

Public Document Pack



CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

Mr Dylan J. Williams
Prif Weithredwr – Chief Executive
CYNGOR SIR YNYS MÔN
ISLE OF ANGLESEY COUNTY COUNCIL
Swyddfeydd y Cyngor - Council Offices
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RHYBUDD O GYFARFOD	NOTICE OF MEETING
PWYLLGOR SGRIWTINI PARTNERIAETH AC ADFYWIO	PARTNERSHIP AND REGENERATION SCRUTINY COMMITTEE
DYDD MERCHER, 19 EBRILL, 2023 am 9.30 o'r gloch yb	WEDNESDAY, 19 APRIL, 2023 at 9.30 am
CYFARFOD HYBRID – YSTAFELL BWYLLGOR 1, SWYDDFEYDD Y CYNGOR, LLANGFENI AC YN RHITHIOL DRWY ZOOM	HYBRID MEETING – COMMITTEE ROOM 1, COUNCIL OFFICES, LLANGFENI AND VIRTUALLY THROUGH ZOOM
Swyddog Pwyllgor	Mrs. Mairwen Hughes 01248 752516 Committee Officer

AELODAU / MEMBERS

Cynghorwyr / Councillors:-

Y Grwp Annibynnol/ The Independent Group

Gwilym O Jones (**Is-gadeirydd/Vice-Chair**)

Plaid Cymru / The Party of Wales

Non Dafydd, Euryrn Morris, Trefor LI Hughes MBE, John I Jones, Dylan Rees
(**Cadeirydd/Chair**), Margaret M Roberts, Ken Taylor

Annibynnwyr Môn/Anglesey Independents

Paul Ellis, Jeff Evans, Derek Owen

Llafur Cymru/Welsh Labour

Pip O'Neill

Aelodau Ychwanegol/Additional Members (gyda hawl pleidleisio ar faterion addysg/with voting rights in respect of educational matters) Sedd Wag/Vacant Seat (Yr Eglwys yng Nghymru/The Church in Wales), Sedd Wag/Vacant Seat (Rhiant Llywodraethwr – Sector Ysgolion Cynradd/Parent Governor – Primary Schools Sector), Mrs Llio Johnson-(Rhiant Llywodraethwyr – Sector Ysgolion Uwchradd ac ADY/Parent Governor – Secondary Schools Sector and ALN) Mr John Tierney (Yr Eglwys Babyddol Rufeinig/The Roman Catholic Church)

Aelod Cyfetholedig/Co-opted Member (Dim Hawl Pleidleisio/No Voting Rights)

Mr. Dafydd Gruffydd (Rheolwr Gyfarwyddwr/Managing Director - Menter Môn)

AGENDA

1 **APOLOGIES**

2 **DECLARATION OF INTEREST**

To receive any declaration of interest by any Member or Officer in respect of any item of business.

3 **MINUTES** (Pages 1 - 10)

To submit, for confirmation, the minutes of the previous meeting held on 15 March, 2023.

4 **ANGLESEY'S TOWN CENTRES IMPROVEMENT STRATEGY** (Pages 11 - 28)

To submit a report by the Head of Regulation and Economic Development.

5 **ANGLESEY FREE PORTS** (Pages 29 - 38)

To submit a report by the Head of Regulation and Economic Development.

PARTNERSHIP AND REGENERATION SCRUTINY COMMITTEE

Minutes of the hybrid meeting held on 15 March 2023

- PRESENT:** Councillor Dylan Rees (Chair)
Councillor Gwilym O Jones (Vice-Chair)
- Councillors Non Dafydd, Jeff M Evans, T LI Hughes MBE, John Ifan Jones, Euryrn Morris, Pip O'Neill, Derek Owen, Margaret M Roberts and Ken Taylor.
- Councillor Llinos Medi (Leader of the Council and Portfolio Member for Economic Development).
- IN ATTENDANCE:** Chief Executive,
Director of Education, Skills and Young People,
Head of Regulation and Economic Development (for item 5),
Head of Democracy (for item 4),
Policy and Welsh Language Manager (for item 4),
Economic Development Manager (for item 5),
Ynys Cybi Landscape Partnership Programme Manager (for item 5),
Scrutiny Manager (AGD),
Committee Officer (MEH).
- APOLOGIES:** Councillor Gary Pritchard (Portfolio Member for Children, Youth Housing Services);
Councillor Dafydd R Thomas (Portfolio Member for Highways, Property & Waste);
Councillor Ieuan Williams (Deputy Leader & Portfolio Member for Education and Welsh Language);
Deputy Chief Executive,
Director of Social Services,
Director of Function (Council Business)/Monitoring Officer,
Head of Adults' Services.
- Mr John Tierney – The Roman Catholic
- ALSO PRESENT:** Councillor Neville Evans (Portfolio Member for Leisure, Tourism and Maritime);
Councillor Carwyn Jones (Portfolio Member for Corporate and Customer Experience);
Councillor Alun Roberts (Portfolio Member for Adult's Services and Community Safety);
Councillor Nicola Roberts (Portfolio Member for Planning, Public Protection and Climate Change).
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1 APOLOGIES

As noted above.

2 DECLARATION OF INTEREST

Councillor Euryrn Morris declared a personal interest in respect of Item 6 – North Wales Economic Ambition Board Q3 : 2022/2023 Progress Report.

3 MINUTES

The minutes of the meeting held on 7 February, 2023 were confirmed as correct.

4 ANNUAL REPORT ON EQUALITIES : 2021/2022

Submitted - the Annual Equality Report 2021/22 for consideration by the Committee.

The Leader of the Council said that under the Equality Act 2010 Statutory Duties (Wales) Regulations 2011, the Council must publish an annual report on equality. The main purpose of the report is to show how the Council meets its equality duties. She noted that the report gives examples of how the Authority promoted equality within the communities and the workforce, explaining how relevant information is collected, outlines the arrangements for carrying out impact assessments, gives an outline of progress in achieving equality objectives and identifies the priorities for the next twelve months. There is also reference within the report of the achievement of pupils in schools and the achievement of pupils who received free school meals.

In considering the Annual Report on Equalities for 2021/2022 the Committee discussed the following:-

- **What are the main challenges faced in terms of mainstreaming equality with the Council and also what are the difficulties with conscious bias?**

The Leader responded that there are data gaps, with the Authority being eager for staff to feel willing and comfortable to share their personal information. She noted that prejudice is an issue and it is found that society is finding it difficult to cope with different situations. She further said that in the next Annual Report it will demonstrate how the political representation has changed within the Council. The work undertaken to encourage people from different backgrounds to put their names forward to be Elected Members on the Council has been positive. Following the local government election last May there are younger Elected Members and more women. The Leader further referred to the pay gap between men and women and that this Authority does not pay bonuses. The gender pay cap is much lower than the average across the UK. The Policy and Welsh Language Manager referred to unconscious bias and it is recognised as a challenge. Training on unconscious bias is offered to Officers of the Council on a regular basis.

- **A new Strategic Equality Plan will need to be approved by 1st April, 2024. How do Officers intend to go about gathering relevant information in order to inform our objectives for 2024-2028?**

The Head of Democracy responded that the Equality and Human Rights Commission make it clear that the Authority must engage and consult widely to gather information as regards to equality objectives. Work will be undertaken to gather information from representatives of groups protected under the equalities act. The Authority is fortunate that there are partner organisations such as Medrwn Môn that the Council can utilise to access protected groups. He further said that the Equalities Commissions expertise and guidance will also be used to inform the Authorities engagement activities.

- **What will be the role of this Committee in the process of developing new equality objectives?**

The Policy and Welsh Language Manager responded that this Committee has a key role to contribute into any consultation on the equalities objectives within the Council. She noted that engagement will be undertaken with different protected groups to ascertain what they consider should be the Council's objectives and this Committee's input would be welcomed.

The Committee raised the promotion of the use of public transport, there are issues with the loss of bus routes and some buses not arriving on the specific time within their timetable. The Leader of the Council responded that grants are currently received from Welsh Government to maintain accessible bus routes, however, there are issues with transport routes in rural areas. During continued discussions with Welsh Government the fact that their Transport Strategy does not respond to needs and challenges of rural areas is emphasised.

