

Isle of Anglesey County Council	
Report to:	The Executive
Date:	23rd July 2024
Subject:	Socio-economic condition of North Anglesey and the case for investment and support
Portfolio Holder(s):	Councillors Gary Pritchard and Robin Williams, Deputy Leaders
Head of Service / Director:	Christian Branch, Head of Service – Regulation & Economic Development Service
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Local Members:	Cllr Aled Morris Jones Cllr Liz Wood Cllr Derek Owen Cllr Jackie Lewis Cllr Llio Angharad Owen Cllr Euryrn Morris Cllr Margaret Roberts Cllr Ieuan Williams But also relevant to all Elected Members

A –Recommendation/s and reason/s
<p>It is recommended that the Executive:</p> <ol style="list-style-type: none"> 1. Notes the <i>North Anglesey Socio-economic Impact Report</i> and its contents in order to be fully informed as to the current situation, trends, opportunities and challenges. 2. Supports the Leader writing to the new Cabinet Secretary for the Economy, Energy, and Welsh Language to raise awareness of the issues, challenges and opportunities. 3. Supports the Council’s ongoing activities to identify and secure external funding to facilitate future regeneration. 4. Ensures Officers and Elected Members utilise the data provided in the Impact Report to make informed whole Council decisions to deliver the Council Plan (2023-2028). <p>Reasons: The Economic Development function has produced this evidence base report to set out the current position and challenges facing North Anglesey, and the Council’s ambitions for investment to address the distinctive socio-economic challenges in the</p>

A –Recommendation/s and reason/s

area.

Since the last North Anglesey report was produced in 2019, the closure of major employment sites such as Rehau, and the ongoing decommissioning of the former Wylfa Magnox nuclear power station, along with the Covid-19 pandemic have exacerbated the pre-existing job losses from the original closure of Octel and associated socio-economic challenges for the community and the workforce.

The North of the Island has been in protracted decline for at least two decades. The lack of jobs has resulted in Welsh speaking work age people moving out with their families – leaving an ageing population and a struggling economy.

Despite accounting for a third of the Island's total area, and a fifth of the population, North Anglesey has less than a tenth of the Island's jobs. North Anglesey accounts for just 13% of the Island's Gross Value Added (GVA), and the rate at which GVA has grown since 1998 is half that of the rest of the Island.

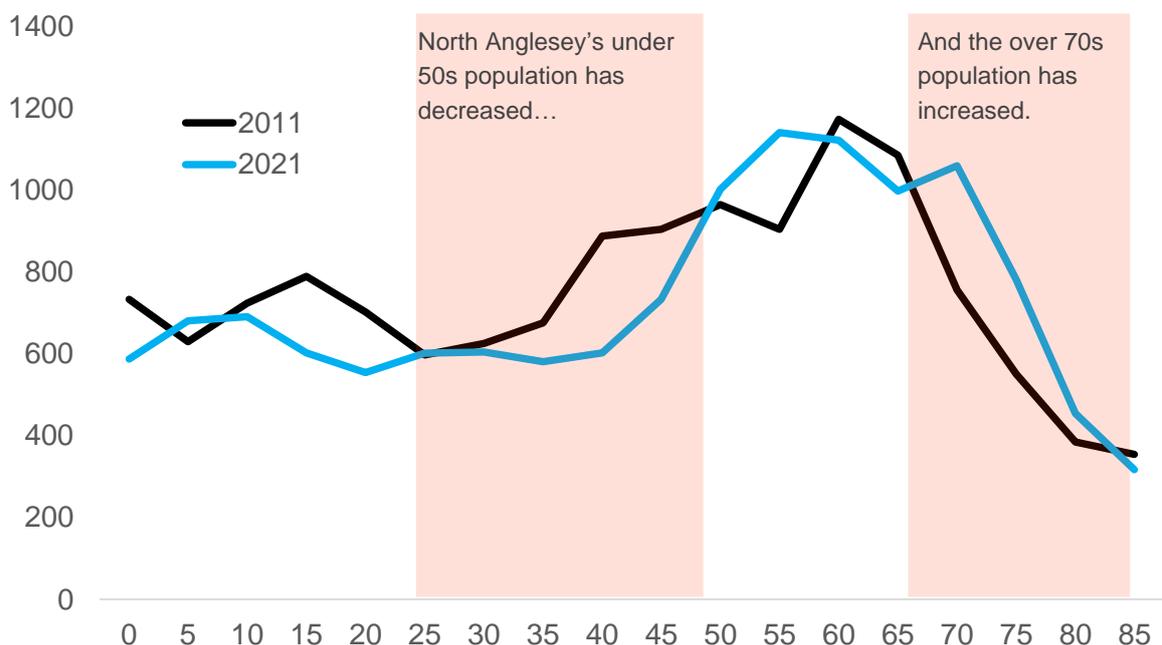
Between 2015 and 2021 the area lost 485 jobs, over a fifth of all employment. Only 35% of residents now work within the area which they live, and Amlwch, the largest town in the locality, is within the top 30% of most deprived areas in Wales.

As of the most recent census (2021) North Anglesey has 13,200 residents. Between the 2011 and 2021 census the North Anglesey population aged 65+ increased by nearly 30%, well above the Welsh average of 18%. Economic inactivity has subsequently increased in the area as it is a popular retirement destination.

Concerningly, there has been a significant loss over the past decade of residents aged between 25 and 50, when people are typically at the formative points in their careers and putting down roots with their families. In North Anglesey, residents aged 50 and over now outnumber those aged 25-49 by 2 to 1. Outward migration also results in the loss of Welsh culture and speakers of the Welsh language – the number of residents in Amlwch & Llannerch-y-medd who can speak Welsh (who are over three years old) has reduced by four percentage points since the 2011 Census.

A –Recommendation/s and reason/s

Change in the population profile of North Anglesey between 2011 and 2021:



There are, however, several opportunities for the North of the Island, as identified in the *North Anglesey Socio-economic Impact Report* and the Council, along with strategic partners (including the Nuclear Decommissioning Agency (NDA)) and Welsh Government are committed to its regeneration.

The Council and the public sector cannot regenerate North Anglesey on their own. Attracting new investment from the private sector will be critical. Despite numerous challenges, there are also many opportunities:

- a. Redevelopment of the former Rehau site into high-quality office and industrial spaces.
- b. Inclusion of the Rhosgoch and Octel sites in the proposed Anglesey Freeport.
- c. The proposed development of a new nuclear build at Wylfa.
- d. Potential socio-economic benefits arising from various low carbon energy developments.

The importance of existing employers in sectors such as agriculture and the visitor economy should also not be underestimated.

Council project development work, facilitated and part-funded through our strategic partnership and long-term collaboration with the NDA and Welsh Government includes design, consenting and the development of formal Business Cases to underpin future capital funding bids (whatever the source), is also well advanced in relation to:

- i. New Amlwch Business Units, with planning permission now granted for 10 new business units (which would provide space for 33 jobs), targeted at SMEs and aiming to address the shortage of high-quality business floorspace in the area and across Anglesey as a whole.

A –Recommendation/s and reason/s

- ii. The refurbishment of the Marine Terminal Building (former Shell Building) Porth Amlwch, which will address the shortage of high-quality office and business floorspace in the area by refurbishing a prominent, currently unlettable Council owned building overlooking the listed harbour in Porth Amlwch.
- iii. A new 15-acre Porth Amlwch Community Park, working in partnership with Y Cymdeithas. Concept designs for the site form the basis of a planning application currently being considered by the local planning authority This sees the currently overgrown and underutilised piece of former industrial land redeveloped to promote local heritage & culture, nature conservation, a sustainable and accessible public space beneficial to all (aligned with the Wellbeing of Future Generations Act), as well as increase the attractiveness of Amlwch Port as a visitor destination.

Securing necessary external funding to deliver and implement these projects is now required.

Further project development work in relation to building on the heritage, culture, history and destination appeal of the area is underway, again, to be in a position to bid for and secure external capital funds for delivery.

It should be noted that without additional project development works the area risks further suffering as a result of not having a suite of suitably “shovel ready” projects to bid for funding. These proposals seek to ensure that the area can capitalise on future funding and act as a catalyst for wider investment in the area.

The Council has delivered a number of interventions to benefit the North of the Island, including targeted business and community organisation grants totalling in excess of £160,000, which helped 33 organisations, and a raft of measures to improve areas including new signage and local information boards for Amlwch, improvements to the Coastal Path and a new footbridge in Cemaes Bay across the river Wygir.

Whilst the total value of these projects represents a significant investment in a challenging period it should be noted/ recognised that the Council has a proven track record of delivering major projects of a similar scale across the Island.

Whilst much of the work being undertaken by the Council has, and will continue to yield positive results, this will not be at the required scope or scale on a strategic level to bring about sustained transformational change for the area. A collaborative approach with UK Government, Welsh Government, the NDA and other partners is required to bring about the change which the area deserves.

There are wider, strategic opportunities that could result in the transformational change for North Anglesey. In its Spring 2024 budget, the UK Government confirmed that it is the process of purchasing the Wylfa site from Hitachi. The Council considers that the Wylfa site being in control of UK Government is a significant step forward and provides a clear confirmation to local communities that a new nuclear

A –Recommendation/s and reason/s

development at Wylfa, either at gigawatt and/ or Small Modular Reactor scale is a strong possibility, with the site frequently identified as one of the best sites in the UK for new nuclear. The Council has been a strong positive advocate on the need for new nuclear and has been heavily involved over the last 10 years, influencing Governments and developers, ensuring the needs of the North are recognised. This will continue with the new Government now in place. Despite this positive development, it is important to acknowledge that even if a development is confirmed the benefits associated with a project of such scale will not be felt locally for a number of years.

The Council through the Energy Island Programme will continue to collaborate with UK Government, Great British Nuclear, Welsh Government and other key stakeholders in relation to a new nuclear development at Wylfa and to ensure that any development is developed in a manner that fully acknowledges and appreciates the local sense of place.

The Council has also been resolute and has placed significant emphasis on ensuring that North Anglesey plays a key role in the Council's Freeport bid which could result in positive economic growth on the Island. The Freeport is anticipated to create between 3,500 and 13,000 jobs across North Wales, with a large proportion being in Anglesey. Two sites have from North Anglesey been included in the Outline Business Case submitted to both Government and the area is likely to experience job growth, with major brownfield locations within the area earmarked for redevelopment as high value Freeport sites, offering significant benefits to encourage private sector investment.

Continuing the close and valued collaboration with, and financial and strategic support from, UK Government, Welsh Government, the NDA (and others) is critical to enable and bring about the transformational, step-change in the local economy for the benefit of our residents and communities.

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

Do nothing: no new interventions in North Anglesey; does not align with the Council's policies and ambitions and reduces the likelihood of the situation improving for North Anglesey.

C – Why is this a decision for the Executive?

Because achieving the ambitions of the North Anglesey Economic Regeneration Plan is a recognised corporate priority in the *Council Plan (2023-2028)* and critical to achieving a number of the Council's objectives.

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

Yes as it aligns to the objectives within the adopted *Council Plan (2023-2028)*, in particular “*Collaborate to deliver the 'North Anglesey Economic Regeneration Action Plan'*” by:

- creating an Anglesey that is healthy and prosperous where people can thrive
- promoting opportunities to develop the island’s economy
- stimulating economic and community regeneration
- continue to capitalise on external funding opportunities to ensure that the island’s economic needs are addressed.

