

## **ISLE OF ANGLESEY COUNTY COUNCIL**

### **Scrutiny Report Template**

<b>Committee:</b>	<b>Partnership &amp; Regeneration Scrutiny Committee</b>
<b>Date:</b>	<b>22.11.2023</b>
<b>Subject:</b>	<b>Levelling Up Fund – Holyhead: A culture and heritage driven transformation</b>
<b>Purpose of Report:</b>	<b>To provide an update on the Levelling Up Programme</b>
<b>Scrutiny Chair:</b>	<b>Cllr Dylan Rees</b>
<b>Portfolio Holder(s):</b>	<b>Cllr Llinos Medi - Economic Development Portfolio Holder</b>
<b>Head of Service:</b>	<b>Christian Branch – Head of Regulation and Economic Development</b>
<b>Report Author:</b>	<b>Efan Milner – Levelling Up Programme Manager</b>
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<b>Local Members:</b>	<b>Relevant to all Elected Members</b>

#### **1 - Recommendation/s**

That the Scrutiny Committee...

- a. Notes progress in the development and delivery of the LUF programme in Holyhead
- b. Notes the implementation of the LUF Programme in line with UK Government guidance
- c. Recognises the role of the Council in supporting the Programme's Delivery Partners

As agreed, the focus of this update to the Scrutiny Committee will be LUF projects being delivered by Holyhead Town Council.

#### **2 – Link to Council Plan / Other Corporate Priorities**

The Holyhead Levelling Up Programme was developed against the context of current Council priorities. Other key national, regional and local policies and strategies (i.e. Levelling Up White Paper the Welsh Government Programme for Government and the Regional Economic Framework for North Wales) also informed its focus..

Local strategies:

- Council Plan 2023 -2028 (Isle of Anglesey County Council, 2023)
- Isle of Anglesey & Gwynedd Well-being Plan (Gwynedd & Anglesey Public Service Board, 2018)
- Isle of Anglesey County Council Strategic Equality Plan 2020 –2024 (Isle of Anglesey County Council, 2020)
- 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 Program discusses the significant role of external partners in the successful completion of the Levelling Up Programme. How does the Council work together and support them to ensure full compliance and success?
2. How are the Levelling Up projects measured in terms of direct and indirect outputs?
3. What assurance could be offered that all of the fund will be spent successfully, while ensuring compliance and value for money?
4. In the report, 5 main risks associated with the Programme are discussed. What measures are in place to manage and mitigate these risks?

### 5 – Background / Context

#### a) Development of the Holyhead Bid & Partnership Working

In June 2022, a Portfolio Holder decision was secured to endorse the submission of the County Council's application to the UK Government's Levelling Up Fund (LUF).

The "Holyhead: A culture and heritage driven transformation" bid was submitted on 6<sup>th</sup> July 2022.

The bid includes a package of projects for Holyhead to increase employment; improve the town centre offer and visitor experience; increase footfall and spending; provide modern floor space to meet business needs, and increase access to the arts, culture and leisure.

The Delivery Partners are:

- MonCF

- The Ucheldre Centre
- Diocese of Bangor
- Holyhead Town Council
- Heritage Regeneration - Regulation & Economic Development Service

Confirmation of the successful bid came on the 18<sup>th</sup> January 2023.

The County Council decided to focus on inviting expressions of interest (EOI's) from external partners on schemes that could be delivered in collaboration with the County Council for the 2nd round of LUF. Projects with a value of up to £20m could be supported and funding of £125,000 was provided to support development costs.

During this assessment it became apparent that only a bid focussing upon addressing Holyhead socio-economic needs would likely meet the UK Government's specific requirements and have any opportunity of being successful. These requirements included the ability to spend immediately; be deliverable by March 2025; demonstrate value for money; and be in possession of (or able to demonstrate no obstacles to securing) statutory consents and match funding. It was also determined that a single bid centred on the 'heritage; culture and townscape' attributes of Holyhead rather than the Island's wider regeneration needs would likely score higher against the UK Governments requirements. A previous report to the Scrutiny Committee on the LUF Programme is included in **Annex A**. Further information on the Programme is attached in **Annex B**.

#### **b) Role of the County Council in the delivery of LUF Programme**

The LUF Programme is managed, implemented and monitored by the Council (with day to day responsibility sitting with the Regulation and Economic Development Service).

A Programme Manager and a Senior Project Officer have been appointed to oversee the management of the LUF programme, working closely with the 5 project partners to ensure that they deliver on the bid as submitted within the original business case, to cost, to time and securing all outputs. Colleagues in Finance Services will also play a key role in terms of financial monitoring, compliance and risk management.