- **Are there schemes in place to close the attainment gap of pupils who receive free school meals performance compared to pupils that do not receive free school meals? What will be the impact of the Welsh Government decision to offer free school meals to all primary school children?**

The Leader of the Council responded that she has concerns as to how the formula is used to measure if a child is eligible for school meals. She noted that there are families that are eligible to receive free school meals for their children who do not claim. This came apparent during the pandemic with more children qualifying for free school meals. The Leader further referred to the attainment of the gap between pupils who receive free school meals compared to pupils who do not qualify and noted that she considered that a fairer formula needs to be introduced. The Director of Education, Skills and Young People said that poverty can have a detrimental impact on performance of pupils with some families unable to afford school uniform and school trips. He noted that training for Schools and Governors are afforded to ascertain how their schools policies have an effect on children performance. A Trauma Informed Scheme is offered to schools with a number of school staff already having attained a Diploma in

Trauma Informed. He noted that the introduction of the new Curriculum for Wales will result in pupils having an individual assessment rather than monitored within groups. Pupil's attainment will be monitored and will receive support and intervention if required.

- **Reference was made that local authorities work with partner organisations. Questions were raised whether this Authority can influence partner organisations?**

The Leader of the Council responded that any partnership work undertaken by the Authority is informed by core principles. She noted that legislation supports equalities through the Local Government Act. The Chief Executive said that working with partner organisations is important but there is a need to ensure that the Authority does not compromise on its core values and to ensure that it is a joint partnership. He referred to the Council Plan which highlights 4 values; one of the 4 values refer to is 'to respect and to be respectful of others'. He noted that the Authority is committed towards equalities and to protect people who suffer social and economic disadvantage. Whilst adopting the Council Plan the Authority is committed to create a new Equality Plan next year. The Chief Executive further said that it is important that equalities is incorporated into the Council's Scorecard which is monitored on a quarterly basis; reporting on equalities could then be part of the monitoring process rather than discussed on an annual basis.

- **Reference was made to Welsh Government's Pavement Parking proposals and their proposal to give Local Authorities powers to tackle pavement parking**

The Leader of the Council responded that with the change in the legislation as regards to illegal pavement parking it will enable local authorities to collect data which has an impact on equalities as people need to be able to walk safely on pavements. She noted that internal discussions will need to be undertaken as regards to implementing the new legislation, especially enforcement capacity.

- **In terms of the Authority's impact assessment arrangements, the aim is that identifying and reducing negative effects and promoting equality becomes part of the Council's day to day work. How can this Committee contribute to making that a reality?**

The Leader of the Council responded that the Committee needs to ensure that an equality impact assessment is undertaken when a report is submitted for consideration by the Committee. She highlighted the need to consider every person within society when decisions are undertaken.

- **Questions were raised as to how many staff have agreed to afford data and whether it is sufficient to afford the Council the required information required which could add value to the Equalities Report?**

The Leader of the Council responded that the Authority needs to afford staff the confidence to share information. She noted that training will inform staff why the

Authority needs specific data and their responses will strengthen equality. The Policy and Welsh Language Manager said that data collection is a challenge and work has been undertaken to review the documentation used by staff. She further noted that staff need to be confident that the data collected is confidential.

It was RESOLVED to accept the Annual Equalities Report for 2021/2022.

ACTION : As noted above.

5 YNYS MÔN LEVELLING UP PROGRAMME

Submitted – a report by the Head of Regulation and Economic Development on the Ynys Môn Levelling Up Programme for consideration by the Committee.

The Leader of the Council said that a bid submitted by the County Council was approved in January, 2023 for a sum of £17m within the Levelling Up Fund (LUF) Round 2. She noted that out of the 529 bids that were submitted in the UK during Round 2, only 111 (20%) were successful. This demonstrates that the bid submitted by the Anglesey was of a very high standard and more than fulfilled each of UK Government's criteria and requirements. During the assessment period it became apparent that only a bid focussing upon addressing Holyhead's socio-economic needs would likely meet the UK Government's specific requirements and have any opportunity of being approved. A total of 5 projects were submitted in Holyhead which included Môn Communities First; the Town Council; the Church in Wales; Ucheldre Centre; and the Isle of Anglesey County Council – Heritage Regeneration. She noted that the timescale for delivery are challenging with the £17m to be spent by March 2025. The Leader wished to thank the staff of the Economic Development Service for their hard work in succeeding to secure the grant funding for Holyhead.

The Head of Regulation and Economic Development gave an insight into the preparation of the LUF bid to the UK Government. He noted that the bid included a package of projects to increase employment, improve the town centre and visitor experience, increase the footfall and spending, provide modern floor space to meet business needs, and increase access to art, culture and leisure. He further said that Holyhead has a number of commercial buildings that are empty and is increasing. The Head of Regulation and Economic Development further said that only Holyhead had enough mature projects to be put forward for the LUF funding within the specific timetable. He noted that it is the County Council's responsibility for developing, submitting, managing and monitoring the programme of developments and it will be necessary for the Council and the Island to demonstrate that it is able to deliver the projects in a timely, cost effective and compliant manner. A Partnership Board will be established to govern the delivery of the programme which will include Senior Officers of the Council and Portfolio Member for Economic Development.

In considering the report the Committee discussed the following:-

- **Reference was made that the costs of building materials is continuing to increase. Questions were raised as to what would happen if the funding**

**of £17m is insufficient to complete the 5 successful bids in Holyhead?
Questions were also raised as to where the funding would be targeted if
there were underspending within the projects?**

The Economic Development Manager responded that the risk of increasing building materials costs have been included in the programme delivery of the projects together with the increase in inflation. Contingency measures have been included within the programme. Any underspend within one project will allow for resources to be available to fund the gap within other projects. He addressed the question as to possible underspending within the programmes and said that other projects could be included as backup as long they add value to the programme.

- **Questions were raised as to whether local companies on Anglesey will be able to contract for the work resulting from the successful bids?**

The Economic Development Manager responded that local companies will be given an opportunity to contract for the work required within the successful bids. However, due to the size advertisement of the contracts will have to be on the 'Sell to Wales' website and the North Wales Construction Framework. He further said that a workshop has been put in place to ascertain the interest of constructions firms. The Chief Executive said that due to the size of the developments it is hope that local companies will be able to be successful in contracting for the work rather than one large company contracting for the whole work on the 5 projects.

- **Questions were raised as to the risks that if the projects were not completed by the completion date of March 2025?**

The Economic Development Manager responded that there are risks attached that the projects will not be completed by March 2025. He said that the County Council is in the process of designing legal agreements with the five delivery organisations ensuring roles, responsibilities, governance arrangements, monitoring, performance, claims etc., are all outlined and agreed at the outset. These will be based on the Memorandum of Understanding (MOU) by the UK Government. At present a response is awaited by the UK Government to progress with these projects. The Chair proposed that a letter be sent on behalf of the Committee to the UK Government to stress that the delay in receiving the MOU was putting pressure on the deliverability of the projects as the completion dates for the projects is March 2025. The Committee agreed that a letter be sent to UK Government as noted above.

- **Questions were raised as to the economic strategy of the Council for industrial units within rural areas?**

The Leader of the Council responded that no comparable grant funding stream is available to support rural areas and funding is being targeted towards the most populated areas. She assured that continued pressure will be put on both the UK Government and Welsh Government for support for rural areas as regards to economic development.

- **Questions were raised as to what extent does the Levelling Up programme as approved enable the Local Authority to realise the Council Plan for 2023-2028?**

The Economic Development Manager responded by confirming that the Levelling Up programme does conform with the aims of the Council Plan. The LUF programme brings regeneration opportunities and hopefully it will inspire residents to learn more about the history and culture resulting from the approved projects. He further noted that climate change has been identified within each project and the Climate Change Manager has had input into every project.

- **Reference was made that the Council does not have a direct delivery role within the LUF. Questions were raised as to what arrangements are in place to manage the individual project to be successfully delivered?**

The Economic Development Manager responded that a small LUF Team has been established which includes a Programme Manager and Project Assistant together with staff within the Finance Department who have experience in working with grant funding. Resources have been included within the bid to for specialist advice. Governance frameworks have been established with the input of the 151 Finance Officer and the legal department.

- **Reference was made that a Programme Board will be created to ensure robust governance measures are in place. Questions were raised as to how it will be ensured that the representatives on the Programme Board will have the correct skills and experience to deal with the projects?**

The Leader of the Council responded that the representatives on the Programme Board will include the Chief Executive, Section 151 Officer, Monitoring Officer, and Leader of the Council together with representatives from both the UK and Welsh Governments. She noted that effective governance of the projects is essential for success.

