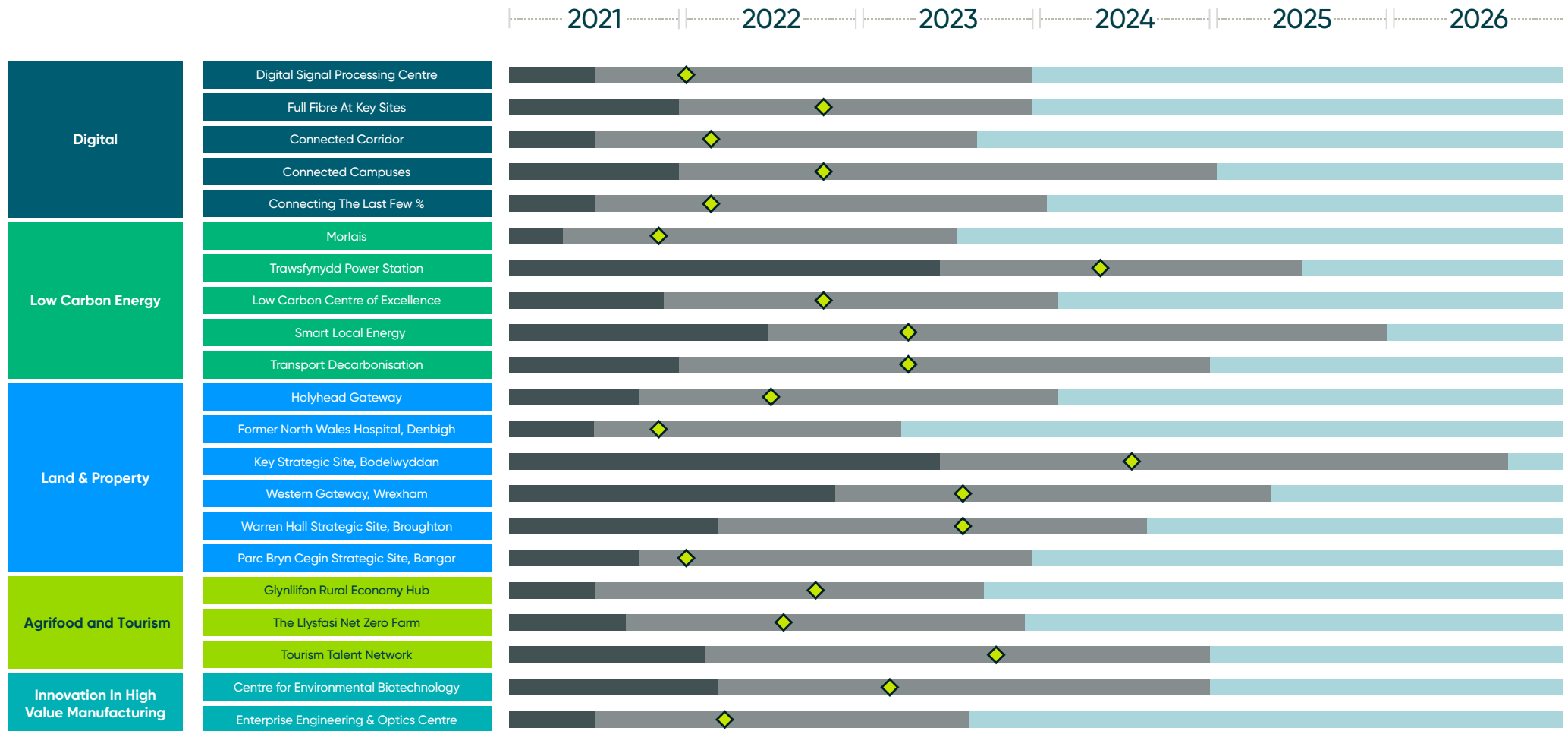
Reporting

The Portfolio Management Office will produce quarterly progress reports and an annual report on the Growth Deal which will be shared with Welsh Government, UK Government, the Economic Ambition Board and its partners. These reports will be publicly available on our website.

Scrutiny Arrangements

Scrutiny of the North Wales Growth Deal is provided by the six local authorities through their existing Scrutiny Committee arrangements. The Scrutiny Committees will consider the quarterly and annual reports produced by the Portfolio Management Office.

Growth Deal Project Delivery Pipeline – March 2021



Business Case Development & Approval Phase *

* Approval of OBC pre procurement

Procurement and Project Delivery Phase **

** Includes approval of FBC post procurement

Operational & Benefits Realisation Phase

Anticipated start on site date



The Next 12 Months

Alwen Williams
Portfolio Director

While the last 12 months has seen significant progress made and a historic milestone achieved with the signing of the North Wales Growth Deal, the next year ahead promises to be even more exciting.

All of the careful planning and preparation with partners will lead to investments being made, new tangible assets for the region being created and new and exciting opportunities become real over the next year.

As a team that has developed virtually during 2020, we look forward to enhancing the team further and completing the recruitment. With only two further vacancies to fill during 2021, it will be good to have the whole team together and we look forward to a time when we can all work safely together in the office.

The next 12 month will see us embark on an ambitious programme of business case development with a number of Outline Business Cases scheduled to be considered by the Economic Ambition Board. We are also anticipating making our first final investment decisions on projects before the end of the year, which would see project delivery commence and investment flowing into the region.

As we progress with the delivery of the Growth Deal, our image and the information we share with the public becomes ever more important. We have already embarked on the development of a new brand and a new website and look forward to launching these over the coming months.

I hope you have found this annual report useful and informative and that you will continue to follow our progress during the next year.

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