

ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template

Committee:	Partnership & Regeneration Scrutiny Committee
Date:	13.03.2024
Subject:	Levelling Up Fund – Holyhead: A culture and heritage driven transformation
Purpose of Report:	To provide an update on the Levelling Up Programme
Scrutiny Chair:	Cllr. Dylan Rees
Portfolio Holder(s):	Cllr Llinos Medi - Economic Development Portfolio Holder
Head of Service:	Christian Branch - Head of Regulation and Economic Development
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Local Members:	Relevant to all Elected Members

1 - Recommendation/s

The Committee is requested to:

That the Scrutiny Committee:

R1. Notes progress in the development and delivery of the LUF programme in Holyhead

R2. Notes the implementation of the LUF Programme in line with UK Government guidance

R3. 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 project being delivered by the Ucheldre Centre.

2 – Link to Council Plan / Other Corporate Priorities

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

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

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 benefits are there for local suppliers in realising the Anglesey Local Prosperity Fund Programme?
2. To what extent is the ability of key partners to deliver a risk to the success of the whole Programme?
3. What communication arrangements are in place to promote the Programme and how can they be strengthened?
4. The report discusses the challenging timetable regarding delivery on the individual projects. When is it anticipated that the benefits will be achieved?
5. To what extent is the budget sufficient to deliver the entire Programme to the timetable set?

5 – Background / Context

Introduction to the Levelling Up Fund (LUF)

The LUF is the flagship funding pot from UK Government. The capital only fund is designed to invest in core, social-economic infrastructure that improves everyday life across the UK. The £4.8 billion fund – launched in March 2021 – has a focus on 3 key areas:

1. Support town centre and high street regeneration,
2. Local transport projects, and
3. Cultural and heritage assets.

The County Council determined that a bid centred on the 'heritage; culture and townscape' attributes of Holyhead rather than the Island's wider regeneration needs would likely be more appealing to the UK Government.

It cannot be underestimated the volume and complexity of work that went into developing the bid. This resulted in significant, intensive collaborative working by the County Council with partners from Holyhead on a level and detail not done for some time.

Developing the bid also involved securing further information and a rigorous, high degree of supporting each of the 5 EOI's (Môn CF, Holyhead Town Council, Ucheldre Centre, the County Council (Heritage) and Church of Wales) and having detailed discussions with them to assess each project's maturity, viability and alignment to the LUF principles and requirements.

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 6th 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.

As outlined above the Programme's Delivery Partners are:

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

Confirmation of the successful bid came on the 18th January 2023.

1) Project Updates

Annex A provides an overview of progress on the Holyhead Town Council, Môn CF, Diocese of Bangor (Church of Wales), and Heritage Regeneration Projects.

The LUF Delivery Team are working closely with each of the Delivery Partners to progress their projects and to monitor key issues and risks. Meetings are held every 4 weeks with the Partners where key concerns can be raised.

We have taken part in the evaluation of all the tenders submitted to date and provided additional guidance where required. In one instance a contract had to be re-tendered to adhere to the Council's procurement rules.

The Delivery Team are also liaising regularly with UK Government to update them on progress, highlight areas of concern and completing the quarterly monitoring and reporting forms.

Programme Board meetings are scheduled every 6 weeks and provide an opportunity for the delivery team to update Senior Officers, Leader of the Council and the Member for Parliament. The Board retain oversight of all key decisions and updates to the Procurement Dashboard, Programme Dashboard and the Risk Register.

The table below provides a more detailed update in relation to the Ucheldre Centre project.

The Ucheldre Centre is Holyhead's main arts and cultural asset. It currently struggles with insufficient space/capacity to host its extensive events programme which ranges from children-parent activities to theatre and opera screenings. Expansion of the centre will increase the number and type of events it can hold.