- **Reference was made that the town centres have seen deterioration due to out of town shops and people shopping on-line and there is a need for town centres to be vibrant for people to return to shop in the town centres.**

The Leader of the Council said that it is important to change the town centres to address the needs of society. She referred to the project bids and it is hoped that the needs of the younger population can be addressed with a dance school proposed at the old HSBC building together with an extension to the Empire Building for children's play activities. The Director of Education, Skills and Young People said that it is important that the voice of children and young people are important when such developments are proposed. He noted that each school has a Schools Council and they discuss issues that are important to them.

It was RESOLVED:-

- **To note the progress in the development of the Levelling Up Fund bid;**
- **To recognise the role of the Council in the development and submitted bid;**
- **To support the delivery of the Levelling Up Fund (in line with agreed timescales, outputs etc.)**

ACTION : As noted above.

6 NORTH WALES ECONOMIC AMBITION BOARD Q3 : 2022/2023 PROGRESS REPORT

Submitted – a report by the Chief Executive on the North Wales Economic Ambition Board Q3 : 2022/2023 Progress Report for consideration by the Committee.

The Leader of the Council said that the progress reports of the North Wales Economic Ambition Board are submitted on a regular basis to this Committee. She noted that as reported at the last meeting the Llysfasi Net Zero Farm has now been withdrawn from the Growth Deal, the Economic Ambition Board made some key decisions regarding the reallocation of the funding within the deal. She noted that some projects have not progress as anticipated and some business plans have been submitted to the Board. The Board has met with Ministers from the UK and Welsh Governments to highlight the challenges in achievements of the projects with regards to regulation and planning together with the challenges faced by the region as regards to the business sector and attracting private investment.

The Chief Executive reported on the projects that have progress since the last quarterly report, namely:-

- The Bangor University - Low Carbon Energy Centre of Excellence (Egni) which will be located at a second building at MSparc in Gaerwen and it is hoped that the project will progress through the formal processes in the coming weeks and funding should be secured, with outline planning permission agreed in;
- Innovative Local Energy – a fund for green energy projects that has been approved by the North Wales Economic Ambition Board;
- Breakwater, Holyhead – Welsh Government has received £20m addition funding following the recent Westminster budget to repair the Breakwater in Holyhead. It is understood that Welsh Government will also afford additional funding, whilst Stena Line the owners of the Breakwater will also be contributing substantial investment. This will allow the Holyhead Growth Bid to progress.

The Chief Executive further reported that significant investments will be in Holyhead over the coming years due to the Breakwater project, Growth Bid, Holyhead Port project, LUF project and the Free Port Bid. The investment could total £150m.

In considering the report the Committee discussed the following:-

- **Questions were raised as to the capacity within the Economic Development Department to deal with all the projects on the Island?**

The Chief Executive responded that it is a continuous challenge as additional resources is required to deliver the schemes on the Island. The Executive has agreed to afford additional resources within the Economic Development Service. The Service also has a framework agreement with external specialist companies i.e. Architects, Economists, Project Manager.

- **Questions were raised as to whether the North Wales Economic Ambition Board will transfer under the Corporate Joint Committee (CJC) and also who will be scrutinising the work of the CJC's?**

The Leader of the Council responded that it is the intention that the North Wales Economic Ambition Board will transfer under the CJC's and the current scrutiny process will continue within the local authorities. She said that the scrutiny process will be more extensive due to the Transport Strategy for North Wales and the Strategic Development Plan. At present the work of the Scrutiny Committee is to report back to the Executive and therefore the scrutiny process has an influence on the policies of the Council, however, it will be a challenge to scrutinise the CJC's. The Chief Executive said that it is misleading to call the CJC's a Committee as it is an external body that charges a levy and he considered that discussions should be undertaken between the North Wales Local Authorities whether it would be advantages to have one Scrutiny Committee across the region to scrutinise all the external bodies.

- **Reference was made within the report that the Environmental Biotechnology Centre is located at the Mona Industrial Estate and that another location were sought for the project. Questions were raised as to whether the other location will be on the Island?**

The Chief Executive responded that discussions are being undertaken. He noted that the building at Mona has been funded by European funding and has now come to an end. The LUF and SPF funding available is much less than the previous European funding.

It was RESOLVED to note the progress made during Quarter 3 : 2022/2023.

ACTION : As noted above.

7 FORWARD WORK PROGRAMME

The report of the Scrutiny Manager setting out the Partnership and Regeneration Scrutiny Committee's indicative Forward Work Programme for 2022/23 was presented for consideration.

It was RESOLVED:-

- **To agree the current version of the forward work programme for 2022/2023;**
- **To note the progress thus far in implementing the forward work programme.**

The meeting concluded at 4.10 pm

**COUNCILLOR DYLAN REES
CHAIR**

ISLE OF ANGLESEY COUNTY COUNCIL
Scrutiny Report Template

Committee:	Partnership and Regeneration Scrutiny Committee
Date:	19 April 2023
Subject:	Anglesey Town Centres Improvement Strategy
Purpose of Report:	Review the Draft Strategy
Scrutiny Chair:	Cllr Dylan Rees
Portfolio Holder(s):	Councillor Llinos Medi : Leader and Economic Development Councillor Nicola Roberts : Planning, Public Protection & Climate Change
Head of Service:	Christian Branch, Head of Regulation and Economic Development
Report Author:	Dewi G Lloyd, Regeneration Manager
Tel:	01248 752483
Email:	dewilloyd@anglesey.gov.wales
Local Members:	Relevant to all members

1 - Recommendation/s

The Committee is requested to:

R1 Review the scope and content of the Draft Strategy

R2 Review the proposed process of taking the Strategy forward to delivery

2 – Link to Council Plan / Other Corporate Priorities

Council Plan – the Economic aims include supporting the vitality and viability of town centres and the Well-being aims include improving the built environment

JLDP – policies identify and support town centres (notably Strategic Policy PS15)

DMP – policies support the effective planning and management of places

3 – Guiding Principles for Scrutiny Members

To assist Members when scrutinising the topic:-

3.1 Impact the matter has on individuals and communities [focus on customer/citizen]

3.2 A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [focus on value]

3.3 A look at any risks [focus on risk]

3.4 Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]

3.5 Looking at plans and proposals from a perspective of:

- Long term
- Prevention
- Integration
- Collaboration
- Involvement

[focus on wellbeing]

3.6 The potential impacts the decision would have on:

- protected groups under the Equality Act 2010

- those experiencing socio-economic disadvantage in their lives (when making strategic decisions)
- opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

[focus on equality and the Welsh language]

4 - Key Scrutiny Questions

1. What is the definition of a 'town' and a 'town centre'?
2. How does the proposed Strategy help to realise Council Plan 2023-28 aims?
3. What are the main benefits and risks associated with the proposed Strategy, and what mitigation is there to minimise any key risks?
4. What opportunities and challenges are faced when being dependent on competitive grant funding to deliver?
5. How difficult is it to secure private investment to regenerate the Island's towns?

5 – Background / Context

The need to improve town centres is referred to and supported in several UK Government and Welsh Government strategies, reports and policy documents, and in a number of external reviews of town centres.

The recently approved Council Plan includes the aims of '*improving the vitality and viability of our town centres*' and '*that the people of Anglesey and its communities enjoy, protect and enhance their built and natural environment for future generations*'.

The Well-Being of Future Generations Act requires local authorities to address the economic, social, environmental, and cultural well-being of their areas.

Audit Wales undertook a study of Town Centre Regeneration in Wales and published a report in September 2021 with several recommendations for the Welsh Government and local authorities. This report and the Council's response to it was reported to the Governance and Audit Committee in February 2022. This process highlighted the need for the Council to develop a strategic approach to improving our town centres.

The Welsh Government's Transforming Towns programme includes a number of components, including capital grants and loans for town centre improvements. It can also now support the preparation of town centre place making strategies / plans, and new capital funding is conditional on these being in place. An updated town centre strategic policy statement is expected to be made by the Welsh Government.

Various town or town centre regeneration strategies / plans have been prepared on Anglesey in the past, mostly aligned to a specific external funding opportunity, with several having been prepared for Holyhead over the years.

There is no single consistently applied definition of a town or town centre. Anglesey has five town councils. The currently adopted development plan (JLDP) strategic policy for town centres (PS15) designates Holyhead and Llangefni as 'Urban retail service centres', and the settlements of Amlwch, Benllech, Beaumaris, Menai Bridge, Llanfairpwll, Rhosneigr, Valley and Cemaes are designated as 'Local service centres'.

It is now proposed that a single county-wide strategy covering all Anglesey town centres be prepared, not tied to any particular external fund or programme, but reflecting the

wider needs of the county and its towns and town centres, aligned with the newly approved Council Plan for 2023-28.

