



north wales economic ambition board
bwrdd uchelgais economaidd gogledd cymru

*North Wales, the economy of the future: **Smart, Connected, Resilient**,
where economic growth is powered by innovation in high value economic sectors*

Smart, Connected and Resilient

The North Wales Growth Bid Conference

The Conference was held 9.00am-12.00pm, on Thursday 1st November 2018, in the Main Hall of Venue Cymru, Llandudno. There were over 120 delegates from Councils, Business Organisations and Partners in Higher and Further Education.

The conference heard from: -

- UK and Welsh Governments Ministers who are supporting the Bid as funders.
- The Team leading the Bid, notably the Chair of the Ambition a Board, Cllr. Aaron Shotton and Iwan Trefor Jones, the Lead Director for developing the Projects that will comprise the Bid.
- Business People and Officers leading particular programme and project work-streams

The Conference took place in the wake of the announcement of £120m funding for the North Wales Growth Deal by the UK Government in the 2018 budget which if matched by the Welsh Government would point to a deal of £240 - £250m.

Colin Everett, Chief Executive of Flintshire County Council and Lead CEO for the North Wales Growth Bid facilitated the proceedings and introduced the purpose of the conference: -

- To inform
- To Inspire and
- To Prepare for delivering the North Wales Growth Deal

The key message from the Conference is that the region is moving forward with a unified programme that is led by a unified governance body with a mandate to speak for North Wales. The Growth Bid will be a catalyst to improve the economic performance of North Wales for the benefit of its people. Based on the unified regional unity and leadership being developed by the North Wales Economic Ambition Board the Growth Deal will enable further benefits to be brought to the region in the future.

Conference Report

Ministerial Contributions

Mims Davies MP, UK Government Minister for Wales

referred to

The short speech of Mims Davies MP referred to: -

- The allocation of £120m in the budget for a North Wales Growth Deal.
- Encouraging the partners (Councils and Welsh Government) to conclude a deal through the allocation of a capital allocation.
- Devolution as a driver of Growth Deals across the UK, enabling groups of local authorities to work in partnership with the private sector to have more say over economic priorities in their wider areas.
- The importance of Growth Deal funding achieving leverage of funds from the private sector and other partners
- The importance of timely delivery, using the funds to deliver the agreed projects.

Ken Skates AM, Cabinet Secretary for the Economy and Transport in the Welsh Government

The Cabinet Secretary referred to: -

- The opportunity for a growth deal to align with the Welsh Government's Economic Action Plan (EAP) and the UKG Industrial Strategy. In particular, the EAP is implementing new, place based, regional approach to economic development services in Welsh Government with Chief Regional Officers and regional budgets. There is the opportunity to align Welsh Government and Local Authority services.
- The region building on its strengths in energy, advanced manufacturing and high value tourism sectors. Barriers to achieving these goals are shortcomings in infrastructure and skills.
- Improving digital infrastructure as being essential to underpin the region's whole offer.
- The deal needing to achieve "bang for buck" and offer a platform for future complementary joint working between the Board and the WG.

The Cabinet Secretary took questions: -

- Councillor Mike Stevens (Towyn, Meirionydd) asked that Mid-Wales is not forgotten
- Councillor Mark Pritchard (Leader, Wrexham Council) asked when the WG will announce matching funds from WG for the Growth Deal
- Askar Sheibani (Deeside Industrial Park Forum) expressed disappointment with the amount announced by the UKG (£120m) and asked for support for maximising investment in digital infrastructure
- Robert Llewelyn Jones (Holyhead, Anglesey) asked about Brexit and working with the Irish Government with a view to safeguarding the future of the port at Holyhead.
- Dana Davies (Ruabon, Wrexham Council) asked what the WG could do to support the costs of financing the growth deal (Councils and Partners will have to finance interest payments on borrowing)

The Cabinet Secretary responded: -

- The EAP is looking to target rural poverty and help deep rural areas like Mid-Wales
- The WG is looking to promote new methods of infrastructure investment appraisal in order to areas outside the South East of England (including rural areas) a better chance of receiving investment for social and future growth reasons. Current investment appraisal processes favour areas of existing activity whereas some investment should be used to favour areas that are outside of existing economic hubs.
- There will be a workshop of officials and the NW Bid Officers towards the end of November which will seek to define the project portfolio that can be delivered by the deal and captured in a Heads of Terms Document. That is likely to drive the announcement of WG funding. The WG had hoped for a larger investment in the deal than £120m. The WG will be exploring whether the £120m is a start or end-point for the UKG in financing the North Wales Deal.
- The WG will also be putting indicative regional budgets into the mix which could complement the projects supported by the Growth Deal.
- Digital connectivity is a major concern of the WG as it will underpin the 4th Industrial Revolution (Industry 4.0) which is now underway and will see an internet of things and digitally enabled factories.
- The Minister commented that poverty was linked to the ongoing policy of austerity and the UKG should both end austerity and get a Brexit deal.
- The WG is aware of the financial difficulties of Councils and will look to discuss potential financing solutions for the deal with the NWEAB.

