

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Executive Committee
Date:	26th March 2018
Subject:	North Wales Regeneration Strategy and Targeted Regeneration Investment Programme (TRIP)
Portfolio Holder(s):	Cllr. Carwyn Jones Cllr. Alun Mummery
Heads of Service:	Dylan Williams, Head of Regulation and Economic Development Ned Michael, Head of Housing Services
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Local Members:	Relevant to all members

A – Recommendation/s and reason/s

Recommendations

To authorise the Head of Regulation and Economic Development and Head of Housing to :-

- 1. Participate in the preparation of a regional Regeneration Strategy by the North Wales Economic Ambition Board (NWEAB) for submission to the Welsh Government;**
- 2. Negotiate funding allocations and make TRIP funding applications to the Welsh Government, subject to agreement by the S151 Officer;**
- 3. Accept and undertake expenditure of approved TRIP funding, including the award of grants to others for eligible projects, subject to agreement by the S151 Officer;**
- 4. Seek to maximise the level of TRIP funding to Anglesey, and prepare projects in readiness for potential opportunities to secure additional funds;**
- 5. Lobby for the provision of a regeneration funding scheme designed to assist regeneration projects in smaller towns and rural areas.**
- 6. Negotiate and enter into agreements with other North Wales county councils where this is necessary to bid for or receive TRIP funds, subject to agreement by the S151 Officer and Council Solicitor.**

Context

The Welsh Government (WG) Homes and Places Division has launched the Targeted Regeneration Investment Programme (TRIP) to provide capital regeneration funding in Wales from April 2018. This replaces the VVP Programme 2014-17.

WG wishes TRIP to be embedded within the regional structures and processes currently being developed across Wales, and has invited each of the four regional economic development partnerships to develop long term regeneration strategies to steer the TRIP investment in their region. WG has proposed that each region prioritise a small number of "Regeneration Areas".

Whilst the initial TRI programme will operate for three years from 1 April 2018, WG officials are confident that there will be funding available in subsequent years and have advised that the regional regeneration strategy should set out long term priorities and programmes of work rather than focussing only on the next three years.

North Wales Response and Strategy

Officers from the North Wales Regeneration Officers Group and the North Wales Economic Ambition Board (NWEAB) Programme Management Group (PMG) have led the response to this opportunity from North Wales.

It has been agreed that there should be a North Wales Regeneration Strategy which sets out a vision and objectives for regeneration until 2035, and provides a high level summary of priorities to steer the development of future programmes of work , and help to align the regeneration process with that for economic growth which operates to the same timescale.

The following priorities are proposed for the Regeneration Strategy :-

- Reduce inequality
- Increase employment
- Modernise town centres
- Improve the housing offer
- Strengthen the visitor economy
- Protect the rural economy
- Improve the health of local people

Based on advice from WG, twelve towns are proposed as priority areas for urban regeneration interventions in North Wales . These towns have been identified using the Welsh Index of Multiple Deprivation (WIMD) rankings for overall levels of deprivation based on the presence of Lower Super Output Areas (LSOAs) which are among the ten percent most deprived in Wales. The twelve towns to be prioritised on this basis are as follows : Rhyl, Wrexham, Bangor, Colwyn Bay, Caernarfon, Wrexham Villages, Holywell, Shotton, Llandudno, Denbigh, Holyhead, Abergele & Penysarn. These are ranked based on the population living in the most deprived LSOA's, with Rhyl having 11,021 residents in this category compared to 1,487 in Holyhead, for example.

The rural authorities have pointed out that this methodology identifies concentrations of poverty associated with larger urban settlements, and have highlighted the need to address poverty and regeneration needs in smaller towns and rural areas. This need has been recognised, but measures to address this need have not.

The TRI programme (TRIP) for North Wales

As with VVP, TRIP is being made available for housing and regeneration capital investment, with a clear emphasis on urban renewal and homes. WG has advised that it will consider capital funding bids from local authorities once an agreed regional strategy is in place, and projects have secured regional support.

WG has indicated a notional allocation of £22m over three years for North Wales, which is about half of the funds that were available under VVP, but the level of funding may well vary from this. TRIP can only fund capital investments and will provide up to 70% of project costs (50% for project development). Due to the limited resources, WG officers have advised that they will only consider targeting 3 or 4 settlements in North Wales during the period 2018-21. Based on the WIMD LSOA population rankings referred to earlier, these are identified as : Rhyl, Wrexham, Bangor, Colwyn Bay.

It has also been agreed in principle by WG that some of the North Wales funding can be made available for thematic programmes covering more than one county, which could be open to other settlements identified in the regional strategy. Thematic programmes under consideration include : Housing Renewal Areas in Conwy/ Denbighshire/ Flintshire/ Wrexham, Empty Buildings in Anglesey / Gwynedd, and Important Buildings across the six North Wales counties.

Implications for Anglesey

Anglesey has only one LSOA in the top 10% most deprived in Wales (Morawelon) and because of this, Holyhead appears on the list of 12 regeneration areas in North Wales, but other towns in Anglesey do not, and the relatively lower numbers in Holyhead resulted in it not being among the four areas in which it is proposed to prioritise investment in 2018-21. Given that WIMD is the officially recognised measure of deprivation, it is difficult to argue against this methodology as a means of targeting urban regeneration funds.