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

Yes, no additional funding is immediately sought from core Council Funding. All project development works to date have been supported by the NDA funding previously secured by Economic Development.

However, the report identifies a number of strategic issues, which link to the Council's Plan and its strategic objectives. Clearly these objectives may require an element of funding to enable them to be delivered, whether it is revenue or capital funding, at a time when the Council’s funding is under severe pressure. The financial implications of the plans for North Anglesey will be considered in the Council’s Medium Term Financial Plan and when future revenue and capital budgets are set, with priority given to funding the Council’s statutory duties and the workstreams that deliver the greatest benefit for the residents of Anglesey.

Dd – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	This decision is an opportunity to progress project development towards funding application to address the market failure in bringing projects forwards for North Anglesey and delivering the objectives of the NEARP.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Yes - as if the situation continues to deteriorate the council will face increased costs as a direct result of this including increased housing, social care and education costs.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	IACC officers have previously secured significant sums from the NDA and Welsh Government to develop projects for the North of the Island. We continue to work closely with external funders and delivery partners including the NDA, Welsh Government and Y Cymdeithas to

Dd – Assessing the potential impact (if relevant):		
		develop projects to improve the situation.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Extensive consultation was undertaken as a part of the NEARP in order to identify local communities' priorities. Recent public consultation for the parkland concept highlighted a strong desire for investment in the area and support for the Council's proposal.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The objectives of the report to reverse economic decline would benefit those who have protected characteristics under the Equalities Act 2010 as these groups are statistically most likely to be socioeconomically disadvantaged
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	Committing to progressing projects to improve the economic situation for North Anglesey will directly benefit those experiencing 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.	Increasing job opportunities locally in a Welsh Language speaking stronghold will reduce outwards migration and increase the use of Welsh Language and strengthen communities.

E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	Support – but to include more detail on wider strategic interventions such as Wylfa Newydd, Freeports and collaboration with key partners.
2	Finance / Section 151 (mandatory)	Support – but make specific reference to the challenging financial outlook facing the Council.
3	Legal / Monitoring Officer (mandatory)	Supportive
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	
9	Local Members	

F - Appendices:

North Anglesey Socio-economic Impact Report (May 2025)

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

North Anglesey Economic Regeneration Plan

<https://www.anglesey.gov.wales/documents/Docs-en/Business/Regeneration/North-Anglesey-Economic-Regeneration-Plan.pdf>

Ynys Môn

THE ISLE OF Anglesey

North Anglesey Socio-economic Impact Report

May 2024



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1 Executive Summary

- 1.1 The Isle of Anglesey County Council (IACC) has produced this evidence base report to set out the current position and challenges facing North Anglesey, and the Council's **ambitions for investment to address the socio-economic challenges in the area.**
- 1.2 Since the last North Anglesey report was produced in 2019, the closure of major employment sites such as Rehau and the ongoing decommissioning of the former Wylfa Magnox nuclear power station, along with the Covid-19 pandemic have **exacerbated the pre-existing job losses from the closure of Octel and associated socio-economic challenges for the community and the workforce.**
- 1.3 The **North of the Island has been in protracted decline for at least two decades.** The lack of jobs has resulted in Welsh speaking work age people moving out with their families – leaving an ageing population and a struggling economy.
- 1.4 There are **significant opportunities for the North of the Island** – the IACC, along with strategic partners (including the Nuclear Decommissioning Agency (NDA)) are focused on its regeneration.
- 1.5 There are also strategic decisions and investment that are needed to create the structural change that the area badly needs – **the future use of the Wylfa site** (which could be for either Small Modular Reactors (SMR's) or giga nuclear) and **Freeport status** are crucial to this. The UK Government's recent £160m purchase of the Wylfa site is a step in the right direction.
- 1.6 **The Freeport will also be a catalyst for the economy.** It is designed to both turbo-charge the Energy Island Programme, making Anglesey a world leader in low carbon energy, and boost trade through Holyhead Port. The North Anglesey Tax site will help to drive regeneration in the north of the Island.

The closure of historically important employment sites offering stable, well paid jobs means the local economy is suffering

- 1.7 The decline of historically important industries and closure of employment sites has started well before the closure of Wylfa Magnox. In 2004, the Great Lakes Chemical Corporation closed the Octel plant which operated in Amlwch for more than 50 years – a major loss of **over 100 well paid, skilled local jobs.**
- 1.8 The decommissioning of Wylfa Magnox and closure of Rehau meant **485 jobs were lost between 2015 and 2021, equivalent to 21% of total jobs in the area in 2021.** These were dominant, high-value and well-paid employers.
- 1.9 In 2021 there were only 2,285 jobs in North Anglesey – **less than 10% of all jobs in Anglesey** even though North Anglesey covers a third of Anglesey. The area is now dominated by the foundational economy – specifically **accommodation and food services sectors**, which typically have the lowest wages but now support tourism and hospitality.

1.10 Table 1 below sets out the stark difference between pay levels and dominance of sectors in North Anglesey – the most prevalent jobs also have the lowest pay.

Table 1: Dominance of the sector in Anglesey versus pay¹

Industry	North Anglesey employment	Wales annual median pay (£)
Mining and quarrying	0%	42,206
Electricity, gas, steam and air conditioning supply	0%	30,732
Financial and insurance activities	0%	26,820
Real estate activities	0%	20,349
Information and communication	1%	29,803
Agriculture, forestry and fishing	2%	22,969
Public administration and defence; compulsory social security	2%	30,550
Other service activities	2%	20,308
Transportation and storage	4%	24,654
Manufacturing	4%	30,926
Professional, scientific and technical activities	4%	24,560
Administrative and support service activities	5%	19,986
Water supply; sewerage, waste management and remediation activities	8%	27,887
Human health and social work activities	11%	22,327
Education	11%	25,459
Construction	13%	28,098
Wholesale and retail trade; repair of motor vehicles and motorcycles	13%	17,907
Accommodation and food service activities	18%	10,267
	Employment sectors where North Anglesey is dominant...	...are typically lower paid

1.11 The loss of jobs in these historically dominant industries also means North Anglesey only contributed **13% of the total Gross Value Added (GVA) of Anglesey** in 2020. The growth in North Anglesey's GVA was half the rate of the rest of the Island in this period.

1.12 Despite tourism in Anglesey generally seeing significant growth, the North of the Island struggles to capture its 'share' – with the majority of tourists staying in the South of the Island.

A lack of good quality jobs leads to high out commuting, economic inactivity and deprivation ...

1.13 There are high levels of out-commuting from North Anglesey (only 35% of commuting residents also work in North Anglesey) but its peripherality means that in total 71% remained on the Island.

1.14 Amlwch, the largest settlement in North Anglesey is in the top 30% of the most deprived areas in Wales for both Income and Employment and in the top 20% most deprived for Access to

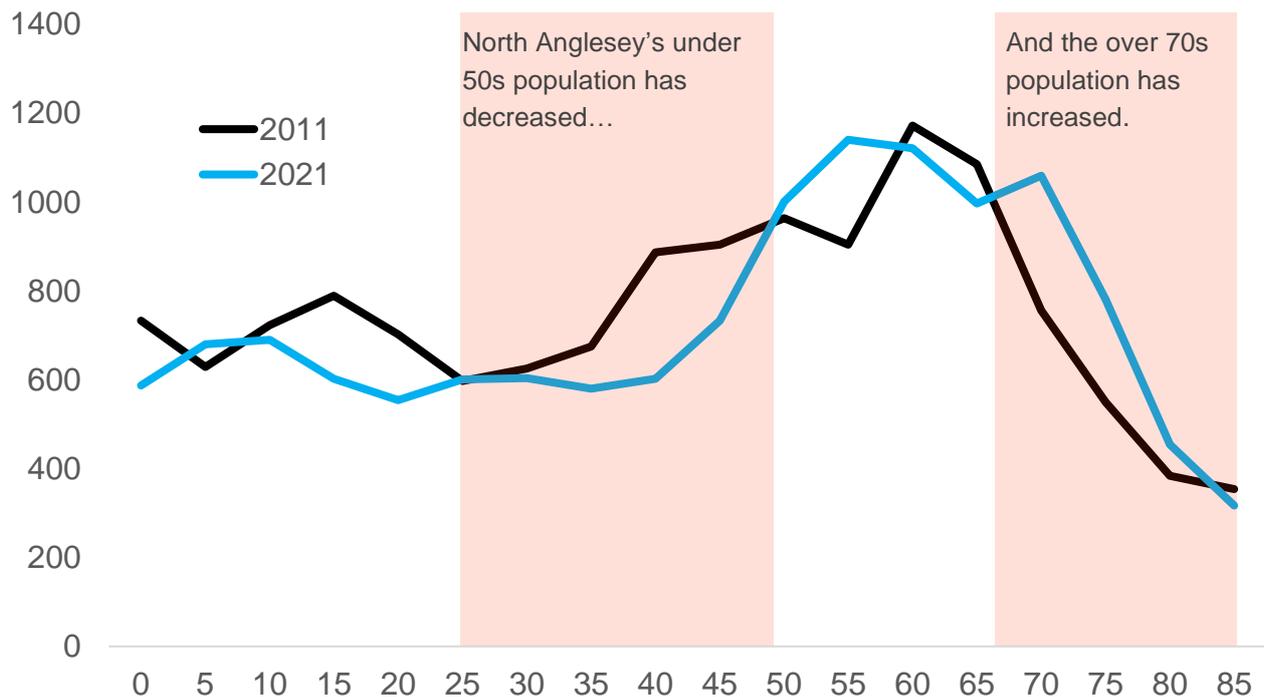
¹ Annual Survey Hours and Earnings (2021 and 2022). Business Register and Employment Survey (BRES 2021), ONS. Note that the BRES 2022 has been released but this is not expected to substantially change the findings of the report.

Services. Residents are increasingly reliant on food banks: between November 2022 and March 2023, consumption at Amlwch food banks increased by nearly 155%.

... and now even working aged residents moving away from the area

1.15 This results in an ageing population, exacerbated by the popularity of the area for retirees. This puts further pressure on already struggling services and economy.

Figure 1-1: Change in the population profile of North Anglesey between 2011 and 2021



...causing further issues for the local economy and further weakening the Welsh language, culture and community cohesion.

1.16 The number of residents in Amlwch & Llannerch-y-medd who can speak Welsh has reduced by four percentage points since the 2011 Census (from 62% of residents over three years old to 58%).

Investing in the area's already outstanding natural environment and heritage, and clean energy projects, will generate employment, improve well-being and provisions for local residents and attract more visitors

1.17 **Regeneration** work is already underway, including successful local interventions and the designation of major projects expected to support employment and investment in North Anglesey. However, structural change requires a collaborative approach between local, regional and national partners. The future use of the Wylfa site and opportunities stemming from Freeport status are crucial to the regeneration of the North.