The project's agreed outputs are:

- a. Visitor numbers to increase.
- b. The number of annual events to increase.
- c. Employment to increase either directly employed by the centre or as external tutors.
- d. Additional volunteering opportunities
- e. Greenhouse gas savings - Carbon reduction

Progress	Next steps	Value
<p>Tender for the Ucheldre project was posted on Sell2Wales from the 21st August to 15th September</p> <p>2 Stage tender process adopted. First stage for repairs and renewals and the second stage for the main works.</p> <p>Both tenders were within the original costs agreed for the project</p>	<p>Monitoring of ongoing costs to ensure delivery within budget.</p> <p>Work on the extension to begin on site in April/May including break through into the existing building.</p> <p>Need to monitor delivery timetable to recognise any possible delays to the deadline.</p>	£4,050,000.00

Both stages were won by Grosvenor Construction Ltd (Kinmel Bay).

Work commenced on site in November 2023 starting with repairs to the roof and repointing of the masonry on the existing building.

Both flat roofs have been re-surfaced and supporting beams replaced where necessary.

Drains have had to be re-designed following the discovery that foul water and surface water were in the existing drains.

Footings for the extension have been completed.

Specialist suppliers for the timber and steel frames have been secured.







2) Programme Priorities

Tender returns have been received for five projects and four design contracts. The majority of project tender return costs have been above the original estimates and the completion dates have exceeded the UK Government deadline of March 2025.

Three projects are currently underway, and these are:

- a. Ucheldre Centre
- b. 9 Stanley Street
- c. Newry beach kiosks

Negotiations are underway with the preferred tenderer for the HSBC and the tender for the Empire Complex has had to be reposted.

The LUF Delivery team are working with the Delivery partners involved to identify possible savings in the tender submissions but in some instances this may not be possible. One tender has had to be readvertised following a savings review and this had increased the delivery timeline.

Key issues on the programme are the funding and timeline to deliver projects. From recent tender submissions, costs are likely to increase on pending tenders and the timeframe is forecasting beyond the current deadline of March 2025.

3) Local Procurement Opportunities

All recent tenders have been shared on Sell2Wales, as required under Council procurement rules, and promoted locally. An average of three submissions have been received for each tender which is reassuring. Evaluation of the tenders has been carried out by the delivery partners with Council LUF officers present.

The submissions have come from businesses on Anglesey as well as businesses from along the North Wales coast.

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

Contracts have recently been awarded to

- a. Grosvenor
- b. Anglesey Builders
- c. OBR Construction

4) Local Engagement

A community event was held January 17th in the Ucheldre Centre with open invitation to everyone in the community. Delivery partners were present and displayed their proposals and were available to answer questions. Approximately 60 people attended the event between 15:00 and 18:00 including County and Town Councillors. There were still some misconceptions about the proposals. Concerns were raised about the closure of the Church yards during development and the proposals for the HSBC and former Careers Wales Building. The majority of the concerns were resolved during the open day.

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

The LUF Delivery Team are working with UK Government on the production of promotional material highlighting all the key LUF projects in Holyhead. It will include one panel noting the locations of all the projects. A promotional video of the project locations before works commence has been prepared and will be shared with Partners. Site notices are also being placed at locations where work is currently underway.

Facebook and X are used regularly to raise awareness of the LUF Programme

The LUF Delivery Team will soon be working with the Regeneration Manager on the development of the Local Place Plan for Holyhead. This will be an opportunity to identify and raise awareness of other regeneration projects in Holyhead and identify potential funding opportunities. Holyhead is now eligible to apply for WG Transforming Towns strategic funding, and this relies on having a town centre regeneration plan.

Opportunities to Increase learning for local schools and for them to engage with the Holyhead area and locally important buildings, as part of their 'cynefin' curriculum will also be explored.

5) Risks associated with LUF

As part of the submission the Council has prepared a Programme Risk Register which is monitored regularly. The Risk Register has been developed to recognise that the initial scope of some projects may not be delivered. As noted in the Programme Priorities, tender

returns have highlighted that the funding available is not sufficient and that certain elements may not be achieved. These will have to be communicated to UK Government.