The Governance framework for the Programme is as follows;

- a) **Programme Board** - Chief Executive, Economic Development Portfolio Holder, Finance Portfolio Holder, Section 151 Officer, Head of Service R&ED, Chief Economic Development Officer, , LUF Programme Manager, LUF Senior Project Officer and the MP for Anglesey.
- b) **Delivery Group** – MonCF, Ucheldre Arts Centre, Town Council, Church in Wales, Council Heritage Officer, Programme Manager, Senior Project Officer and Grants Manager
- c) **Stakeholder Group** – All Ynys Cybi and Holyhead Elected Members, Mayor of Holyhead Town Council, Chair of MonCF Board, Representative of the Federation of Small Businesses, Programme Manager, Senior Project Officer

The time scales for delivery are challenging with the £17m to be spent by March 2025 therefore having these supporting frameworks in place will aid in the delivery of the programme. The Council has entered into separate Development Phase Agreements with four of the delivery partners to ensure timely development of their projects. From the 1<sup>st</sup> of November the four delivery partners have entered into Delivery Agreements to continue the progress they have made.

A separate Memorandum of Understanding has been agreed for the Council Heritage projects.

### 1) Project Updates

**Annex C** provides an overview of progress on the Mon CF, Diocese of Bangor (Church of Wales), Ucheldre Centre, and Townscape Projects.

The table below provides a more detailed update in relation to the Holyhead Town Council project (given that they are the focus of this meeting).

Description	Progress	Next steps	Value
Redevelopment of the 4 shelters on Newry beach into commercial and retail Kiosks	<p>Final designs have been completed and all statutory consents have been obtained.</p> <p>Issues relating to drainage have been resolved.</p> <p>Tender Documents for the developments have been released on Sell2Wales.</p> <p>Tenants for the Kiosks have been agreed.</p>	<p>Review tender submissions against original approved costings.</p> <p>Appoint contractors to carry out the works</p> <p>Revise expected completion is now May 2</p>	£400,000
Extension to Empire complex including redevelopment of the Soft Play Centre and improvements to the Cinema	<p>Final designs have been completed.</p> <p>Consent for the external designs currently awaiting planning approval.</p> <p>Tender Documents for the developments have</p>	<p>Review tender submissions against original approved costings.</p> <p>Carry out value engineering if required.</p>	£1.3M

	been released on Sell2Wales.  Tenants for the Kiosks have been agreed.	Revise expected completion date is now August 2024  Appoint contractors to carry out the works	
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## 2) Local Procurement Opportunities

The LUF delivery team held a Meet the Buyer event in the Trearddur Bay Hotel (6<sup>th</sup> July 2023) to raise awareness of the opportunities for local contractors. Twenty local firms were invited to the event with ten attending. The delivery partners provided an outline of their proposals to the attendees followed by an opportunity to discuss the plans in more detail.

The Delivery partners and the LUF delivery team will also release information related to tendering opportunities on Social Media channels when applicable.

## 3) Local Engagement

A community event was held September the 26<sup>th</sup> in the Town Hall with open invitation to everyone in the community. Again, delivery partners displayed their proposals and were available to answer questions.

There will be further community and Meet the Buyer events to stimulate further interest in the programme and ensure that residents and businesses benefit as well as a concentrated and coordinated marketing exercise via social media channels.

## 4) Risks associated with LUF

As part of the submission the Council has prepared a Programme Risk Register which is monitored quarterly. Some risks that have been identified in the delivery of the LUF on Anglesey include:

- a. The volatility and unpredictability of the construction sector and inflation has and can continue to result in an unanticipated increase in costs of materials.
- b. The Council not being in a position to provide any additional funding if cost variances arise within the £17m envelope.
- c. Reputational risk for the Council as the Accountable Body responsible for managing the LUF on Anglesey should any of the projects not be delivered. External interest in this is extremely prominent.
- d. Challenging timescales.
- e. The Council not taking full advantage of the opportunity presented by LUF.

## 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)**

The overall aim of the Holyhead LUF Programme is reverse the decline of the Town Centre by:

- Reduce the number of vacant or dilapidated buildings
- Increase footfall and spending
- Increase employment and reduce unemployment
- Provide modern floorspace to meet business needs
- Increase and improving access to arts, culture and leisure
- Diversify the town centre offer

### **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 -

The LUF Programme is aiming to create 65 New Full Time Equivalent posts as part of the developments. These opportunities will be available across a range of sectors either in partner organisations or in private enterprises. Many of the roles will be public facing and will help boost the use of the Welsh Language in the area.

### **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. Should individual project costs rise then Delivery Partners will have to explore additional funding options.

### **8 – Appendices:**

**Annex A – Holyhead LUF Bid Summary**

**Annex B – Overview of LUF Projects**

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

Annex C - Previous Report to the Scrutiny Committee (March 2023)