- 1.18 The **ongoing decommissioning of the Wylfa Magnox site supports quality jobs** and will continue to do so over the medium term. IACC is committed to working with the NDA to ensure that the benefits of the decommissioning process are maximised for local people.
- 1.19 The **Town Centre Investment Plan for Amlwch** includes plans for an extensive area formally used by the copper industry and for municipal waste tipping into a landscaped parkland with a new scenic stretch of the Wales Coast Path and physical improvements to public realm. Modern new signage has been recently implemented in and around the town and the port highlighting Amlwch's rich industrial heritage. Such improvements will help attract tourists to the local area and enhance community wellbeing.
- 1.20 The **Anglesey Energy Island Programme and other clean energy projects** are expected to generate significant employment opportunities for a diverse range of skills and professions during the construction and operational phases.
- 1.21 The recent **Anglesey Freeport** designation is expected to generate between 3,500 and 13,000 high-skilled and well-paid jobs in north Wales. This in turn can **benefit the supply chain and create employment opportunities in North Anglesey** associated with the development of the Freeport sites (particularly the North Anglesey Tax Site).

Future funding will help realise the benefits from these proposals

- 1.22 Further investment is needed to build on successful plans – and strategic intervention is needed in the North of the Island. This is in line with the Council Plan (2023-2028) and delivering the objectives of the North Anglesey Economic Regeneration Plan (NAERP).
- 1.23 **Clean energy projects and investment in Wylfa are the future of North Anglesey** – both through **the NDA decommissioning programme and new nuclear projects**.
- 1.24 The recent (March 2024) Budget announced the purchase by the UK Government of the Wylfa Newydd site. The IACC very much welcomes this announcement and the element of commitment that this provides both to the local community and potential investors in nuclear power. We acknowledge that uncertainty remains and do not underestimate the planning, infrastructure and funding that will be required to deliver a new nuclear power station. Nonetheless, the purchase is an important step to bring the transformational benefits of nuclear to Anglesey and in particular, the North of the Island.
- 1.25 In the shorter term – there are projects that will support the economy and improve the wellbeing of residents in North Anglesey but they will not lead to the systemic, transformational change required for the area. The bulk of any jobs associated with Wylfa are likely to be a significant number of years off (if it is delivered) and investment in North Anglesey is required in the meantime to create an environment that would enable the delivery of and maximise any benefits from Wylfa:
- **Marine Terminal Refurbishment** – funding will be targeted to address the shortage of high-quality office and business floorspace by refurbishing a prominent, currently unlettable Council owned building overlooking the listed harbour in Amlwch Port. This will meet existing demand as well as increased demand as a result of the Freeport, new nuclear and ambitions to capitalise upon the commercial operations at the Port.

- **Implementation cost for Amlwch Community Park** – this project has been brought forward by the IACC and consulted with Amlwch Town Council. The park will serve local residents and visitors by providing them with outdoor activity opportunities, improving links to the Coastal Path and the overall perception of place. The park has been designed to allow delivery of benefits through a phased development approach. A planning application has been submitted.
- **Amlwch Business Units** - funding will be targeted to address the shortage of high-quality business floorspace for SMEs to grow and support the clean energy projects. The project was granted planning permission in April 2024 with unanimous approval. Again, this will help meet existing and future demand.
- **Small Town and Village Initiative** – funding will be for small-scale economic development projects or community infrastructure funding. This will give local communities a sense of agency over their own area, and align with existing Place Shaping works being undertaken.
- **Visitor Economy Infrastructure Fund** – capital funding to bring forward projects across the North of the Island to improve basic infrastructure and improve the visitor offering.
- **Three-Year Capacity Revenue funding** – the IACC does not have the capacity and funding to plan and prepare bids and proposals for priority projects like those mentioned above. This funding will help develop a pipeline of projects to be ready for inclusion in bid applications (e.g. to the Welsh or UK governments) when funding becomes available and bidding rounds open.

2 Introduction

- 2.1 Quod has been commissioned by the Isle of Anglesey County Council (IACC) to provide a thorough evidence-based overview of the socio-economic context of North Anglesey.

Context for the report

- 2.2 The report and its findings set out the current challenges of North Anglesey and the opportunities which will help to guide the themes and priorities of interventions and investment in the area.
- 2.3 The report reflects the updated statistics (including data that has been released from the 2021 Census) and the impact of significant changes and events affecting the local economy and communities that have occurred since 2019, when the last study of a similar nature was undertaken. As well as addressing the challenges, the report also focuses on the opportunities that North Anglesey can capitalise on and improve the social and economic conditions on the area. This report is also aligned with and contributes to the objectives of the new Council Plan (2023 to 2028).
- 2.4 The Nuclear Decommissioning Authority (NDA) invited stakeholders to help to develop a refreshed Local Social and Economic Impact Strategy. The feedback from stakeholders will inform the priority focus areas of the Strategy and help the NDA to make best use of the available funding for maximum community benefit. This report is intended to support the NDA in refreshing the Strategy.
- 2.5 Realising the potential of North Anglesey requires support from the NDA and other strategic partners – this includes the NDA’s critical and strategic role as a landowner, its decommissioning activities and funding local interventions. The findings of this report will feed into the NDA’s refreshed Local Social and Economic Impact Strategy and help to identify strategic investment and funding priorities for North Anglesey for the future.

Structure of the report

- 2.6 The report is structured as follows:
- **Section 3: North Anglesey in context** – an overview of the geography and economy of North Anglesey, and potential opportunities to address its socio-economic issues.
 - **Section 4:** Challenges for the North Anglesey economy – an overview of the current and historic challenges regarding employment and productivity.
 - **Section 5:** Challenges for the North Anglesey community – an overview of the current and historic challenges for residents.
 - **Section 6:** Opportunities – sets out the opportunities that North Anglesey can capitalise on and outlines the need for intervention.
 - **Section 7:** Future Projects – lists the priority Future Projects of the IACC for North Anglesey.

3 North Anglesey in context

- 3.1 North Anglesey covers over 23,000 ha of land. This is 33% of the total land area of Anglesey. The largest town is Amlwch (2021 Census population: 2,450) – with a series of smaller villages, of which Cemaes is the largest (2021 Census population: 800). It is the home of the former Wylfa Magnox nuclear power station (now in a process of decommissioning)² as well as several large brownfield sites, including Rhosgoch and the old Octel site.
- 3.2 There are 13,200 residents and around 2,300 jobs. Both population and employment density are very low – and the majority of jobs are in the Foundational Economy.³
- 3.3 The peripheral location of North Anglesey, away from the major roads and rail with poor public transport provision means it is less densely populated than Anglesey and Wales both in terms of residential and working population. These are shown in Figure 3-1 and Table 2 below.

Figure 3-1: Peripheral location of North Anglesey



² <https://www.dailypost.co.uk/business/business-news/last-spent-fuel-flask-departs-16944436>

³ The services and products in the foundational economy provide those basic goods and services on which every citizen relies to remain safe, sound and civilised. Care and health services, food, housing, energy, construction, tourism and retailers on the high street are all examples of the foundational economy. <https://businesswales.gov.wales/foundational-economy>

Table 2: North Anglesey population and working population compared to Anglesey and Wales⁴

	Number of residents	Residents per square kilometre	Employment	Employment per square kilometre
North Anglesey	13,200	57	2,275	10
Anglesey	68,900	97	23,000	32
Wales	3,107,500	150	1,335,500	64

3.4 Since the previous iteration of this report in 2019, the Rehau factory has closed and North Anglesey like the rest of the world experienced the COVID-19 pandemic. This was not the beginning of the struggles of the North Anglesey economy – it has been in protracted decline and is in need of structural and strategic investment. The issues and opportunities are discussed in detail in throughout this report.

Policy and strategy context

3.5 The regeneration of North Anglesey is aligned with the national, regional and local policy.

The Well-being of Future Generations Act

3.6 The Policy in North Anglesey, like the rest of Wales, is subject to the seven well-being goals outlined in the Well-being of Future Generations (Wales) Act 2015 (WFGA). Those that are most relevant here include:

- **A prosperous Wales:** an innovative, productive society developing a skilled and well-educated economy which generates wealth and provides employment opportunities.
- **A healthier Wales:** a society in which people’s physical and mental well-being is maximised.
- **A more equal Wales:** a society that enables people to fulfil their potential no matter what their background or circumstances (including their socio-economic background and circumstances).
- **A Wales of cohesive communities:** attractive, viable, safe and well-connected communities.
- **A Wales of vibrant culture and thriving Welsh language:** a society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.

The Joint Local Development Plan

3.7 The Joint Local Development Plan was adopted on 31 July 2017. It is a land use development strategy for a period of 15 years, which concentrates on sustainable development.

⁴ NOMIS 2023, Business Register and Employment Survey (BRES) 2021. Note that the BRES 2022 has been released but this is not expected to substantially change the findings of the report.

3.8 The Council has begun the process of updating the JLDP – this includes consideration of sites in North Anglesey.

The Council Plan 2023-2028

3.9 Regeneration and economic growth in North Anglesey is in line with the Council’s vision of ‘Creating an Anglesey that is healthy and prosperous where people can thrive’.

3.10 The Council Plan 2023-2028 identifies priorities for modernising the Council’s services and ways of working. The Plan includes six strategic objectives – of most relevance to the regeneration of North Anglesey are:

- The Welsh Language – increasing opportunities to learn and use the language;
- Education – ensuring an effective provision for today and for future generations;
- Economy – promoting opportunities to develop the Island’s economy; and
- Climate Change – responding to the crisis, tackling change and working towards becoming a net zero organisation by 2030

North Anglesey Economic Regeneration Plan

3.11 The adopted North Anglesey Economic Regeneration Plan (NAERP) sets out a Vision for the North Anglesey area. Its aim is to bring economic benefits to North Anglesey and help meet the challenges posed by decommissioning of Wylfa A, the closure of Rehau, and maximise the potential of the Wylfa Site, with renewed focus following UK Government’s site purchase.

3.12 The Regeneration Plan provides a framework to help guide investment decisions and direct partners to the priorities for the area. The Regeneration Plan is supported by an Implementation Plan which sets out the specific projects to be delivered and will be regularly updated to ensure that the progress of projects, and any new projects that deliver against the Priority Themes, can be reported. This plan is aligned with and will contribute to the economic development of Anglesey and the North Wales Growth Vision.

The NDA

3.13 The NDA Social Impact and Communities Strategy (2024)⁵ recognises the following socio-economic circumstances of the local area:

- The high dependency on the Wylfa Magnox Nuclear Restoration Services Site, exacerbated by the closure of several major employers on the Island in recent years;
- The low-economic strength of the area;

⁵ <https://www.gov.uk/government/publications/nda-social-impact-and-communities-strategy-april-2024/nda-social-impact-and-communities-strategy-april-2024>

- The other strengths of the area, including a “vibrant and attractive tourism offer” and a “strategic focus on green energy”;

3.14 It reiterates the NDA’s ongoing commitment to support Morlais, the ‘Vibrant Communities’ Programme and North Anglesey Economic Regeneration Plan.

The strategic role of key partners including the NDA

3.15 The NDA has a key role to play in North Anglesey – its role as major landowner, in decommissioning of the Wylfa Magnox sites, and as funder means that it is a key strategic partner in Anglesey.