The Key risks that have been identified in the delivery of the LUF on Anglesey include:

- a. Insufficient funds within the funding profile to complete all the projects completely.
- b. Delivering the programme within the timeframe set out by UK Government
- c. Need to review current scope of the Programme
- d. Reduction in the amount of agreed Outcomes and Outputs that can be achieved if insufficient funds available.
- e. 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.
- f. Being dependent on external delivery partners who don't necessarily have experience in the delivery of such schemes and the risk of those underdelivering on approved projects.
- g. The need to adapt to changes in circumstances of beneficiaries during the programme.
- h. The Council not taking full advantage of the opportunity presented by LUF.

6) Other Funding Sources

Whilst the LUF funding secured is only for Holyhead it is important to note that other funding sources remain for the other areas on Anglesey. The Shared Prosperity Fund (SPF) is currently in progress of being assessed and scored with later rounds expected, Welsh Government has Town Centre funds available and we can also access NDA funding specifically for North Anglesey. It should be noted that the Service's capacity to develop projects for other areas is now severely limited due to resource constraints and the need to deliver on our existing, competing priorities

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 – LUF Programme Update and Outputs****9 - Background papers (please contact the author of the Report for any further information):**

<https://www.anglesey.gov.wales/en/Business/Economic-development/Holyhead-Levelling-Up-Fund/Welcome.aspx>

Annex A - LUF Programme Update and Outputs

Description	Update	Outcomes and Outputs
A substantial extension by Holyhead Town Council to the Empire Play Centre, the town's main indoor attraction, to cater for increasingly higher demand and the renovation of the Newry Beach Frontages improving facilities for locals and visitors alike.	OBR have been appointed to carry out the redevelopment of the Kiosks on Newry beach and work is expected to start on the 26th February for a period of four months. The tender for the work on the Empire had to be reviewed and republished following higher than expected costs proposed in the first tenders. Following an evaluation of the costs a new tender was released at the end of January with a closing date of the 19th February. The Town Council and LUF Delivery team will review any new submissions.	Community space created or improved Play Centre and Beach frontages/ Kiosks for Newry Beach
Môn CF will embark on a property restoration programme, targeting some of the largest and most prominent vacant properties and creating sustainable vibrant new community uses, ensuring that these buildings are saved for future generations.	Work has commenced on 9 Stanley Street and is expected to be complete by the end of June. The tender for the HSBC was released on Sell2Wales for a period of 6 weeks and only 1 submission was received. MonCF are reviewing the tender with their Architects to review the submitted costs as they are higher than expected. The Tender for the Central Building closes on the 27th February and will be reviewed once complete. Design contractors are currently reviewing 14 Stanley Street to identify required works	Leisure space provided (Dance Studio) Town centre floorspace created or improved New and improved residential units New holiday-lets Dilapidated buildings improved Additional commercial units with broadband access of at least 30Mbps Heritage buildings renovated/restored
Bangor Diocese are renovating St Cybi's Church, the Grade 1 listed star of Holyhead's heritage assets. Redevelopment of Eglwys Y Bedd, which will expand into a community hub, helping local people and bringing	Scheduled Monument Consent has been approved for both elements following extensive archaeological excavations. A planning application for the revised works on Eglwys	Cultural space created or improved Heritage buildings renovated / restored

more activity into the heart of the town.	y Bedd is to be submitted in March 2024.	
<p>The Council has extended the Townscape Transformation programme in Holyhead to include the refurbishment of dilapidated town centre heritage properties and improvements to shopfronts on Stanley Street.</p> <p>This will help reverse the decline of the town centre and provide new residential properties in the town centre. It will also transform the public realm around St Cybi's by improving access which will draw people into the town centre.</p>	<p>Design teams have now been appointed for all the projects and it is hoped that tenders for the works will be in place by April.</p> <p>Owner agreements are nearing completion and will be issued soon.</p> <p>First stage of the iron railings repairs underway following the removal of the Arch.</p> <p>Further investigations required for shopfront improvements to properties under the Conservative Club</p>	<p>Town centre floorspace created or improved</p> <p>Dilapidated buildings improved</p> <p>Public realm created or improved</p> <p>Public amenities/facilities created, improved or relocated</p> <p>Additional commercial units with broadband access of at least 30Mbps</p> <p>Additional residential units with broadband access of at least 30Mbps</p> <p>Heritage buildings renovated/restored</p>