Subject to Executive Committee approval of the recommendations, a process of public and other stakeholder consultation and engagement would take place to gather views, comments, and seek support for the proposed strategy, with a view to finalisation and adoption during 2023. The consultation process would also be used to gather views, comments and suggestions for improvements to individual town centres to inform the preparation of individual place making plans and / or related projects, subject to resources.

6 – Equality Impact Assessment [including impacts on the Welsh Language]

6.1 Potential impacts on protected groups under the Equality Act 2010

No direct impacts identified

6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)

The Strategy is expected to improve the vitality, viability and built environment of town centres, thus contributing to social and economic improvement

6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

The Council's Welsh language policies will be applied to the delivery of the Strategy

7 – Financial Implications

The Council will need some ongoing staffing capacity during 2023-28 to manage and monitor the strategy and deliver elements not already being delivered.

The Welsh Government is offering 70% revenue grant towards the cost of preparing town place plans but counties need to find the remaining 30% match funding. Having a Strategy should assist in attracting additional external capital grant funding from Welsh Government and potentially other funders, which could save on Council core funding.

8 – Appendices:

Town Centres Improvement Strategy 2023-28 : Draft version for Approval by the Executive Committee as a basis for Consultation

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

Audit Wales - Regenerating Town Centres in Wales Report (September 2021)

<https://www.audit.wales/publication/regenerating-town-centres-wales>

Audit Wales – Regenerating Town Centres in Wales – Self-Evaluation Tool (Sept. 2021)

<https://www.audit.wales/system/files/2021-08/Regenerating%20Town%20Centres%20in%20Wales%20Self%20Evaluation%20Tool%20-%20English.pdf>

IoACC Governance and Audit Committee - 8th February 2022 – Item 7 - External Audit : Regenerating Town Centres in Wales Report – Recommendations and Response

(Pages 87-162) <https://democracy.anglesey.gov.uk/documents/g3911/Public%20reports%20pack%2008th-Feb-2022%2014.00%20Governance%20and%20Audit%20Committee.pdf?T=10&LLL=0>

Town Centres Improvement Strategy 2023-28

Draft for Consultation - *updated 12.04.2023*

Page 14

Mae'r ddogfen yma hefyd ar gael yn y Gymraeg / This document is also available in Welsh



Introduction

Anglesey's towns and town centres are focal points for the Island's economic, social and cultural activities. They are key areas for the local economy, with over 500 businesses in our town centres employing thousands of local people. Our town centres are also important in many other ways – as hubs for services and facilities, as places to visit for leisure, hospitality or events, as focal points for culture and heritage, and as places to live.

Town centres across Wales and the UK have seen very significant changes, including the growth in edge or out-of-town retail, the loss of several traditional town centre services such as banks, and a large growth in online shopping which rapidly increased during the recent pandemic. Some town centres have been able to adjust and remain vibrant, but others are clearly struggling, and they need to develop different roles if they are to thrive, and new ideas and approaches are needed.

This strategy provides a framework for achieving the aim set out in our new **Council Plan of 'improving the vitality and viability of our town centres'**. It also supports our well-being objective '**that the people of Anglesey and its communities enjoy, protect and enhance their built and natural environment for future generations**'.

The focus of this document is the centres of the settlements legally designated as towns and having town councils, namely Holyhead, Llangefni, Amlwch, Menai Bridge and Beaumaris. Many of our villages are also very important to the Island's economy, with several being popular visitor destinations, and they may require similar improvements and projects to be considered under relevant plans and programmes.

Improving our town centres will require considerable effort by the County Council and other town centre improvement stakeholders in the public, private and third sectors. This will not be easy given the current and potential substantial future financial challenges we face. Effective collaboration is therefore vital to developing a shared vision, and realistic ways of progressively improving and effectively managing our town centres.

Cllr. Llinos Medi, Council Leader & Economic Development Portfolio

Why do we need a Town Centre Improvement Strategy?

1. To set out how the County Council and its partners will work together to address the challenges faced by the Island's town centres, and maximise opportunities for their improvement
2. To deliver on the Council Plan aim of improving the vitality and viability of our town centres
3. Inform the preparation of Placemaking Plans for our towns and help to access funds for their delivery
4. To enable the Council to meet its statutory obligations under the Well-Being Act



Relevant strategic documents are listed here – further details are provided in the Appendix

KEY UKG & WG FUNDING PROGRAMMES

United Kingdom Levelling-Up Fund & Shared Prosperity Fund
Transforming Towns Programme for Wales (2022-25)
Other Public Sector Funding Programmes

LEGISLATION, GOALS & POLICIES

Well-Being of Future Generations Act
Future Wales 2040 – The National Plan
Planning Policy Wales & Building Better Places

KEY LOCAL AUTHORITY PLANS

Anglesey Council Plan 2023-2028
Joint Local Development Plan for Gwynedd & Anglesey
Destination Management Plan
Other Local Authority Strategies and Policies

NATIONAL AUDITS & EXTERNAL REVIEWS

Audit Wales Report on Regenerating Town Centres in Wales
Small Towns – Big Issues Report
Placemaking Wales Charter
FSB Vision for Welsh Towns

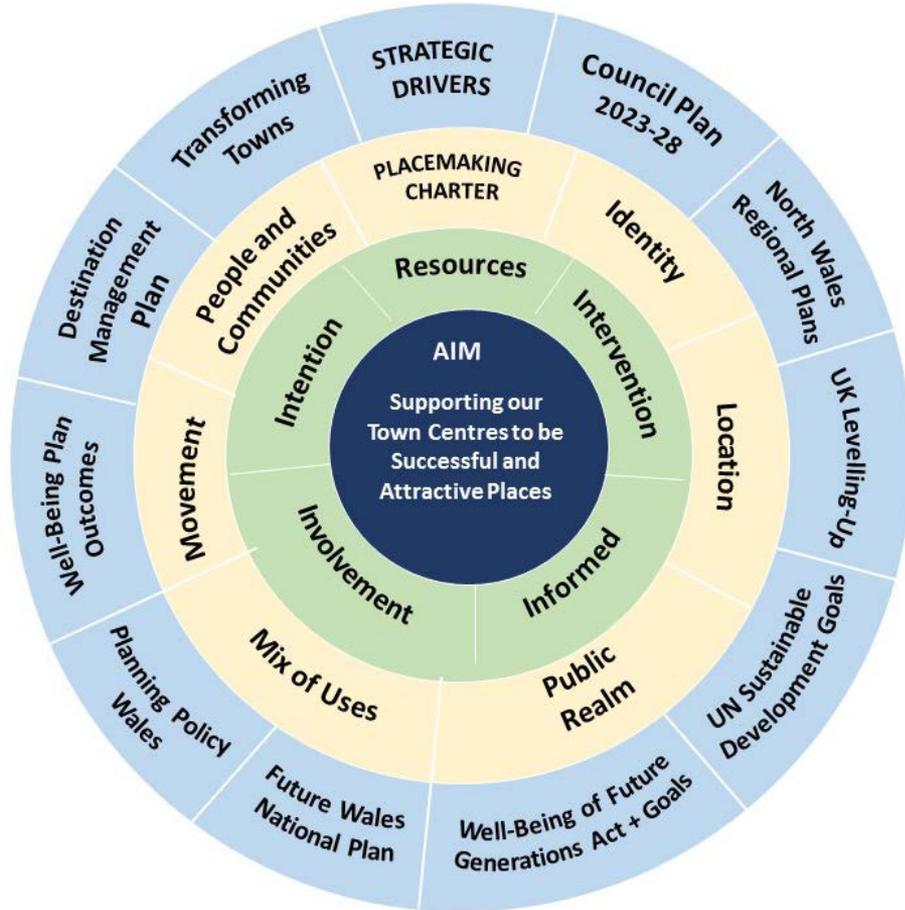
Strategic Context

This Strategic Circle sets out the proposed Strategy Aim and five Priorities which reflect the Audit Wales recommendations to local authorities in Wales. It also shows these in the context of wider Strategic Policy Drivers and the Wales Placemaking Charter principles.

Page 17 Placemaking, Place Plans and Place Shaping

Guidance on Placemaking, Place Plans, and Town Centre Place Making Plans is provided by the Welsh Government, Planning Aid Wales, and Design Commission for Wales - see the Appendices.