Any TRIP funding for Anglesey within this period will therefore need to come from the proposed thematic allocations. The main source is expected to be the provisional allocation of £3.3m to be shared between Anglesey and Gwynedd to tackle empty premises, primarily for housing use. Anglesey should also receive a share of the anticipated £200k development fund allocation to North Wales in 2018/19 (1/6 equal share = £35k), and a share of a provisional North Wales allocation of £2.5m for dealing with key town centre buildings (1/6 equal share = £400k).

WG has made additional funds available in recent financial years (normally in Q3/Q4) for 'pipeline projects' that are able to proceed rapidly, and it is therefore quite possible

that Anglesey will receive additional capital funds if it has eligible capital projects in a suitable state of readiness.

Anglesey TRIP Project Proposals

Following consideration of many options, the following have been identified by regeneration and housing officers as provisional proposals for TRIP funding on Anglesey (if the actual allocation to North Wales is greater than £22m it should be possible for the figures requested to increase) :-

Empty Properties Programme for NW Wales - provisional IACC request c£2m

Empty Homes Enabling Fund - to support projects which address empty and problematic premises, generally for residential use

Townscape Heritage Initiative (THI) - to co-fund with HLF to enable the re-use of historic town centre premises for commercial and/or residential use

Important Buildings Programme for N Wales - provisional IACC request c£400k

Building for the Future - to be used as match funds to attract a larger ERDF grant towards key building improvements on Anglesey

Project Development Fund - provisional IACC request c£35k

Plans to Redevelop Ysgol y Parc / Library and Ysgol Parch Thomas Ellis sites - to help maximise opportunities and benefits by redeveloping key vacant urban sites

Further work will take place over the coming weeks to finalise the TRIP funding proposals in readiness for submission early in the new financial year. This will include consideration of project proposals at the Corporate Land and Assets Group.

Welsh Government officials have advised that the thematic funds will need to be applied for jointly between relevant local authorities, with one authority acting as the lead / grant recipient body. It is proposed that Anglesey would be the lead body for the 'Empty Properties' theme and a suitable agreement will therefore be needed with Gwynedd Council to manage this, subject to Finance and Legal approvals.

It is important to highlight the fact that poverty and deprivation also exist in smaller towns/ villages/ rural areas, and that the use of WIMD / LSOA level data means that it is often hidden. The emerging North Wales regeneration Strategy recognises the need to tackle rural needs, but the current TRIP programme is not geared to tackle this, and work needs to take place to address this.

B – What other options did you consider and why did you reject them?

- a) **Do Not Support the Regional Regeneration Strategy** – the Welsh Government has made it clear that the Regional Strategy must have the support of all six North Wales Local Authorities in order for North Wales to access TRIP funding. On the basis that Anglesey would therefore receive no funds, this option has therefore been dismissed
- b) **Do Not Support the TRIP Funding Proposals** - the Welsh Government has made it clear that the plans must have the support of all six North Wales Local Authorities in order for North Wales to access TRIP funding. On the basis that Anglesey would therefore receive no funds, this option has therefore been dismissed.

C – Why is this decision for the Executive?

It involves giving authority to officers to become involved in a new regional strategy, to accept new external funding, and make related expenditure or grant awards

CH – Is this decision consistent with policy approved by the full Council?

Yes, this accords with Council Plan 2017-2022 priorities, in particular :-

Health and Wellbeing – 2. Use our own resources, and those of external partners, to increase the number of affordable and Council owned homes and bring empty houses back into use

Jobs and Work Opportunities – 2. Work with other North Wales Councils to attract investment to ensure that key projects that offer local employment opportunities go ahead

The Island's natural and built environments ...need to be safeguarded and enhanced and their value as socio-economic resources maximised.

D – Is this decision within the budget approved by the Council?

Yes – it is expected that the 30% minimum match funding requirement will be found from within existing budgets and other grant funds eg HLF and SHG. Where this is not possible, the relevant route for securing approval of any funding would need to be pursued by the lead Service for each project.

DD – Who did you consult?

What did they say?

1	Chief Executive / Strategic Leadership Team (SLT)	Was considered at 5 th March 2018 meeting of the SLT. The rationale of the methodology for prioritising
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	(mandatory)	settlements was questioned, and the need to seek to increase TRIP funding allocation to Anglesey was emphasised. Project selection to involve Corporate Land and Assets Group.
2	Finance / Section 151 (mandatory)	<i>I think the report is fine no changes from me.</i> Jenny Whiston, Grants Manager
3	Legal / Monitoring Officer (mandatory)	<i>No comments.</i> Robyn Jones
4	Human Resources (HR)	n/a
5	Property	<i>I'm happy. Need to develop a strategy to take forward the unique opportunity which the Ysgol y Parc/ Library site provides.</i> T. Dylan Edwards
6	Information Communication Technology (ICT)	n/a
7	Scrutiny	Not applicable at this stage
8	Local Members	Local members will be consulted on specific project proposals in due course
9	Any external bodies / other/s	Report reflects views and comments by officers of WG and at NWEAB meetings
10	Housing	<i>I confirm that I am happy with the report. Before funding allocations are agreed, we need to agree the process for proposing and agreeing projects and the ongoing monitoring of the programme.</i> N.Michael
1	Economic	Positive impact on economic well-being expected
2	Anti-poverty	Positive contribution to combating poverty expected
3	Crime and Disorder	No direct impact, but potential indirect positive
4	Environmental	Positive impact on urban environments expected
5	Equalities	No adverse impact envisaged, relevant IACC / WG equalities policies will be applied
6	Outcome Agreements	No direct impact
7	Other	

F - Appendices:

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FF - Background papers (please contact the author of the Report for any further information):

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