3.16 After considering the particular socio-economic challenges of North Anglesey (set out above) and recognising the uncertainty around the status of the Wylfa Newydd project, in 2019, the NDA has stated commitment to various projects as part of the North Anglesey Economic Regeneration Plan (NAERP)⁶⁷:

- New Business Units – Amlwch and in other suitable locations as opportunities arise.
- Promoting Private Investment – promote and support new investments in the area.
- Business Support – ensure to publicise support and advice for business starts and expansion.
- Education, Skills and Employability – develop skills and work experience for local people and continue to invest in the engineering campus at Grŵp Llandrillo-Menai and broader opportunities for innovation and R&D through M-Sparc Cymru.
- Mynydd Parys – further development of the site as a tourist attraction and provision of linkages to and from it.
- Cemaes Harbour Area – pursue opportunities to improve the attractiveness and economic value of the area.
- Anglesey Energy Island developments.
- Financial support for Mon CF, and in particular the provision of training aimed at equipping people on Anglesey with the necessary skills to enable them to secure jobs.
- The preparation of the North Wales Growth Deal – which includes the Holyhead Gateway project, Nuclear Centre of Excellence.

3.17 The NAERP also notes that *“Opportunities exist to revitalise key sites in the area and bring forward new land for investment. Bringing forward additional land and premises for incubator and ‘grow on’ spaces would enable small to medium enterprises and businesses to develop.”* This is exactly what the Marine Terminal Refurbishment Project is seeking to achieve.

⁶ NDA Local Social and Economic Impact Strategy 2020:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/897130/NDA_local_social_and_economic_impact_strategy_2020_update.pdf

⁷ NAERP 2019: <https://www.anglesey.gov.wales/documents/Docs-en/Business/Regeneration/North-Anglesey-Economic-Regeneration-Plan.pdf>

3.18 This report assesses which of the above projects should be the focus for the IACC and the level of funding required to progress these.

4 Challenges for the North Anglesey economy

4.1 North Anglesey’s economic challenges stem from the loss of jobs driven by the closure of major employment sites such as Wylfa Magnox, Rehau and Octel. Between 500 to 570 jobs directly were lost with many more indirectly and throughout the local supply chain. These have not been replaced with equally well-paid positions, which has left North Anglesey with low job density and lagging productivity growth.

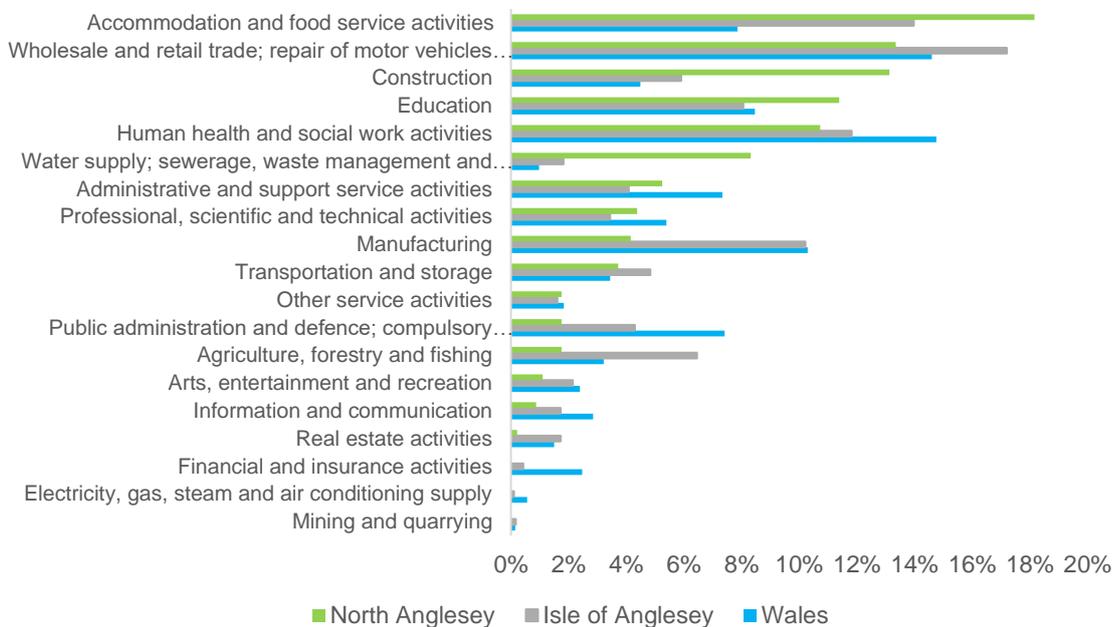
There is very low employment and it’s mostly in the foundational economy

4.2 In North Anglesey, the 2,285 jobs recorded in 2021 were less than 10% of Anglesey’s total employment numbers.⁸

4.3 The local employment is mostly serving the foundational economy, which represents a marked shift from the historically high-paid and high-skilled jobs such as in the manufacturing and transportation and storage sectors.⁹ The largest sector is accommodation and food, accounting for 18% of North Anglesey’s employment as shown in Figure 4-1 below. This is higher than the Anglesey and Welsh averages, which are 14% and 8%, respectively.

4.4 The second largest sectors are retail and construction (13% each).

Figure 4-1: Sectoral share of employment¹⁰



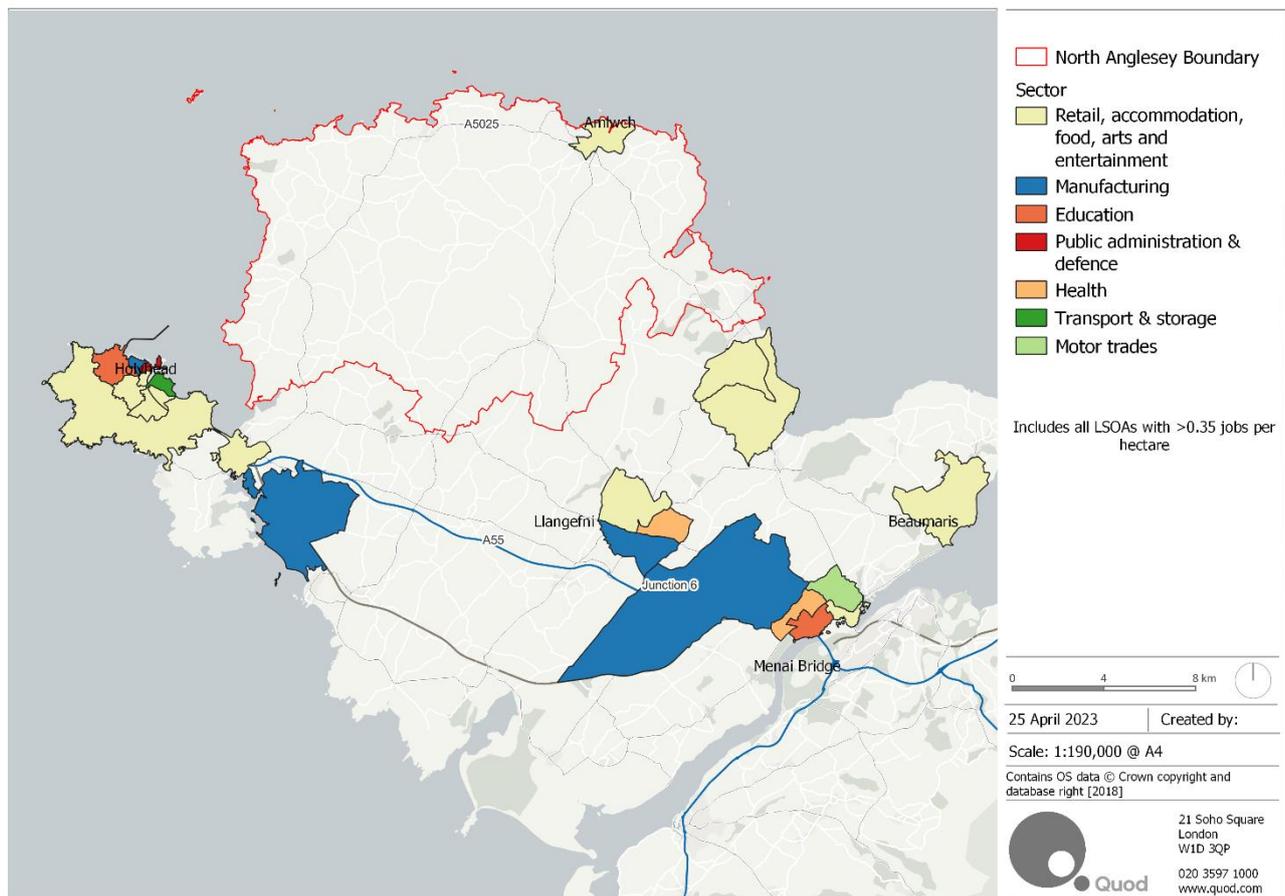
⁸ Business Register and Employment Survey (BRES) (2021), Note that the BRES 2022 has been released but this is not expected to substantially change the findings of the report.

⁹ The services and products in the foundational economy provide those basic goods and services on which every citizen relies to remain safe, sound and civilised. Care and health services, food, housing, energy, construction, tourism and retailers on the high street are all examples of the foundational economy. <https://businesswales.gov.wales/foundational-economy>

¹⁰ Ibid.

4.5 Job density in this part of the Island is also particularly low – with North Anglesey only offering 10 jobs per square km and the only a significant concentration of jobs in Amlwch. This is shown in the Figure 4-2, which also shows that retail, accommodation, food, arts and entertainment are the dominant sectors in Amlwch.

Figure 4-2: Job density in North Anglesey vs Anglesey as a whole¹¹



The North of the Island is poorly connected

4.6 Unlike other major towns on Anglesey, Amlwch is located far from the A55 North Wales Expressway, which allows other parts of the Island to benefit from connectivity and have a greater chance to attract workers and visitors alike.

4.7 On average, by car, it takes between 25 to 30 minutes to reach Junction 6 on the A55 (near Llangefni) from Amlwch and at least 25 minutes needed to reach Junction 5 on the A55 (near Rhosneigr) en route to Holyhead.

4.8 To travel from Amlwch to Holyhead by car, it takes between 35 and 40 minutes, despite being only 14 miles apart.

¹¹ Business Register and Employment Survey (BRES) (2021), Note that the BRES 2022 has been released but this is not expected to substantially change the findings of the report.

And public transport is wholly inadequate.

- 4.9 Anglesey has one of the worst accesses to public transport services in North Wales with infrequent and expensive services, and limited operating hours.¹²
- 4.10 The situation in the North of the Island is even worse. In the morning there is only one bus service from Holyhead, Anglesey's biggest town, to Amlwch that arrives before 9am.
- 4.11 The peripheral location and poor public transport accessibility means that it is more difficult for North Anglesey to attract employers to locate in the area – this is as a result of the small workforce on which to pull, and a lack of connectivity to supply chain and market.

Jobs in historically dominant industries have declined...