‘Place Shaping’ is a different key strategic approach, delivered via a partnership between Medrwn Mon and the County Council through area community Alliances, with the following vision : *‘The development of place, connecting the public, private and community sectors to create an Anglesey that is healthy and prosperous, where people can thrive.’*



Town Centres Improvement Strategy Aim and Objectives

AIM : Support our Town Centres to be Attractive and Successful Places

OBJECTIVES



1 - INTENTION : Develop a Clear Vision and Plans for Improving and Managing our Town Centres



2 - INVOLVEMENT : Involve and Support Communities and Businesses to Deliver for Town Centres



3 - INFORMED : Measure and Review Town Centre Performance and Related Initiatives



4 - INTERVENTION : Take Necessary Actions to Improve our Town Centres



5 – RESOURCES : Have Adequate Capacity and Finances to Improve and Manage Town Centres

DISCLAIMER : Budgetary constraints may impact on the County Council's ability to deliver these Objectives

Objective 1 - Intention



1 INTENTION – Develop a Clear Vision and Plans for Improving and Managing our Town Centres			
	Why is this important?	What are we going to do?	How are we going to do this?
1.1	To deliver relevant Council Plan aims and Audit Wales recommendations	Develop a Vision and Strategy to Improve our Town Centres	Establish a shared Vision and Strategy for Improving our Town Centres by finalising and adopting this document
1.2		Ensure an Integrated Cross-Council Approach to Town Centres	Develop and apply an integrated approach to improving and managing town centres and applying the ‘town centre first’ principle through joint working across services
1.3	To satisfy the WG requirement for plans to receive regeneration funding	Engage stakeholders and consult the public	Seek and establish public and other stakeholder comments and suggestions for improving town centres
1.4		Create Place Plans	Work with Town/Community Councils and other stakeholders to develop individual town / town centre Place Making Plans

DISCLAIMER : Budgetary constraints may impact on the County Council's ability to deliver these Objectives

Objective 2 - Involvement



2 INVOLVEMENT – Involve and Support Communities and Businesses to Deliver for Town Centres			
	Why is this important?	What are we going to do?	How are we going to do this?
2.1	Businesses are the key occupiers of town centres	Enable and Involve Businesses	Encourage and enable the private sector to invest and operate successful businesses in town centres and be involved
2.2	They are the local elected public bodies	Encourage Town / Community Councils to deliver locally	Encourage and enable Town/Community Councils to use their powers to help improve, support and manage their town centres
2.3	There are many other important bodies	Enable Other Organisations to deliver	Encourage and enable other organisations to carry out activities and projects that improve or support town centres
2.4	Involvement is a key Well-being Act requirement	Involve key Stakeholders	Involve key stakeholders, businesses and communities in the planning, improvement and management of town centres

Objective 3 - Informed



3	INFORMED – Measure and Review Town Centre Performance and Related Initiatives		
	Why is this important?	What are we going to do?	How are we going to do this?
3.1	To modernise and be effective	Create ‘Smart Towns’	Enable the creation of ‘Smart Towns’ digital systems and maximise their use and benefits, including measuring footfall and customer /visitor profiles, and other digital platforms
3.2	To identify town centre physical needs and changes	Survey Town Centres	Carry out periodic town centre surveys and analyse / report on these, including property occupancy and eyesores
3.3	To ensure effectiveness, efficiency and value-for-money	Evaluate and Improve	Review the impact and effectiveness of town centre initiatives, apply lessons learned to future plans, and highlight/ share good practice
3.4	This is a Well-being Act requirement	Inform and communicate with Stakeholders	Inform and communicate with key stakeholders about important town centre plans, issues, events and opportunities

Objective 4 - Intervention



4 INTERVENTION – Take Necessary Actions to Improve our Town Centres			
	Why is this important?	What are we going to do?	How are we going to do this?
4.1	To address WG expectations and local stakeholder concerns	Tackle Problematic Buildings	Encourage property owners, or take enforcement action if that does not work, deliver or support agreed projects, and monitor / update the Enforcement Action Plan, subject to resources and powers
4.2		Reduce Commercial Property Vacancy	Encourage / support the re-occupation of empty commercial units, or their conversion to homes or other uses if appropriate, subject to resources and powers
4.3	To address ‘built environment’ improvement needs	Encourage building facelifts and improvements	Encourage & guide owners, and where necessary provide targeted town centre property improvement loans and/or grants, subject to resources and powers
4.4	To deliver Council Plan priorities	Deliver or Support Important Projects or Programmes	Deliver or support agreed town centre projects and programmes that reflect this strategy and related Place Making Plans, subject to resources
4.5		Support ‘Green’ projects	Deliver or support suitable Green Infrastructure and Zero Carbon projects in town centres, subject to resources

DISCLAIMER : Budgetary constraints may impact on the County Council’s ability to deliver these Objectives

Objective 5 - Resources



5 RESOURCES - Have Adequate Capacity & Finances to Improve Town Centres			
	Why is this important?	What are we going to do?	How are we going to do this?
5.1	The need for town centre investment and activity significantly exceeds the County Council's own resource levels	Enable private & commercial investment	Encourage and enable private sector and commercial investment and activity in our town centres, and suitable financially viable uses
5.2		Maximise external public / grant funding	Make or support relevant bids for UK Government, Welsh Government, Lottery or other relevant grant funds, including trusts; inform and influence government / funder policies to reflect the needs of Anglesey's towns
5.3		Encourage and enable towns and communities to help themselves	Encourage and enable Town /Community Councils and other public and third sector bodies to deliver, support and provide services in town centres
5.4	To address Audit Wales concerns about insufficient staff capacity in LA's	Employ sufficient staff to support town centres	Ensure that the County Council has adequate staff capacity to deliver the strategy and place making framework and related workloads

Strategy Consultation, Approval, Delivery and Governance

This is a draft version for consultation with many different stakeholders and key partners, and these will be engaged with prior to the finalisation of this document.

This will include a public consultation and engagement process during 2023, which will also be used to inform the preparation of individual town Place Plans.

The Town Councils and several other organisations have a key role to play in improving and managing town centres, and will need to be closely involved.

Effective integration and co-ordination will be needed within the County Council, and relevant structures and reporting arrangements will need to be operated.

The roles and responsibilities of the County Council, Town Council, and other important partners will be set out in the individual town centre plans.

The approved strategy will need to be subject to regular progress reviews and reporting to relevant County Council officer groups and scrutiny processes.

It's expected that individual Place Plans will be prepared by locally based partnerships including the County and Town Councils, and be subject to local governance arrangements, with county-level strategic monitoring.



APPENDIX – Town Centre Ground Floor Premises Occupancy / Vacancy Survey – May 2022



651

Total Commercial Premises

Page 25



103

Vacant Premises

19%



27

Eyesore Premises

	Biwmares Beaumaris	Porthaethwy Menai Bridge	Llangefni	Amlwch	Caergybi Holyhead
Adeiladau Masnachol Commercial Premises	95	100	141	91	224
Mewn Defnydd Occupied	89	91	122	73	170
Gwag Vacant	4	8	19	18	54
Cyfradd Gwag Vacant Rate	4%	8%	13%	20%	24%
Adeliaday Bler Eyesores	3	2	3	6	13

Cyfradd eiddo gwag masnachol y DU / UK average commercial vacancy rate = circa 14.5%

APPENDIX – Towns / Urban Centres Overview

HOLYHEAD Town Centre

Policy Designations: Regional Growth Area, Urban Service Centre, Main Shopping Centre, Employment Centre, LUF programme, Conservation Areas, close to EZ & Freeport bid sites

BUA Resident Population: 11,981

Deprivation: **VERY HIGH** (7/8 in top 20% WIMD)

Town Centre Commercial Premises: 170 occupied, 54 vacant (24%), 13 eyesores
Retail Floorspace: 51,440 sqm (20,749 sqm in supermarkets)

Local authorities: Isle of Anglesey County Council & Holyhead Town Council

AMLWCH Town Centre

Policy Designations: Urban Service Centre, Employment Centre, Conservation Areas, North Anglesey Plan main settlement, close to EZ

BUA Resident Population: 3,265

Deprivation: **MEDIUM** (1/2 in top 30% WIMD)

Town Centre Commercial Premises: 73 occupied, 18 vacant (20%), 6 eyesores
Retail Floorspace: 4,900 sqm (1,084 sqm in supermarkets)

Local authorities: Isle of Anglesey County Council & Amlwch Town Council

BEAUMARIS Town Centre

Policy Designations: Local Service Centre, World Heritage Site, Conservation Area, Article 4 Planning Control Area, in AONB

Town Resident Population: 1,804

Deprivation: **LOW** (0/1 in top 50% WIMD) but has poverty pockets

Town Centre Commercial Premises: 95 occupied, 4 vacant (4%), 3 eyesores
Retail Floorspace: 5,280 sqm (0 sqm in supermarkets)

