

<b>Isle of Anglesey County Council</b>	
Report to:	<b>Executive Committee</b>
Date:	<b>3<sup>rd</sup> March 2022</b>
Subject:	<b>The County Councils Potential Submission to the UK Government Levelling Up Fund</b>
Portfolio Holder(s):	<b>Cllr. Carwyn Jones</b>
Head of Service / Director:	<b>Christian Branch Head of Service – Regulation &amp; Economic Development</b>
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Local Members:	<b>Relevant to all Elected Members</b>

#### A –Recommendation/s and reason/s

**R1 – The Executive endorses the continued preparation of a Levelling Up Fund (LUF) application which focusses on Holyhead.**

**R2 – Due to application submission deadline uncertainty, the Executive delegates authority to authorise the final submission to the Senior Leadership Team (in consultation with the Leader).**

#### **1.0 What is the Levelling Up Fund?**

The LUF is the latest funding mechanism by UK Government and forms part of their wider 'levelling up agenda'. The LUF focuses on interventions that have a visible impact on people and their communities. The first round of funding focused on three themes:

1. Transport investment
2. Regeneration and town centre investment
3. Cultural investment

The maximum value of any bid the County Council may submit is up to £20m.

Bids are then assessed against the four criteria, which are equally weighted.

1. Characteristics of the place – the priority level of the LA (so Priority 2 for IACC)
2. Strategic fit with local and LUF priorities
3. Value for money – Benefit Cost Ratio
4. Deliverability – Finance, management and commercial cases, and monitoring and evaluation

Support for the application from the Local MP is also a requirement.

#### **2.0 The Expressions Of Interest (EOI) Process**

During August 2021 an open call for projects across Anglesey was made by the County Council. A total of 11 (eleven) EOI's was received (these can be found in Annex A) and these were assessed by Officers in the Economic Development

## A –Recommendation/s and reason/s

Function. As a result of this assessment it became clear that a strong bid could be submitted centred around Holyhead.

### 3.0 Potential Holyhead Bid

A total of 5 (five) EOI's were submitted from Holyhead. These included:

1. Môn CF
2. Church of Wales
3. Ucheldre Centre
4. Maritime Museum
5. County Council – Heritage Regeneration

Following review, expert external advice and guidance and informal engagement with UK Government Officials, there are a number of factors as to why a potential bid centred on a 'package' of Holyhead projects has the best possible opportunity to be successfully approved.

These include:

1. Holyhead has a critical mass of activity which could add up to the scale expected for LUF projects with statutory consents in place (or nearly in place), match funding (between 10-30% is required) and being able to deliver within the timeframe of March 2024.
2. There is a compelling narrative for the Holyhead schemes and ensuring a very strong alignment to a clear common LUF theme/ goal between elements of the projects is critical. This is vital in a Priority 2 Area, which Anglesey is. This makes it difficult to have multiple projects across various geographical areas Island wide.
3. Evidence of stakeholder support (local MP, private sector/ external organisations) is again critical. Extensive engagement in Holyhead is already of the scale/ commitment needed for a convincing bid.
4. There has been an oversubscription on generic 'regeneration' schemes in Round 1 (as an Island wide scheme would have to be), therefore Round 2 will prioritise projects with a focus on culture and heritage schemes which Holyhead can deliver.
5. Having a clear and coherent story is critical within a bid and should clearly define how all the components fit together and how they will form part of a longer journey to levelling up in the area.
6. Bids focussing on a sense of place scored highly and remains a prominent part of Ministers ambitions.
7. Any reservations around deliverability and risk are scored harshly – and applications will fail.
8. Cost/ benefit and value for money must have clear, integrated, defined outputs around a single goal.
9. The Local MP has endorsed and supported the Holyhead proposal.

### 4.0 Current Position

Following Senior Leadership endorsement, Officers – supported by external consultants – have been progressing and developing a potential bid centred on Holyhead. This has involved securing further information from each of the 5 EOI's

**A –Recommendation/s and reason/s**

and having detailed discussions with them to assess each projects maturity, viability and alignment to the LUF principles and requirements.

**The process to develop and finalise the potential bid is ongoing and will not be completed until March. It is therefore not possible to provide the Executive with detail on its likely scope, value, risks and any potential liabilities.**

However, Executive support is still required so that Officers can continue to progress and develop and submit a potential bid.

As there is still uncertainty over when the window for bid submissions will be formally opened by UK Government, there is a high probability this could therefore fall within the pre/ post-election period.

It could be required that the final bid submission will have to be approved and submitted to UK Government by the Senior Leadership Team, subject to all necessary sign-off procedures.

**B – What other options did you consider and why did you reject them and/or opt for this option?**

That the County Council does not submit a formal LUF bid – Officers recommend this is not an option.

That the County Council submits a LUF application on an “Island wide” basis. Based on discussions with UK Government Officials, this option would not be successful as there are no other projects of a scale, with match funding and consents in place and deliverable within the 18 month window.

**C – Why is this a decision for the Executive?**

Securing the necessary endorsement and support of the Executive is important based on the potential value of any LUF application.

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

Yes.

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

Yes. Development funding of £125,000 to support any potential bid has been received from UK Government.

Dd – Assessing the potential impact (if relevant):		
1	How does this decision impact on our long term needs as an Island?	Areas of Holyhead suffer from deprivation and is amongst the highest in Wales. Securing Levelling Up Funding can deliver tangible improvements and benefit to the Town creating jobs and opportunities.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	It has the potential to prevent future costs/ dependencies on the Authority by stimulating economic growth and prosperity in Holyhead.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Yes – working with colleagues from UK Government and external organisations to the County Council. These include Mon CF; Church of Wales; Maritime Museum; Ucheldre Centre.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Yes – we issued a ‘call for projects’ in August 2021 and a number of Expressions of Interests were received from external parties in Holyhead.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	We envisage that this has the potential to have potential positive impacts for all citizens through creating jobs and opportunities.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	We envisage that this has the potential to have potential positive impacts for all citizens especially considering that Holyhead suffers from deprivation and a number of its residents are at a socio-economic disadvantage.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	Any potential successful bid will be delivered in both Welsh and English and we will ensure that the Welsh language is treated in exactly the same manner as English.

E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	Supportive – comments received and report updated accordingly.
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	Supportive – clarification re questions raised: as the LUF is a UK Government scheme, there is no formal role for Welsh Government and/ or the Senedd Member.
4	Human Resources (HR)	n/a

E – Who did you consult?		What did they say?
5	Property	n/a
6	Information Communication Technology (ICT)	n/a
7	Procurement	n/a
8	Scrutiny	n/a
9	Local Members	n/a

**F - Appendices:**

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

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