- 4.12 In recent years, North Anglesey's historically dominant industries that were key to the local economy have declined considerably.
- 4.13 Since 2004, there have been over 2,300 jobs lost due to closures across Anglesey. Of those, between 500 and 575 were in North Anglesey – at Wylfa Magnox, Octel and the Rehau sites. This was a significant part of the economy and is equivalent to over 20% of the current jobs in the North of the Island.
- 4.14 The loss of Wylfa Magnox in particular was a significant shock to the North Anglesey economy. There were c.1,000 jobs there at peak. Ongoing decommissioning does continue to support jobs and will do over the medium term – and the IACC is committed to working with the NDA to maximise the benefits of the decommissioning process to the local area.
- 4.15 Between 2015 and 2021, North Anglesey had lost 450 jobs (a decrease from 510 to only 25) in the electricity, gas, steam and air conditioning sector, representing 21% of the area's total jobs in 2021. This was driven by the closure of Wylfa Magnox (300 to 350 jobs lost) and lack of alternative jobs for workers skilled in the industry.
- 4.16 The NDA Local Social and Economic Impact Strategy (2020)¹³ recognises the fact that the population of North Anglesey was highly dependent on the Wylfa Magnox Nuclear Power Station for employment and economic growth and that there is a lack of alternative high value employment in the area. The closure of the Rehau factory was a further blow to the North Anglesey economy – a further 100 jobs lost. 70% of the staff employed at Rehau lived within North Anglesey and 25% within Amlwch alone.
- 4.17 These closures have had negative multi-generational effects on families in North Anglesey. For example, 70% of the jobs at Rehau were taken by different generations of the same families. Nearly 30% of Rehau's employees at the time of its closure were aged 55 or over. While nearing the age of retirement, these employees may have found it especially difficult to find new employment upon the closure of the site.

¹² <https://www.gov.wales/sites/default/files/publications/2023-01/nwtc-progress-statement-final.pdf>

¹³ NDA Local Social and Economic Impact Strategy 2020:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/897130/NDA_local_social_and_economic_impact_strategy_2020_update.pdf

4.18 Table 3 below shows the overall job losses from factory closures in Anglesey.

Table 3: Job losses in Anglesey due to closures since 2004¹⁴

Year	Company	Jobs Lost
North Anglesey		
2004	Octel	100 to 120
2015-	Wylfa Magnox	300 to 350 (higher at full operation)
2019	Rehau	100
Total North Anglesey		500 to 570
Other Anglesey		
2006	Cig Môn	100
2008	Peboc	60
2008	Eaton Electrical	265
2009	Anglesey Aluminium	300 to 400
2013	Welsh Country Foods	300 to 350
2019	Marco Cable Management	40
2022	Orthios	120
2023	2-Sisters	730
TOTAL		2,415 to 2,635

4.19 There are also knock-on effects from factory closures that occur elsewhere on the Island – the 2-Sisters factory recently closed in Llangefni resulted in the loss of 730 jobs of which 57 employees lived in North Anglesey.

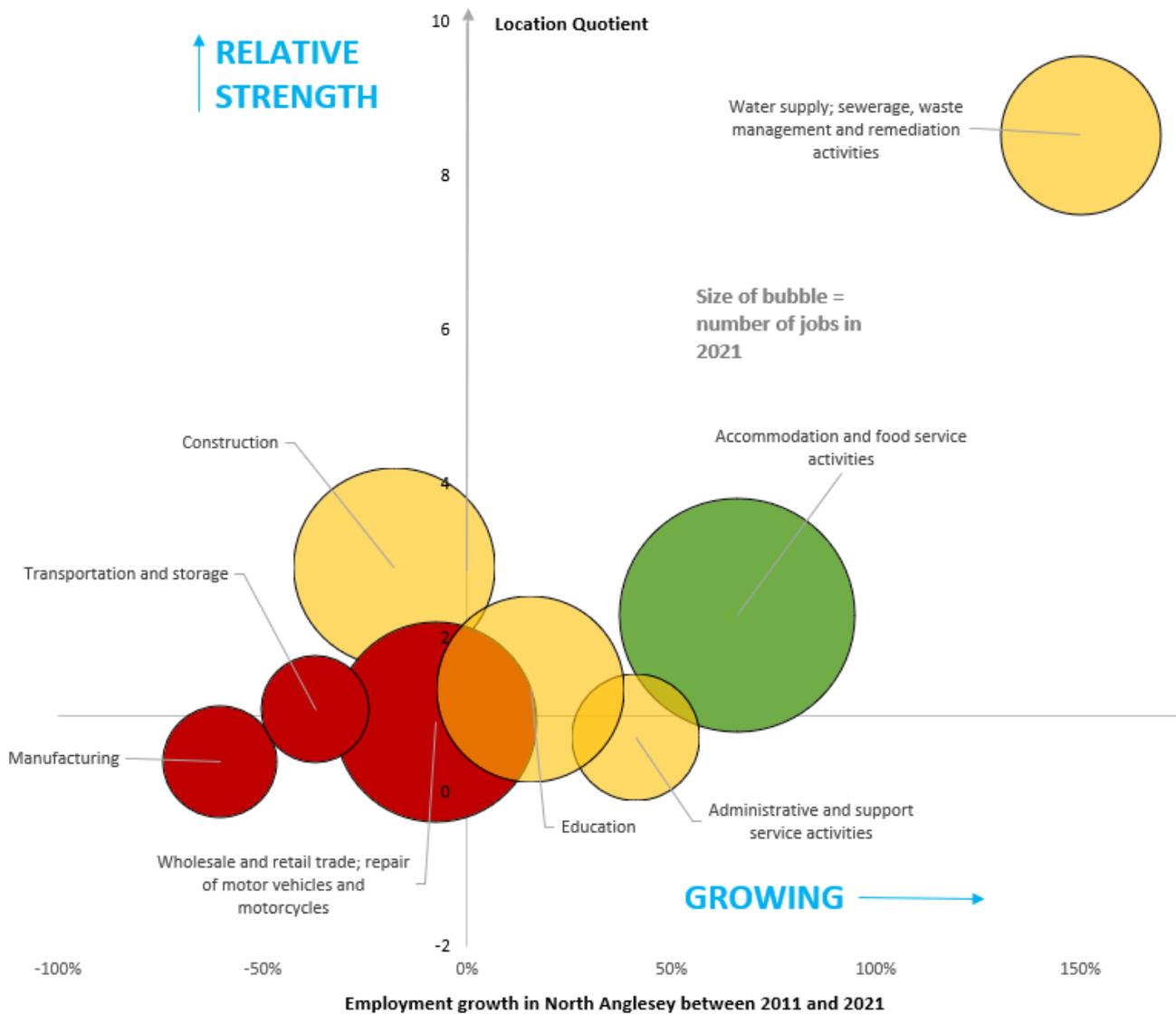
4.20 The recent Budget (March 2024) announced the purchase by the UK Government of the Wylfa Newydd site. This increases the certainty of new nuclear (either giga or SMRs) on the site and the likelihood of some of these ‘lost’ jobs coming back to North Anglesey – this creates confidence both to the local community and potential investors in nuclear power. However, there are still considerable uncertainties around the planning, infrastructure and funding that will be required to deliver a new nuclear power station. Any jobs associated with Wylfa will be some years off (if it is delivered) and investment in North Anglesey is required in the meantime.

Accommodation and food service activities are now dominant...

4.21 Figure 4-3 below shows a shift in dominance from industries such as manufacturing and transportation and storage to accommodation and food service activities.

¹⁴ Source: IACC

Figure 4-3 Shift in industry dominance towards accommodation and food service activities^{15 16}



...but they typically have low wages

4.22 It is not possible to get wage data by sector at a small geographical area. However, Table 4 shows the proportion of employment in Anglesey in each sector, and the median wage in Wales. This shows that the most dominant sectors retail and accommodation/food, typically have the lowest wages.

¹⁵ Business Register and Employment Survey (BRES 2021), ONS. Note that the BRES 2022 has been released but this is not expected to substantially change the findings of the report.
¹⁶ There was no employment in the 'Water supply; sewerage, waste management and remediation activities' in 2011 but there were 190 employees in this sector in 2021. This would represent an infinite employment growth rate. For the purposes of demonstration on the graph, we have assumed a 150% growth rate. However, 'Accommodation and food service activities' is still the dominant industry due to its relative size (as shown by the size of the bubble) and growth rate of employment, and its relative strength in North Anglesey.

Table 4: Median wages in Wales (compared to the dominant sector) ¹⁷

Industry	North Anglesey employment	Wales annual median pay (£)
Mining and quarrying	0%	42,206
Electricity, gas, steam and air conditioning supply	0%	30,732
Financial and insurance activities	0%	26,820
Real estate activities	0%	20,349
Information and communication	1%	29,803
Agriculture, forestry and fishing	2%	22,969
Public administration and defence; compulsory social security	2%	30,550
Other service activities	2%	20,308
Transportation and storage	4%	24,654
Manufacturing	4%	30,926
Professional, scientific and technical activities	4%	24,560
Administrative and support service activities	5%	19,986
Water supply; sewerage, waste management and remediation activities	8%	27,887
Human health and social work activities	11%	22,327
Education	11%	25,459
Construction	13%	28,098
Wholesale and retail trade; repair of motor vehicles and motorcycles	13%	17,907
Accommodation and food service activities	18%	10,267
	Employment sectors where North Anglesey is dominant...	...Typically are lower paid

The makeup of jobs and loss of high productivity sectors has resulted in a GVA growth in North Anglesey lagging the rest of the Island

4.23 The loss of major employers in high-value energy and manufacturing industries as mentioned above has been a key factor in impacting the economic activity in North Anglesey.

4.24 The small area GVA statistics¹⁸ are produced by the ONS. Given the difficulty of measuring GVA at such a small scale, these are experimental statistics and should be treated as such. Nonetheless, they suggest that growth in GVA in the North is lagging behind the rest of the Island (Figure 4-4 below):

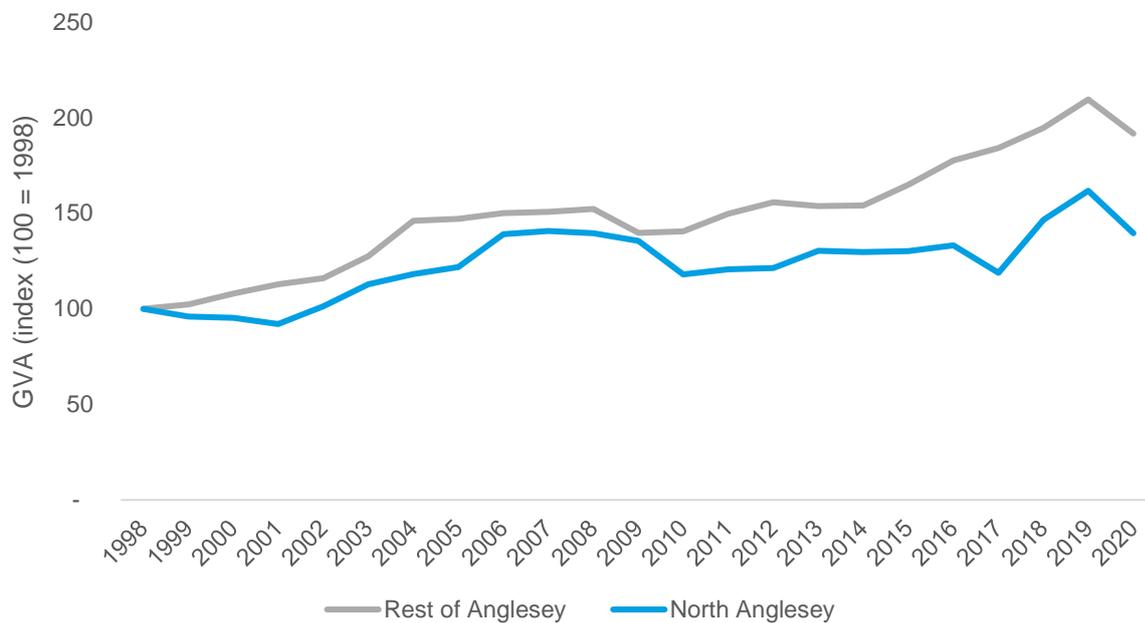
- North Anglesey only contributed 13% of total GVA of Anglesey in 2020 – this has fallen from 17% in 1998.