Local authorities: Isle of Anglesey County Council & Beaumaris Town Council

LLANGFNİ Town Centre

Policy Designations: Urban Service Centre, Main Shopping Centre, Employment Centre, Conservation Area, close to EZ

BUA Resident Population: 5,226

Deprivation: **MEDIUM** (1/3 in top 20% WIMD)

Town Centre Commercial Premises: 122 occupied, 19 vacant (13%), 3 eyesores

Retail Floorspace: 18,950 sqm (8,245 sqm in supermarkets)

Local authorities: Isle of Anglesey County Council & Llangfni Town Council

MENAI BRIDGE Town Centre

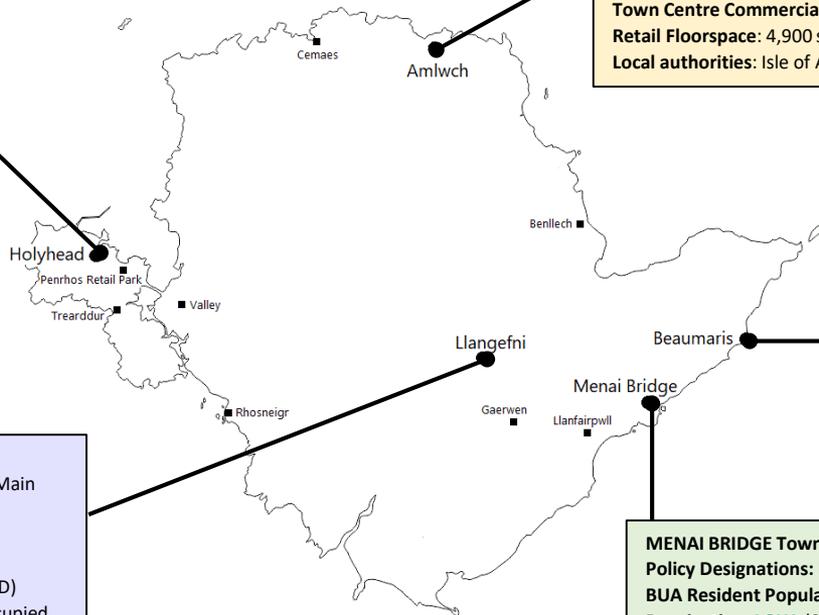
Policy Designations: Local Service Centre, Conservation Area

BUA Resident Population: 3,376

Deprivation: **LOW** (0/2 in top 50% WIMD) but has poverty pockets

Town Centre Commercial Premises: 91 occupied, 8 vacant (8%), 2 eyesores
Retail Floorspace: 6,890 sqm (1,938 sqm in supermarkets)

Local authorities: Isle of Anglesey County Council & Menai Bridge Town Council



KEY

- Towns / Town Centres
- Other Important Centres

APPENDIX – Documents Referred to in the Strategy

United Nations Sustainable Development Goals : goal 11 for ‘*Sustainable Cities and Communities*’ is to make cities and human settlements inclusive, safe, resilient and sustainable.

United Kingdom Levelling-Up : The UK Government’s Levelling-Up strategy specifically refers to investing in ‘...*regenerating town centres and high streets*..’.

Well-Being of Future Generations Act : requires local authorities to address the economic, social, environmental, and cultural well-being of their areas, and apply seven well-being goals.

Future Wales 2040 – The National Plan : supports the ‘*Town Centre First*’ principle that ‘*significant new commercial, retail, education, health, leisure and public service facilities must be located within town and city centres*’ and designates Holyhead as a *Regional Growth Area*.

Planning Policy Wales (PPW11) : sets out national land use planning policies, supplemented by technical advice notes, including TAN4 for retail and commercial development.

Building Better Places (2020) : sets out Welsh Government commitments for the planning system to achieve better places, placemaking, quality outcomes and good design. This document identifies a number of National Sustainable Placemaking Outcomes.

Transforming Towns (2022-25): a Welsh Government programme to improve town centres, including grants and loans, enforcement, research and data, policies, and other initiatives. Some of this funding is now conditional on having Place Making Plans in place for relevant settlements.

Small Towns – Big Issues (2021) - emphasises the importance of a shared vision, investments plans that align policy with market needs, capable stakeholders, and focused regeneration teams.

A Vision for Welsh Towns – a report prepared for the FSB setting out the major challenges and realistic opportunities for town centres

Placemaking Wales Charter : outlines six principles for creating and maintaining good places

Regenerating Town Centres in Wales (2021) : an Audit Wales review of town centre needs with recommendations for the Welsh Government and local authorities, including a self-assessment tool listing key principles and 38 actions / activities they consider counties should undertake, categorised under the 4 ‘I’'s of Intention, Involvement, Informed and Intervention.

North Wales Regeneration Plan (2019) : a framework prepared jointly by the six local authorities.

Joint Local Development Plan for Gwynedd & Anglesey : identifies a clear retail and settlement hierarchy, and the need to promote the vitality and viability of town centres.

Anglesey Council Plan 2023-2028 : includes specific reference to ‘*Improving the vitality and viability of town centres*’ on Anglesey. The Plan also aims to see ‘*Anglesey’s people and communities, enjoying, protecting and improving their built and natural environment for future generations*’ and of having ‘*attractive, viable and safe communities*’.

APPENDIX – Welsh Government Guidance on Preparing Place Plans for Town Centres

A pre-requisite of funding place making activity through Welsh Government Transforming Towns is that appropriate place plans are in place or being developed. These plans should be designed in line with the 6 principles of the Placemaking charter: Design Commission for Wales <https://dcfw.org/placemaking/placemaking-charter/> : People & Community, Movement, Public realm, Location, Mix of uses, Identity. Further clarity on the Placemaking Plan requirements should be discussed with your respective Regeneration Manager

Place plans should consider a holistic view of the requirements of towns and cities and therefore should include all of the current and planned funding interventions from Local Authorities, differing Welsh Government portfolio areas and key private and public sector developments. Place making plans should not focus solely on WG Regeneration funding and should include all sources of funding such as housing, tourism and health as examples in order to show totality of investment in settlements. Place Plans as a minimum should include:-

- A map with a red line boundary identifying the settlement area. This will be required for each settlement. The intervention area should be restricted to the core town centre with sufficient detail to include streets & landmark buildings/features. A second map showing the area on the periphery of the town, identifying the wider development activity and opportunities.
- Detail of the groups, such as BIDs and/or Town & Community Councils are currently operating in the area. Please keep a record of the consultation with these groups and also consultation with other parties such as local members.
- Evidence of engagement and consultation with town centre identified user groups such as young people, older people, ethnic minority groups or disability Groups;
- Alignment with wider economic recovery plans, regional strategies and other WG investment plans such as transport and active travel;
- Identification of the issues to be addressed which limit the full potential of the town centres and/or opportunities to be explored such as green infrastructure, housing, health, public realm, vacant shops, and commercial improvements. The outcome of this work will be shared across Welsh Government portfolios areas and key partners such as NRW;
- Development of a community Engagement Strategy as part of the plan;
- Consideration of the wider threats posed by out of town shopping, changing consumer habits, TAN15, phosphates in water impacting Special Areas of Conservation (SAC) and wider Climate Change considerations.
- A shared vision for the town centre developed through consideration of the identified issues and feedback from the consultation process; with an agreed Action Plan.
- Local Authorities plans will establish a baseline for the defined town centre using available digital technologies in order to establish as a minimum footfall and dwell time metrics at the beginning of the three year funding period;
- Regular review and evaluate deliverability and identified actions of the action plan with the WG and partners, through ongoing consultation.
- Ongoing regional and all-Wales feedback and learning;

Evaluation will be a key element of the Transforming Towns delivery. In order to demonstrate the impact of Place Making funding Local Authorities will be expected to produce an annual update report (including project case studies) to show the projects delivered and their impact on prioritized town centres. At the end of the three year funding cycle all Local Authorities in receipt of funding will be expected to commission an independent evaluation of Transforming Towns delivery covering all Placemaking and Strategic projects. Where Transforming Towns has been deployed over a grouping or clustering of smaller towns a single independent review may be commissioned to cover multiple town centres

ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template

Committee:	Partnership & Regeneration Scrutiny Committee
Date:	19 April, 2023
Subject:	Anglesey Freeport
Purpose of Report:	To report on the successful Freeport bid submitted by the County Council's and Stena Line
Scrutiny Chair:	Cllr. Dylan Rees
Portfolio Holder(s):	Cllr. Llinos Medi – Leader and Portfolio Holder for Economic Development
Head of Service:	Christian Branch – Regulation and Economic Development
Report Author:	Tudur Jones
Tel:	2146
Email:	tudurjones@anglesey.gov.uk
Local Members:	Relevant to all Elected Members

o25

1 - Recommendation/s

That the Scrutiny Committee...