Both Ministers thanked the NWEAB, its partners and its officers for the hard work to bring together a Growth Bid.

Colin Everett summarised the discussion: -

The North Wales Growth Deal is about Partnership and should promote growth in core transformational programmes covering: -

- Digital connectivity
- Energy production and
- Advanced manufacturing

The agreement of the 11 partners bodies represented on the NWEAB had hastened the UKG announcement of the £120m

Keynote Speech - Councillor Aaron Shotton, Chair of the NWEAB

The Growth Bid is derived from a single vision for the 11partners on the NWEAB agreed in 2016.

The confirmation of a Bid moving to a Deal will enable the region to begin to implement its vision working in partnership with governments.

The key achievement of the work around the vision and the bid has been to create unity of purpose between the 11 partners, including the key sectors of local government, HE, FE and business.

The Board's objectives are to improve living standards measured by GVA per head and GVA in North Wales relative to the rest of the UK.

The Growth Bid will be a stepping stone to future ambitions. It will enable the region to address barriers to improved economic performance: -

- An ageing population
- Outward migration of young people
- Lack of development sites (housing and employment)
- Outdated and congested roads and railways
- Relatively poor digital provision
- A disconnect between skills available in the region and employer needs

While employment levels are rising there are a significant number of workless households and low wage households which drives “in work” poverty.

The region needs to do better. The key to this is unity and cohesion so that the region speaks with one voice. Being more assertive with Welsh and UK Governments has brought dividends: -

- HMP Berwyn
- The Deeside AMRI
- Transport Commitments – A494, the third Menai Crossing, additional rail services and a new Railway Station for Deeside Industrial Park
- And the Growth Deal itself

We have got investment by working together and need to keep our togetherness for the next round of opportunities: -

- Negotiating regional revisions and additions to WG Services in economic development, skills development and transport
- The Shared Prosperity Fund
- Future rounds of transport investment

The region should seek empowerment and devolution on the lines of that being offered to city regions and Local Enterprise Partnership areas in England.

A unified, credible governance body (The Ambition Board) is a key vehicle for demonstrating unity and speaking with one voice. It is the platform for receiving devolved powers from governments.

Cllr. Shotton thanked the audience for the support for the Proposition Document and the Growth Deal secured from all of the 11 Partners represented at the conference.

The offer of £120m from the UKG is a positive first step that will enable a growth deal. The next step is to move to delivering projects. The offer of £120m was secured by working together. The region needs to keep and further develop its unity of purpose. We are strong in unity.

Overview of the growth Bid

Iwan Trefor Jones, Lead Director for the Bid

Iwan Trefor Jones made the following key points: -

The Growth Bid aligns with: -

- The WG Future Generations Act and Economic Action Plan



- The UKG Industrial Strategy

The Growth Bid derives from the region's Growth Vision which was published in 2016. The region intends to double GVA over 15 years and reduce the relative gap in GVA between North Wales and the rest of the UK.

Growth will be achieved by supporting the high value sectors of energy and advanced manufacturing develop further. The Growth Bid is designed to enable the region to take a greater share of the value of the supply chains for the key developments and anchor companies in the three key sectors.

Unity and shared purpose is key, as emphasised by Cllr. Shotton. The single vision approach has replaced shelves full of fragmentary plans. The region will be stronger by working together.

The Growth Deal will enable the region to begin breaking down barriers to growth such as poor digital and transport infrastructure. It will enable a pipeline of sites and premises to be developed to enable supply chains to develop in the region for new developments like the SMR and Wylfa Newydd as well as existing clusters of advanced manufacturing located in the region.

Iwan took the conference through the programmes and projects identified in the Proposition Documents.

There were then presentations: -

Smart North Wales

Smart Sites and Premises

Graham Boase, Corporate Director, Economy and Public Realm, Denbighshire County Council
Iwan Prys Jones, Programme Manager, North Wales Economic Ambition Board

Smart Energy

John Idris Jones, Chair, Snowdonia Enterprise Zone Advisory Board
Dylan Williams, Head of Regulation and Economic Development, Isle of Anglesey County Council

Connected North Wales

Digital North Wales

Steve Bayley, Head of Housing and Economy, Wrexham County Borough Council
Ashley Rogers, Chair of North Wales MD Business Council and Director of Gill and Shaw Ltd.

Resilient North Wales

Improving Skills

Sasha Davies, Head of Strategic Development Wales, Horizon Nuclear Power and Chair of the Regional Skills Partnership
Andy Ainscough, Managing Director, Surf Snowdonia

The presentations are attached.