¹⁷ Annual Survey Hours and Earnings (2021 and 2022). Business Register and Employment Survey (BRES 2021), ONS. Note that the BRES 2022 has been released but this is not expected to substantially change the findings of the report.

¹⁸ ONS (2023). UK small area gross value added (GVA) estimates. Note these estimates are obtained from small area data so are experimental. Available at: <https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/uksmallareagvaestimates>

- Between 1998 and 2020, the GVA of North Anglesey grew by 39%, less than half the equivalent growth across the rest of the Island.

Figure 4-4: GVA growth



4.25 The project development phase of the Wylfa Newydd was estimated to add £1m in Gross Value Added (GVA)¹⁹ per annum to the North Anglesey economy, which would have risen to £7.2m per annum during construction and £5.7m per annum in its operational phase.

4.26 As set out above, the UK Government’s acquisition of the Wylfa site is a key step forward in reviving the future development of nuclear energy in the North of the Island.

Visitor economy is suffering

4.27 The Covid-19 pandemic had a double-edged impact on tourism on Anglesey. Initially, the Island suffered from the decline in tourist numbers due to national lockdowns. However, as restrictions were lifted Anglesey experienced a larger than normal influx of visitors.

4.28 The visitors primarily frequented the South of the Island – this causes two key issues:

- It poses numerous challenges in the South of the Island where visitor infrastructure demands significantly exceeded the capacity of the local accommodation base, local road network, car parks at most popular tourist attractions and waste management. This has negative impacts for residents, visitors and the environment.
- The North of the Island does not benefit from visitor spend and footfall, which would help to support the town centres, periphery villages, attractions and the local economy.

The peripheral nature of North Anglesey, the lack of local leisure and tourist services, and a lack of public knowledge of some of the attractions it does have, means that the potential

¹⁹ IACC; Gross Value Added (GVA) is the value generated by any unit engaged in the production of goods and services. ONS.

tourism market is not captured. This was evidenced through a Town Centre Health Check commissioned by the IACC.

5 Challenges for the North Anglesey community

5.1 The ageing population in North Anglesey has increased and there is now higher economic inactivity than 2011. The core working age population is shrinking and the working age population tend to commute out of North Anglesey for work. There is heavy reliance on private vehicles. The overall effect is a local community with high levels of deprivation.

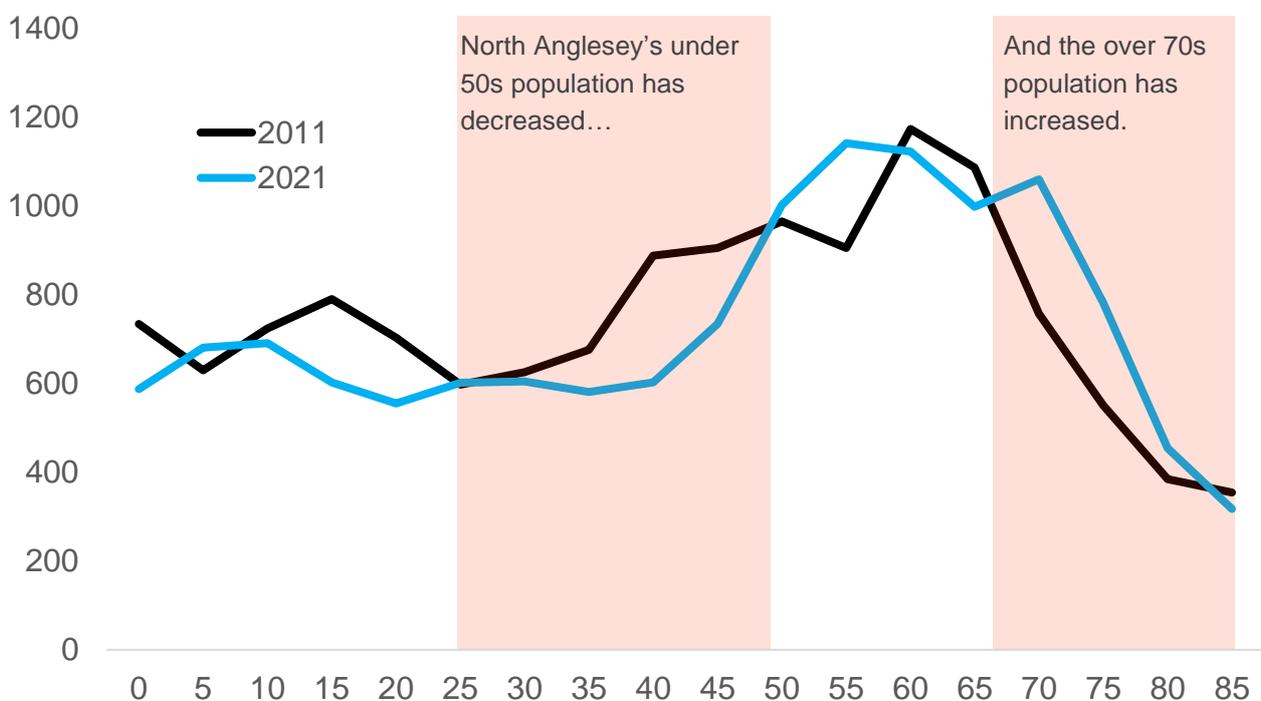
North Anglesey's ageing population has increased over time

5.2 The effect of the peripheral location is a reduction in the young and working-age population, and an increase in the ageing population, which is also driven by the area's increasing popularity as a retirement destination leading to the higher economic inactivity in the area.

5.3 This is demonstrated in Figure 5-1 below. Notably, there is a significant loss of population between 25 and 50 - when people are typically at the formative points in their careers.

5.4 By contrast the North Anglesey population aged 65+ increased by nearly 30% between 2011 and 2021, which is above the Welsh average of 18%.²⁰ Inactivity has also increased in the area as it is a popular retirement destination. This creates problems for local service provision as well as for the local economy.

Figure 5-1: Change in the population profile of North Anglesey between 2011 and 2021



²⁰ Census 2011 and 2021 - Office of National Statistics (ONS).

5.5 The median age in Anglesey has increased from 45 to 48 years between the two census years.²¹

New student admission numbers have fluctuated

5.6 The School Admission Forum has published school admission numbers for Anglesey as shown below in Table 5 below:

Table 5: North Anglesey vs Anglesey new admissions²²

	2020	2021	2022
North Anglesey ²³	179	164	192
Llangefni ²⁴	218	218	228
Anglesey	1,329	1,353	1,380

5.7 While there was a decrease in new admissions between 2020 and 2021 in North Anglesey, the admissions increased again in 2022. These numbers suggest that school admissions are broadly stable but the reasons for this fluctuation are unclear. In comparison, school admission numbers in Llangefni and Anglesey as a whole both gradually increased.

5.8 While the working population in 2021 is less than it was in 2011, it may partially be offset by young families returning due to pandemic-related reasons. The School Admission Forum has also cited a couple of possible explanations:

- Some parents changed schools for their children during the COVID-19 lockdown(s) where they were unsatisfied with the level of online education their children received.
- Issues with the Published Admission Numbers (PANs) – these numbers will be subject to review and justification is sought from schools on these numbers.

Effects of the reduction in working age population

5.9 North Anglesey has an ageing population – the number of people over 70 has increased substantially and the number under 50 reduced between the two censuses (2011 and 2021). These effects pose risks and challenges for North Anglesey community associated with:

- Increased pressures on healthcare facilities.
- A rise in the dependency ratio and the need for care. In Amlwch, the carer allowance is under £70 a week – a very small amount.²⁵ This means they are likely to use food banks for personal consumption.
- Increased reliance on public transport
- Reduction in the size of the labour market.

²¹ <https://www.ons.gov.uk/visualisations/censusareachanges/W06000001/>

²² <https://www.anglesey.gov.wales/en/Residents/Schools-and-learning/Schools/School-Admission-Forum.aspx>

²³ Based on the following schools: Ysgol Gynradd Amlwch, Ysgol Cemaes, Ysgol Garreglefn, Ysgol Llanfechell, Ysgol Penysarn, Ysgol Rhosybol and Ysgol Syr Thomas Jones.

²⁴ Based on the following schools: Ysgol Bodffordd, Ysgol Y Craig, Ysgol Talwrn, Ysgol Corn Hir, Ysgol Gyfun Llangefni.

²⁵ <https://www.northwaleschronicle.co.uk/news/15822349.food-bank-praises-amlwchs-generosity-calls-people-need-come-forward-help/>

- Loss of Welsh culture and speakers of the Welsh language – the number of residents in Amlwch & Llannerch-y-medd who can speak Welsh (who are over three years old) has reduced by four percentage points since the 2011 Census.

There is lower economic activity compared to the Anglesey and Welsh averages...

5.10 The proportion of the population that is economically active in North Anglesey is lower than the Anglesey and Welsh averages.

5.11 According to Census 2021, less than half of the population aged 16+ years (49%) in North Anglesey is economically active and in employment, while this proportion is 51% for Anglesey as a whole and 54% for Wales. This is shown in Table 6 below:

Table 6: Economic activity (residents 16+ Census 2021)

	North Anglesey	Isle of Anglesey	Wales
Economically active: In employment	49%	51%	54%
Economically active: Unemployed	3%	3%	3%
Economically inactive	48%	46%	44%

5.12 This could be driven by an increase in the population aged 50+ who have disproportionately become inactive post the Covid-19 pandemic.

There is a lack of suitable business and office space

5.13 Anglesey has the lowest office space provision of any Local Authority in North Wales, accounting for just 3.5% of total provision, and occupancy is at 99.5%, the highest in the region.

5.14 This is particularly acute in the North of the Island, where there is also likely to be strong future demand derived from the Freeport, New Nuclear and revival of commercial operations in Amlwch Port, including Offshore Wind.

5.15 The development of high-quality business space in the North of the Island, such as the recently consented business units in Amlwch and the refurbishment of the Shell building, is crucial to ensuring that the area can maximise the benefits of transformational investment coming from the Freeport and any potential development at Wylfa.

There is high out-commuting for work from North Anglesey...

5.16 The peripheral nature of Anglesey's location means that commuting residents in North Anglesey mostly leave North Anglesey for work but do not leave the Island. In the 2011 Census, only 35% of commuting residents in North Anglesey also worked in North Anglesey but in total 71% remained on the Island. In comparison, 50% of commuting residents in Llangefni, also worked in Llangefni.

5.17 The lack of job opportunities, and in particular of high paid opportunities means residents left North Anglesey but still worked on the Island – this is likely to be heavily influenced by the time, and cost, of commuting elsewhere.

5.18 Similarly – there is very little commuting to North Anglesey – the majority (58%) of jobs are taken by residents of North Anglesey, and only 9% are commuting from off the Island. The out-commuting patterns are shown in Table 7 and Table 8 below.

5.19 Freeport designation and future development at Wylfa will be crucial to reducing the levels of out-commuting and reviving North Anglesey as an employment destination, with positive implications for the local community.