1. Recognise the role of Council to develop and submit the successful bid
2. Note the next steps in the development of a Freeport business case (prior to submission to UK and Welsh Governments)

2 – Link to Council Plan / Other Corporate Priorities

The Anglesey Freeport bid has been developed against the context of our corporate priorities with other key local, regional and national policies and strategies informing the bid (i.e. Welsh Future Generation Act, Regional Economic Framework for North Wales, the Welsh Government Programme for Government and the Levelling Up White Paper).

The aim of the Anglesey Freeport bid is to bring prosperity to Anglesey and North Wales. It will build on the Energy Island Programme (EIP) an existing cooperation between public, private and third-sector stakeholders. EIP's vision is to 'create a once-in-a-lifetime opportunity for jobs, economic growth and prosperity through capitalising on a number of transformational projects in Anglesey'. It also fully aligns to the goals of the North Wales Economic Ambition Board's Growth Strategy.

Holyhead Port is the international gateway into Wales – and is a historic link between the UK and Ireland. The socio-economic value and importance of the Port to Anglesey and North Wales cannot be underestimated. It is the second largest Ro-Ro (roll on roll off) port in the UK serving approximately 1,500,000 passengers a year and approximately 4,000,000 tonnes of freight, 370,000 freight movements. In 2021, freight through Holyhead port declined by 2.1 million tonnes (35.9%). The Port therefore supports – directly and indirectly – hundreds of jobs in Holyhead and in the wider Anglesey area.

Local strategies:

- Isle of Anglesey & Gwynedd Well-being Plan(Gwynedd & Anglesey Public Service Board, 2018)
- Council Plan 2023 -2028 (Isle of Anglesey County Council, 2023)
- Isle of Anglesey County Council Strategic Equality Plan 2020 –2024 (Isle of Anglesey County Council, 2020)
- North Anglesey Economic Regeneration Plan (Isle of Anglesey County Council, 2019)
- Anglesey and Gwynedd Joint Local Development Plan 2011 –2026 (Isle of Anglesey County Council, 2017)
- Isle of Anglesey County Council toward Net Zero Plan 2022-2025 (Isle of Anglesey County Council, 2022)

3 – Guiding Principles for Scrutiny Members

1. Impact the matter has on individuals and communities [focus on customer/citizen]
2. A look at any risks [focus on risk]
3. Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]
4. Looking at plans and proposals from a perspective of:
 - Long term
 - Prevention
 - Integration
 - Collaboration
 - Involvement
 [focus on wellbeing]

4 - Key Scrutiny Questions

1. The project plan estimates up to 13,000 new jobs created over a period of 15 years. What arrangements will be in place to ensure that they are high quality jobs and that Anglesey residents have the skills to take advantage of the opportunities?
2. How will you ensure that the project aligns with, and contributes to the Energy Island programme and the Council Plan 2023-28?
3. Some of the main strategic risks of the bid have been identified in the report. How will the Authority manage and mitigate these risks?

5 – Background / Context

a. Introduction to Freeports

The UK and Welsh Governments invited bidders to submit plans for Freeports in Wales in late 2022 (<https://www.gov.uk/freeport>).

Freeports are designated areas where a range of economic incentives are available to stimulate the local economy and encourage growth and investment. These include incentives and relaxations related to tax, customs, business rates, planning, regeneration, innovation and trade and investment support. Goods entering the Freeport will not be subject to the UK's usual tax and customs regime.

As Ynys Môn is an Island, there is a clear, natural economic and geographic rationale that provides a unique foundation for the Freeport bid. Holyhead has been a recognised Port town since the 19th Century and its importance cannot be underestimated.

Ynys Môn is well integrated into the North Wales economy but due to its Island context, it is economically and socially distinct. Census data shows that (in 2011), 92% of Ynys Môn jobs were filled by Ynys Môn residents, with less than 2,000 jobs (8%) being filled by people commuting onto the Island. Meanwhile, 8,000 residents (27% of those in work) commute off the island. It has a high proportion of Welsh speakers (62% vs 30% in Wales) although a lack of high paid and quality jobs mean young Welsh speakers increasingly move away for work (40% of 16–24-year-olds speak Welsh vs 22% of those aged 55-64).

The vision of the Freeport builds on its unique Island geography; it will support growth of trade through Holyhead Port, restore the land-bridge and ‘turbo-charge’ the island’s Energy Island Programme (EIP) and ensure that the benefits are felt across Holyhead, Anglesey and wider north Wales.

The bidding process opened on 1st September and closed on 24th November 2022.

There will be £1m of revenue and £25m of capital made available by Government to enable the implementation and delivery of the Freeport.

b. Developing the Bid & Partnership Working

In a similar vein to the Levelling Up Fund submission, it cannot be underestimated the volume and complexity of work that went into developing the bid in an incredibly challenging timeframe. This resulted in significant, intensive collaborative working with Stena Line, building on the previous existing relationship with them.

The Bidding Prospectus was similar to that for England which led to the award of Freeport status to eight applicants in 2021 (including the Port of Liverpool, therefore a direct competitor to Holyhead). However, the involvement of Welsh Government in decision-making has widened the assessment criteria to include priority policies such as the Wellbeing of Future Generations Act, its Net Zero policies as well as environmental and labour standards.

Both Governments indicated at the outset that they were open to the possibility of allowing more than one Freeport in Wales, should they be presented with a sufficiently compelling business case.

Bids could only be submitted by a coalition that must include the port operator (Stena Line) and the 'host' local authority (the County Council). Other partners within the Anglesey Freeport submission include local and international businesses such as Rolls Royce, BP, Morlais etc.; academic institutions, MSParc, Bangor University, Grwp Llandrillo Menai; the North Wales Economic Ambition Board amongst a host of other stakeholders and partners.

Applicants had to include at least one customs site. This (also known as a 'free zone') is a secure, enclosed customs zone where some of the normal tax and customs rules don't apply.

Bidders also had to designate tax sites to benefit from the tax offer. When there is an economic case to do so, applicants may define up to three individual areas as the location of the tax sites. These sites must be:

- Undeveloped
- A single site or multiple sites of up to 600ha (with a 20ha minimum other than in exceptional circumstances)
- Can be in multiple ownership
- Located in areas with below average UK GDP per head and above UK average unemployment rates

There were three main objectives which any submission must be able to demonstrate:

1. Promote regeneration and high-quality job creation – this was the lead criterion;
2. Establish the Freeport as a national hub for global trade and investment across the economy;
3. Foster an innovative environment.

c. The Anglesey Bid

It is important to note that the Anglesey Freeports submission had a particular focus on:

- Contributing towards net zero and decarbonisation
- Provide fair working conditions and protect quality of the environment
- Address local challenges

Therefore, it was important to demonstrate that a Holyhead Freeport could achieve both Government's expectations –in particular regeneration and high-quality job creation and initial estimates are that between 3,500 – 13,000 new employment opportunities will be created.

Within the bid the following sites were identified as the customs and tax sites:

1. Holyhead Port – owned by Stena Line, 125ha+
2. Former Anglesey Aluminium site – owned by Stena Line; customs site, 95ha
3. Parc Cybi – owned by Welsh Government and Conygar; customs site, 32ha
4. MSParc – owned by Bangor University and the Council; tax site, 21ha
5. Rhosgoch – owned by Conygar; tax site, 82ha

The key customs site in the Ynys Môn Freeport proposal is the combined Anglesey Aluminium and Parc Cybi sites, making up Anglesey Prosperity Zone. It is within this zone that the bulk of the jobs created on Anglesey will be accommodated.

The expectation is that the core industries to locate here will be in the manufacturing sector or the transport and storage sectors. Within these, there is scope for a wide range of businesses, particularly those with supply chains related to the wider Energy Island Programme Vision; requiring higher than average international inputs; significant export

platforms and trade links with the EU; large distribution requirements. These have been identified as firms to logically benefit from locating in Anglesey Prosperity Zone.

The anticipated benefits will be:

- Access to cheaper imports.
- Shorter supply chains.
- More efficient overall production processes (from time, cost, and environmental perspectives).
- Third-party spill over benefits through reduced prices and reduced negative externalities.

It is also anticipated that digital trade and restoring the land bridge corridors will contribute to increase trade between GB and Ireland and facilitate trade between the UK and EU thereby bringing about a correction in the 20% reduction in trade going through Holyhead Port.