Andy Ainscough did not use a PPT Presentation. He described the challenges his business faced in developing a long-term employment model in the region. This will be built on developing a longer season of operation to give better paid, permanent and yearlong jobs.

There was also reference to Surf Snowdonia's commitment to using local suppliers wherever possible with particular reference to food.

A particular challenge for Surf Snowdonia has been securing hospitality and catering skills. Surf Snowdonia plans to develop its own hotel and catering facilities alongside further (indoor) adventure facilities. It also needs its "adventure" staff to have a wider portfolio of skills.

Therefore, the Tourism Academy proposed by Grwp Llandrillo Menai in the Growth Bid is seen as crucial to these to the future development of Surf Snowdonia and the wider group of new adventure tourism businesses in the region.

Question and Answer Panel

Councillors: Mark Pritchard, Hugh Evans, Llinos Medi Huws and Gareth Jones with Ashley Rogers (Chair of the North Wales MD Business Council and Dafydd Evans (CEO, Grwp Llandrillo Menai) answered questions from the floor of the conference.

Questions

- Will the WG allocate "new money" to the NW Growth Deal?
- Will the NWEAB accept the establishment of a regional scrutiny committee to scrutinise the growing regional economic model?
- Why is the region so far behind on digital connectivity compared to somewhere like Cornwall?
- How does the Bid relate to the 1m Welsh speakers target and bringing back Welsh Speakers to the region?

The Panel responded:

The Welsh Government should and most likely will find £120m or more new money for the North Wales Growth Deal.

- Consideration of the case for regional scrutiny arrangements is timely. Most of the growth bid and its delivery scrutiny will be through local arrangements. The Governance Agreement for the next phase of work GA2 will include provisions on scrutiny and the Board will debate the merits of a regional scrutiny panel which could be incorporated into GA2 along with provisions for local scrutiny of the work of the Ambition Board.
- The future of the Welsh Language is central to the work of the Ambition Board. Developing a strong economy with good jobs will enable Welsh Speakers to stay in the region or where they have left for career reasons to return to good jobs. Good jobs available locally is how to make the language resilient for the future.
- North Wales has lagged behind on a number of indicators because in the past the region has not worked together which has led to not being prioritised for investment. Now and in the future there needs to be a regional dimension to seeking investment and planning the economy and transport. Working together will breed confidence and enable the delivery of growth, more of which can be retained in the region with the right policies.

- Dafydd Evans in his response highlighted linkage between the health of the rural economy and the Welsh Language. There are two potential projects supporting agriculture in the Growth Bid and support for them would be beneficial for the rural economy and thereby the language.

Closing Remarks

Councillor Shotton gave an address in place of Cllr. Dyfrig Siencyn who could not attend the conference due to illness: -

- Councillor Siencyn is passionate about “Project North Wales” and is a strong advocate for rural issues and securing benefits from the growth deal for rural areas
- Councillor Shotton and Cllr. Siencyn as Chair and Vice Chair of the NWEAB are conscientious in reflecting the diversity across the region in their discussions with Ministers (of both governments).
- As the region is working in a new and different way that is more collective, there is a need to consider issues of scrutiny and accountability to the wider council memberships.
- The allocation of £120m by the UKG is a solid foundation on which to build the conclusion of the Growth Deal and prioritise a final list of projects to take to delivery. Prioritisation will not be easy as many of the projects within the deal are interconnected.

The conference has: -

- Provided information to take back to councils and partner organisations
- Given a flavour of the opportunities from the deal and the barriers the projects are designed to break down

Councillor Shotton hoped that the conference would enable delegates to become advocates for the Bid and the new, unified way of working that made the Growth Bid possible.

Colin Everett summed up the key messages from the conference.

In the past North Wales has underperformed economically and been neglected for investment, in part due to not working together as a unified region.

The region is now working together to look to the future with a governance body (The Ambition Board) working as a united group to secure funding, economic growth and prosperity. This is an uplifting message.

The next steps for the Growth Bid are that officials will meet and discuss: -

- How to use the £120m UKG contribution to the best effect
- The Welsh Government’s contribution (match funding) and how it will be used
- Devolved and non-devolved issues
- Empowerment of the region
- Support to the region for financing the deal
- The key points of a draft heads of Terms Agreement to be put to the Ambition Board
- How to develop business cases after Heads of Terms in order to ensure the region delivers projects agreed in the heads of Terms

He gave thanks to officials in the Wales Office and the Welsh Government who had helped the region progress and asked that delegates act as advocates for the Deal.

Feedback and Support

To feed back on the conference and programmes after the event, please email NorthWalesEAB@gmail.com.

Support for the Bid can be expressed on the NWEAB website and it's Twitter Feed: -

<https://northwaleseab.co.uk/>

<https://twitter.com/northwaleseab?lang=en>