Table 7: Commuting from North Anglesey²⁶

		Commuting residents of North Anglesey
Work in	North Anglesey	35%
	Rest of Anglesey	36%
	Off the Island	29%
Total		100%

Table 8: Commuting to North Anglesey²⁷

		Workers of North Anglesey
Live in	North Anglesey	58%
	Rest of Anglesey	33%
	Off the Island	9%
Total		100%

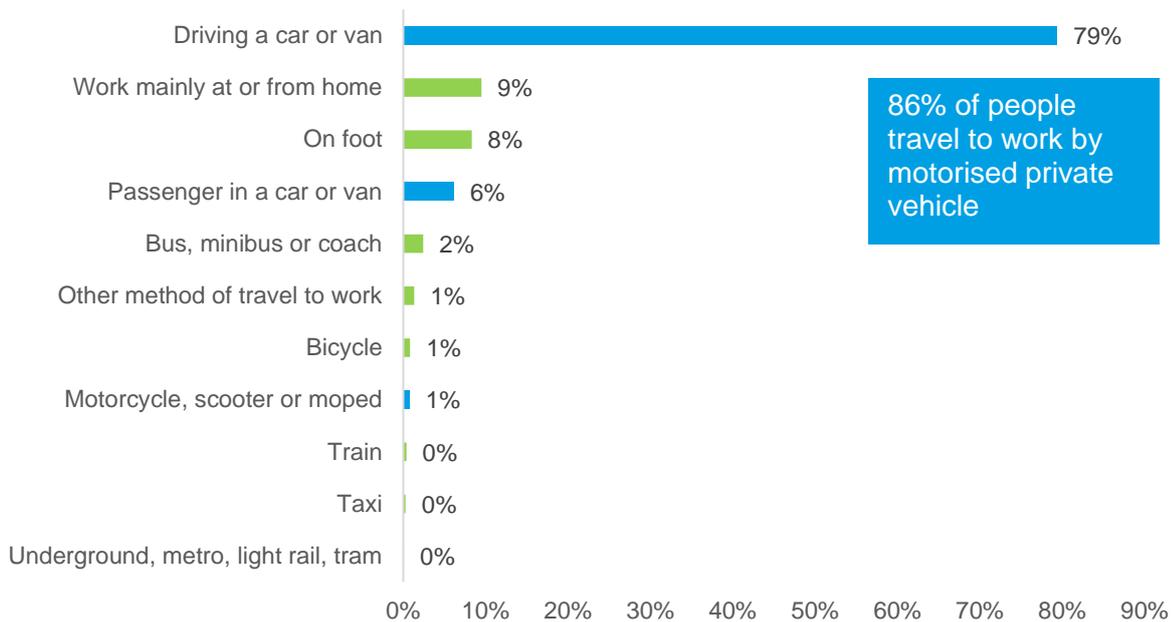
...which is mostly done using private vehicles

5.20 Again, the peripheral location of North Anglesey combined with poor public transport infrastructure means 86% of the working population in North Anglesey uses a private vehicle to get to this part of the Island. Public transport is only used by 2% of the working population.

²⁶ Census 2011 – Office of National Statistics (ONS).

²⁷ Census 2011 – Office of National Statistics (ONS).

Figure 5-2 Method of travel to work in North Anglesey²⁸



5.21 Data from the 2021 Census is distorted by Covid-19.

...because public transport provision is poor (and getting worse)

5.22 The current public transport provision for residents is poor. In the morning there are only two bus services from Amlwch and Holyhead (the 61) which would get in before 9am (i.e. in time for work):

- The 0655 which gets to Holyhead at 0738; and
- The 0745 which gets to Holyhead at 0842.

5.23 All services from Amlwch to Bangor that arrive before 9am take over an hour.

5.24 The situation is only going to get worse. **Arriva recently announced cuts to its bus services across Anglesey including the 62A from Amlwch.** The announcement specifically links the need to reduce the bus service to the long-term ongoing works on the Menai Bridge resulting in lengthy diversions.

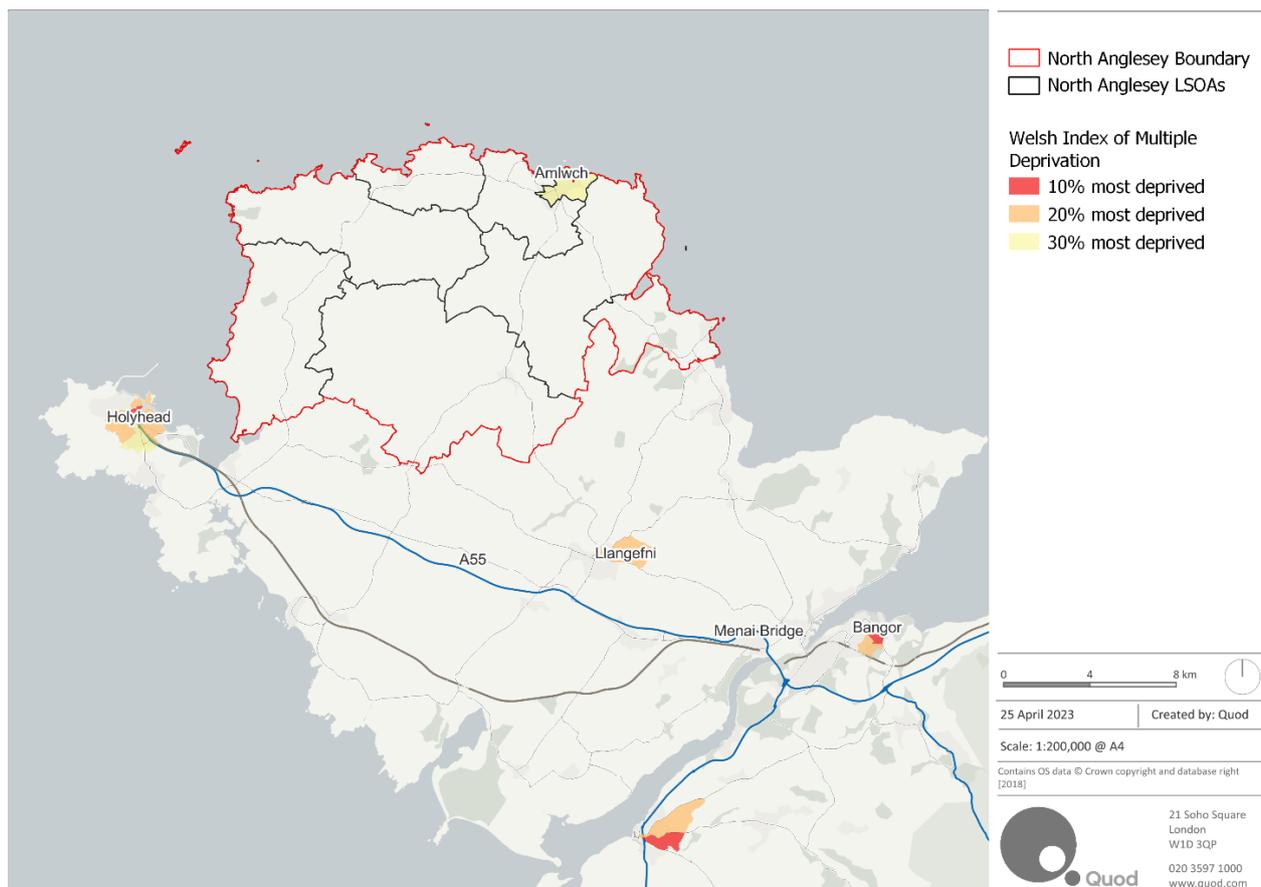
5.25 This could leave the Island residents, in particular the vulnerable and elderly, cut off. For North Anglesey, this could further exacerbate its peripherality and lack of connectivity both within, and out of the area for work purposes.

²⁸ Census 2011 – Office of National Statistics (ONS).

The result is an area with high levels of deprivation

- 5.26 Overall, high out-commuting, low access to services, lack of high-paid jobs and lagging productivity have left North Anglesey deprived compared to the rest of Wales.
- 5.27 Amlwch, the most populated part of North Anglesey is in the top 30% most deprived areas in Wales. It is in the top 30% of the most deprived areas in Wales for both Income and Employment, and in the top 20% most deprived for Access to Services (due to its peripheral location).²⁹ This is shown in Figure 5-3 below:

Figure 5-3: Deprivation map of North Anglesey



Residents are increasingly reliant on food banks

- 5.28 Donations to the Amlwch food bank and consumption have both increased significantly in recent times. Between November 2022 and March 2023, donations to the Amlwch food bank increased by nearly 180% (52 parcels to 145 parcels) and consumption increased by nearly 155% (648kg to 1,658kg).³⁰ This is driven (in part) by a lack of jobs (and of well paid jobs) and high levels of economic inactivity.

²⁹ <https://datamap.gov.wales/layergroups/inspire-wg:WelshIndexOfMultipleDeprivationWIMD2019>

³⁰ Provided by IACC.

6 Opportunities

- 6.1 The NDA has a key role to play in North Anglesey – its role as major landowner, in decommissioning of the Wylfa Magnox sites, and as a funder means that it is a key strategic partner in Anglesey.
- 6.2 It has already contributed financially to council programmes through the:
- North Anglesey Economic Regeneration Plan (NAERP) – In 2019, the NDA provided £495,000 to help support the IACC’s NAERP for its various projects.³¹
 - North Anglesey Regeneration Fund – To date £117,000 of the above funding from the NDA has been provided directly to local businesses and third sector organisations to support job creation. These funds have supported 20 businesses, safeguarded 35 jobs, created 42 jobs and provided volunteering opportunities for 130 people.³²
 - A further award of £75,000 funding in 2023 has enabled the Council to continue project development and implementation works for an additional financial year.
- 6.3 This funding has already enabled a number of projects and has helped define further opportunities for the NDA and others to invest in the area to continue supporting its socio-economic issues. Further funding is needed to prepare and deliver key projects in North Anglesey.
- 6.4 The NDA Business Plan 2022-2025³³ mentions ‘socio-economics’ as one of the ‘critical enablers’. This includes opportunities for supporting the maintenance of sustainable local economies for communities living near NDA sites and, where possible, contributing to regional economic growth is recognised as a key activity, alongside good practice in skills development, support of clean energy projects and the local supply chain.
- 6.5 As previously mentioned, the NDA has provided support for several opportunities listed in the NAERP. This section sets out three of those opportunities which can benefit North Anglesey’s economy and communities and help tackle the preexisting socio-economic issues:
- Potential for sustainable tourism and increasing visits and spending to North Anglesey.
 - Maximising the benefits of the Energy Island Programme (in particular development at Wylfa, and opportunities stemming from Freeport-led inward investment).
 - Making the most of the Freeport designation and the economic growth that unlocks – particularly in the North of the Island.
- 6.6 The intention of these opportunities is to address the structural change required to support the North Anglesey economy.