Along with the Anglesey Freeport submission, bids were submitted by the Celtic Freeport, based around Port Talbot and Milford Haven ports, in the counties of Neath Port Talbot and Pembrokeshire respectively and a third bid, based around Newport and Cardiff Airport.

d. Freeports Decision

On the 23rd March 2023, the County Council was made aware it had been successful in its Freeport application, subject to the completion of the detailed business case. The announcement was made by Rishi Sunak the Prime Minister and Mark Drakeford the First Minister during a visit to the Port of Holyhead. This has resulted in significant interest – on an international scale – for Holyhead and Anglesey increasing the profile and visibility of the successful Freeport bid but also the area in general. This has been a huge boost in terms of the credibility of the bid with national and international companies who have an interest to establish operations here. The importance of the announcement being made jointly by the Prime Minister and First Minister cannot be underestimated.

e. Role of the County Council in the next stage in the delivery of Freeports

The next step of the process is the completion of the detailed business case, This has three elements, with Government approval required for each:

1. Outline and Full Business Cases (OBC and FBC) – ‘the Business Case process’
2. Proposed tax sites – ‘the Tax Site process’
3. Proposed customs sites – ‘the Customs Site process’

The Council will also work on establishing core principles for the close collaboration with Stena Line. This will be a new way of working for both organisations and will be a long term relationship building on the existing relationship. The importance of formalising appropriate governance structures will also be critical especially in ensuring and protecting the statutory obligations and responsibility the Council has.

This will be a substantial amount of work to be delivered in a challenging timescale and Government will provide the necessary revenue funding to complete this work.

As the funding will be administered to the County Council, we will have – as the Accountable Body – full responsibility in ensuring the funds are spent in a way that conforms fully to public sector purchasing and also the monitoring and reporting of all associated spend. Responsibilities will also include complying with the Welsh and UK Governments requirements on monitoring and evaluation (such as data collection and provision regarding new jobs, businesses created, and private investment attracted) etc. The Council will need to designate a Senior Responsible Officer and have the business cases and all spending approved within by our Section 151 Officer.

The County Council and Stena Line will have equal responsibility for the OBC and the accompanying submission, but it will need significant input from Stena and their advisers in specific areas, with them taking the lead on developing some interventions and producing relevant information for the OBC.

Detailed proposals on the following will be required:

1. Tax and customs sites (Council and Stena)
2. Use of the seed funding - £1m revenue and £25m capital (Council and Stena)
3. Identifying complimentary initiatives (Council and Stena)
4. Agreeing detailed governance frameworks (Council and Stena)
5. Planning and business rates retention (Council)
6. Innovation (Council, Stena and Partners)
7. Regulation (Council)
8. Net Zero initiatives (Council, Stena and Partners)

The County Council is considering its options to enter into a bespoke legal agreement between the Council and Stena Line to manage the development and delivery for the Freeport.

f. Risks associated with Anglesey Freeports

It is recognised that further clarity and assurance will be required by Governments as we progress through the business case phase. Some risks are as follows:

1. Risk management; stakeholder management and management of expectations.
2. The management, allocation and adherence to subsidy control of the £26m seed funding.
3. Resource and capacity within the Council to lead, manage and deliver the business case development within the timescale.
4. Protecting the Council's statutory obligations.
5. The need for robust governance, and the long term role of the Council and resources required to deliver it in a compliant and effective manner.
6. Potential impacts of the Freeport on local communities, the Welsh language and culture
7. The Council – and partners – not taking full advantage of the opportunity presented by securing Anglesey Freeports status.

The importance of being in partnership with Stena Line in the developing and ultimate delivery of the Freeport status cannot be underestimated. Their expertise, knowledge and commitment thus far will be crucial in the mitigation in some of the risks identified above.

6 – Equality Impact Assessment [including impacts on the Welsh Language]

6.1 Potential impacts on protected groups under the Equality Act 2010

None – applications by and for protected groups under the Equality Act 2010 will be dealt with exactly the same and funding could be targeted towards those groups

6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)

Positive – this funding has the potential to be targeted towards those at a socio-economic disadvantage

6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

Positive – by creating employment opportunities in the area it is hoped that more Welsh speakers will be able to benefit and stay in the locality.

7 – Financial Implications

Neutral – there are no financial implications on the County Council as the cost of the bid development and staffing implications have been paid for and will be met through external sources.

8 – Appendices:

Annex A – Daily Post Question and Answer extract

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

Report to Executive, 24th October 2022, Holyhead Freeport Bid

Stena Line answers seven key questions about Anglesey Freeport:

Information taken from the Daily Post 24/3/23: <https://www.dailypost.co.uk/news/north-wales-news/stena-line-answers-seven-key-26549992>

The Holyhead port authority and key backer of the bid alongside Anglesey council explain more about the freeport.

Anglesey this week secured freeport status in a move backers say will create thousands of jobs. The island was selected alongside the Celtic Freeport in Milford Haven and Port Talbot for freeport status in a joint decision by UK and Welsh governments. UK Government will provide up to £26m of non-repayable starter funding for each of the freeports - parity with the deals offered to each of the English and Scottish freeports. The deal was led by Stena Line and Anglesey County Council. Here Stena Line answer some key questions about the freeport and concerns over job displacement and protections.

How will Holyhead freeport work?

The Anglesey Freeport would extend 45km from Holyhead port, covering the whole Isle of Anglesey. There would be four zones designated as tax or customs sites. The Council and Stena Line are currently discussing the potential sites.

These sites within the freeport benefit from trade and customs simplifications, providing greater incentives for investment and trade. This means that goods entering the Anglesey Freeport will not be subject to the UK's usual tax and customs regime, supporting long-term business investment, boosting the prosperity of Anglesey as well as North Wales. Other tax sites will have tax incentives and regulatory easements for investors. These easements will not diminish the UK's high levels of protection of labour and environmental matters.

What benefits would it bring the area and local workers?

Analysis conducted by the Centre for Economics and Business Research indicates that the Anglesey Freeport could bring up to 13,000 jobs to North Wales over a 15-year period. Freeports around the world have a history of providing local workers with exceptionally well paid, high skilled jobs.

Stena Line and Isle of Anglesey County Council are actively engaging with Bangor University, M-Sparc, the Institute of Export and International Trade, and Grŵp Llandrillo Menai on plans to upskill workers from across North Wales over the coming years.

How would the freeport support net zero?

The freeport will accelerate the take up of sustainable energy production on Anglesey, adding much needed energy for the UK while at the same time achieving net zero goals. Organisations including GE-Hitachi, Rolls Royce SMR, Bechtel, BP Lightsource and Menter Môn Morlais stand ready to invest in clean energy on the island. The projects include the largest consented tidal energy project in the world, offshore wind, nuclear and solar energy.

Will it mitigate some of the damage done to the port's freight trade following Brexit?

Since Brexit, the Central Corridor from Dublin to Holyhead has suffered from a 19% downturn in trade, and the establishment of the Anglesey Freeport is the most effective way to revitalise this important international trading route.

The freeport on Anglesey will help to boost Holyhead trade by empowering European traders to use the fastest route between the Republic of Ireland and the European continent – the GB “land-bridge” – rather than longer, more inefficient and costly shipping routes.

A fully revitalised GB-landbridge could deliver £6bn to the UK economy by 2040.

Would a freeport simply displace jobs and businesses from other parts of Wales, could nearby counties like Gwynedd and Conwy be negatively affected?

An Anglesey Freeport will create new jobs, rather than displacing others. Throughout the bid writing process, we spoke with 38 businesses interested in the opportunity presented by a freeport on the Isle of Anglesey. Many of these businesses noted in their support for the bid that they would not otherwise be seeking to invest in Anglesey or North Wales.

What protections would be in place for workers, and will looser rules on things like planning potentially offer less protection to the environment and important natural sites like Penrhos country park?

The Anglesey freeport will be governed by best-in-class World Free Zone Organisation/OECD rules on SafeZones and Clean Zones.

In addition, the Welsh government has set specific rules for all bids, highlighting that they must protect environmental and workers' rights. And the IACC has statutory duties to ensure all workers' rights are upheld to the highest standard. Far from lowering standards, the freeport will improve them.

How will it help with bringing economic development and jobs back to the former Anglesey Aluminium site?

The Anglesey Aluminium site is a key part of the freeport bid. The site is owned by Stena Line and there has been significant interest from a number of parties about the potential for the site if freeport status is granted. Setting out the official designation for the site will be part of the initial work of the bid team if we are successful in the bid.