³¹ <https://www.gov.uk/government/news/nda-pledges-495000-to-aid-north-anglesey-economic-regeneration-plan>

³² <https://www.gov.uk/government/news/nda-supports-launch-of-north-anglesey-regeneration-fund>

³³ NDA (2022). *NDA Business Plan*. Available at :

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1062302/Business_Plan_2022-2025_220322.pdf

Potential for sustainable tourism and increasing visits and spending to North Anglesey

- 6.7 North Anglesey has substantial areas designated as Area of Natural Beauty (AONB), an array of critically important ecological sites including globally important nature reserves (including the Cemlyn North Wales Wildlife Trust Reserve), numerous unspoilt beaches and some of the best coastal views for cetaceans (including whales, porpoises and dolphins) in North Wales.³⁴³⁵³⁶ There are significant opportunities to make better use of existing local assets (in particular Porth Amlwch and Mynydd Parys) to attract more visitors and improve provisions for residents.
- 6.8 Recently, modern improved pedestrian and highway signage has been implemented in and around the Amlwch, highlighting the area's rich industrial heritage. Work is also ongoing to develop plans for a park and to potentially commission a piece of public art to attract tourists.
- 6.9 The draft Town Centre Investment Plan for Amlwch envisions that investment in the town should be focused on five themes:
- **Public realm improvements:** including the already installed wayfinding signage around Amlwch and Amlwch Port.
 - **Physical improvements:** including refurbishment and/or redevelopment of empty or dilapidated properties such as the extensive area formerly used by the copper industry and municipal waste tipping and shop front improvements.
 - **Movement:** including improvements to pedestrian accessibility and cycling infrastructure.
 - **Town Centre Management:** including unlocking development sites.
 - **Technology and data:** including high speed broadband / Wi-Fi – this is particularly relevant in Amlwch given the desire to attract more tourists (and tourist spend) to the North of the Island.
- 6.10 Ambition North Wales also has a Digital Programme targeted at investment in digital connectivity across the region. The Programme contributes to wider activity being led by the public sector and private network operators to extend and upgrade both 'fixed' connectivity (for example fibre broadband) and wireless and mobile networks such as 4G and 5G.

Anglesey Freeport designation promises more, and well-paid jobs

- 6.11 Following a successful joint bid by Stena Line and the IACC, Anglesey will now benefit from Freeport status. The business case process is underway and it is anticipated that the Freeport will be operational by the end of the year.
- 6.12 The Freeport will be a catalyst for the economy. It is designed to both turbo-charge the Energy Island Programme, making Anglesey a world leader in low carbon energy, and boost trade through Holyhead Port. The recent decision by UK and Welsh government to extend the

³⁴ North Anglesey Economic Regeneration Plan (NAERP): <https://www.anglesey.gov.wales/documents/Docs-en/Business/Regeneration/North-Anglesey-Economic-Regeneration-Plan.pdf>

³⁵ <https://www.anglesey.gov.wales/documents/Docs-en/Countryside/Anglesey-AONB-Management-Plan-2015-%E2%80%93-2020.pdf>

³⁶ <https://www.anglesey.gov.wales/documents/Docs-en/Countryside/Anglesey-AONB-Management-Plan-2015-%E2%80%93-2020-Appendix-1.pdf>

benefits time period for the Freeport, will ensure that the benefits of the Freeport can be maximised in Anglesey and across North Wales.

- 6.13 There are three tax sites that make up the Freeport – the Anglesey Prosperity Zone, close to Holyhead, the Central Anglesey Tax Site, and the North Anglesey Tax Site.
- 6.14 The Anglesey Prosperity Zone will also include a customs site where simplified customs and trade rules will apply, providing greater incentives for investment and trade. In future, goods entering and remaining within the customs site will not be subject to the UK's usual tax and customs regime, supporting long-term business investment, and boosting the prosperity of Anglesey and North Wales.
- 6.15 It is anticipated that the Freeport could help create between 3,500 and 13,000 high-skilled, well-paid jobs in North Wales, increasing local productivity and increasing economic activity across North Wales.
- 6.16 North Anglesey's workforce and SMEs could benefit from the employment opportunities offered directly by the development of the Freeport and associated sites (particularly the North Anglesey Tax site) as well as through the supply chain. This could help restore jobs in the high-value industries described in the previous section.
- 6.17 The Freeport is actively engaging with local stakeholders (Bangor University, MSParc, the Institute of Export and International Trade, Grŵp Llandrillo Menai) on plans to integrate delivery of the Freeport with existing local strategies, including those to upskill the local workforce.
- 6.18 Opportunities include accelerating the take up of sustainable, clean energy production by building on existing industry-leading net zero initiatives on Anglesey, such as offshore wind, nuclear, solar and tidal energy. There is strong interest in these opportunities from commercial operators.
- 6.19 To make the most of the Freeport designation, North Anglesey needs employment space in which the economic growth associated with the Freeport will locate. The Freeport will 'turbocharge' the Energy Island Programme – which again will generate economic activity and supply chain effects. There will need to be sufficient employment space in order for benefits to be maximised in the North of the Island.

Anglesey Energy Island and the importance of Wylfa (decommissioning and new opportunities)

- 6.20 The Anglesey Energy Island Programme, established by IACC, is a collective effort between several stakeholders within the public, private and third sectors working in partnership, putting Anglesey at the forefront of low carbon energy research and development, production and servicing, and bringing with it potentially huge economic rewards.
- 6.21 The programme includes investments in hydrogen, tidal, nuclear and offshore wind – and should be 'turbocharged' by the Freeport designation. Significant employment opportunities for a diverse range of skills and professions are expected in due course as major developments move towards their construction and operational phases.

- 6.22 Wylfa – the decommissioning of the existing site and the **future use of the Wylfa site is crucial to maximising the benefits of the Energy Island project** and delivering benefits in the north.
- 6.23 **New investment at Wylfa is critical to the future of North Anglesey – and Wylfa is well placed to contribute to the UK’s future nuclear capacity, as recognised by UK Government’s recent acquisition of the site.** It could support the development of both Small Modular Reactors (SMRs) and / or a gigawatt plant. Such investment would unlock significant benefits for North Anglesey, bringing forward as many as 1,000 well-paid, secure jobs at the operational stage, as well as significant need for construction employment and supply chain effects. Any significant development has the potential transform the economy of North Anglesey – **IACC is committed to working with key local, regional and national partners to secure the future use of the Wylfa site and bring forward new nuclear.**
- 6.24 The IACC is also committed to working with the NDA to make best use of the **decommissioning programme at Wylfa**, and to **capitalise on any long-term opportunities for associated innovation** (in a similar way as has occurred with the research into medical isotopes and the use of waste concrete at Trawsfynydd). There are significant opportunities for businesses located in Anglesey who are able to service work at both Wylfa and Trawsfynydd – the right floorspace in the right places will be crucial to maximising the benefits of this.
- 6.25 As set out above, the Energy Island Programme is not just about Wylfa – and we recognise that uncertainties do still remain around the development of Wylfa Newydd. There are additional opportunities associated with the Energy Island Programme, including but not limited to:
- **Hydrogen Hub at Parc Cybi** in Holyhead, which will be the first development of its kind in Wales. It seeks to establish a green hydrogen production and distribution facility, increasing hydrogen energy security and stimulating the commercialisation and adoption of hydrogen as a fuel particularly in the transportation sector.
 - **Morlais** – Anglesey Marine Energy, which is a tidal energy project brought forward by Menter Môn which aims to benefit local communities, the economy and help tackle climate change by using renewable energy to generate clean low carbon electricity. It is a significant opportunity for Anglesey to be a world-leader in the development, manufacturing and installation of tidal energy equipment. The project will have significant impacts on Anglesey and Wales and will play a key role in delivering the Energy Island. In the latest Contracts of Difference round, companies bidding with the Morlais array were awarded 22.4MW of the 48MW that have been allocated around the UK during this round.
- 6.26 Benefits from these projects include:
- Significant employment opportunities for a diverse range of skills and professions are expected in due course as major developments move towards their construction and operational phases.
 - Involvement of local SMEs in the supply chain activities of these projects.
 - Achieving the Net Zero commitments.

6.27 These projects are significant opportunities that have, and will continue to require, a collaborative approach to bring them forward. The Energy Island aligns with vision in the NDA Sustainability Strategy (2022)³⁷ to become a recognised leader in transforming nuclear legacies into opportunities for local, regional and national sustainable development. The aims of the Legacy and Outcomes should focus on empowering people and communities to create sustainable local economies.

6.28 The NDA is a key strategic partner in realising the benefits of the Energy Island Project in North Anglesey:

- The decommissioning programme and employment supported by decommissioning (although this will decrease over time)
- Major land owner.
- Socio-economic funding for other local schemes.

Need for employment floorspace

6.29 Maximising the benefits of the Energy Island Programme and the Freeport designation requires there to be employment space for SMEs to grow. There is a historic undersupply of high quality floorspace for SMEs, which is restricting economic growth across the Island and in Amlwch. This was reflected in the recently granted planning permission for the Amlwch Business Units.

6.30 The market demand for business units is high, and a Strategic Outline Case (SOC) was written to bring forward new business units in Amlwch to ensure businesses have the right space to set-up and / or grow. The business units are expected to accommodate 10 SMEs and 33 high quality jobs for local people.

6.31 The project builds on IACC's successful Sites and Premises Programme, which was funded by European Structural Funding – as this can no longer be accessed, the IACC considers this a priority project requiring capital investment. It has been granted planning permission, following significant public and local engagement.

³⁷ NDA (2022). *NDA Sustainability Strategy*. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063625/NDA_group_Sustainability_Strategy_2022.pdf

7 Looking to the Future

- 7.1 This baseline analysis, and identification of key challenges and opportunities facing North Anglesey, highlights the need both to seek and secure funding to tackle key issues (relating e.g. to unemployment, economic inactivity & low productivity, the outward migration of working age people), as well as then also maximising benefits from the range of identified opportunities.
- 7.2 The IACC, with support from funding partners such as the Nuclear Decommissioning Authority, Y Gymdeithas and Welsh Government, is already developing a portfolio of projects that can help address some of these challenges.
- 7.3 Project development work including design, consenting and the development of formal Business Cases to underpin various funding bids, are well advanced for:
- (i) The refurbishment of the Marine Terminal Building (former Shell Building) Porth Amlwch, which will address the shortage of high-quality office and business floorspace in the area by refurbishing a prominent, currently unlettable Council owned building overlooking the listed harbour in Porth Amlwch.
 - (ii) A new Porth Amlwch Community Park. Concept designs for the site form the basis of a planning application currently being considered by the local planning authority. This sees the currently overgrown and underutilised piece of former industrial land, and municipal tip, redeveloped to promote local heritage & culture, nature conservation, promote well-being, active lifestyles & a sense of community, create a diverse, sustainable and accessible public space beneficial to all (fully aligned to the Wellbeing of Future Generations Act), as well as increase the attractiveness of Amlwch Port as a visitor destination.
 - (iii) New Amlwch Business Units, with planning permission now granted for 10 new business units (which would provide space for 33 jobs), targeted at SMEs and aiming to address the shortage of high-quality business floorspace in the area and across Anglesey as a whole.
- 7.4 **The IACC's priority, in the short term, will be to work with partners and seek funding to move these projects forward, from the current consenting and Business Case phase to securing the necessary funding and full implementation and the delivery of completed capital projects.**
- 7.5 In the medium to longer term, the IACC continues to work to develop a portfolio of further proposals which will make the most of identified opportunities and of potential partner funding streams in respect, for example, of economic development, heritage, coast & countryside, town centre improvement & regeneration and destination tourism.

Capacity Revenue Funding

- 7.6 To develop and deliver on these medium to longer-term aspirations, the IACC does, however, require Capacity Revenue Funding.
- 7.7 The current landscape of public funding requires local authorities to have identified and developed proposals to an advanced level to be able to compete, and make bids and applications, for various funding streams and investment support.
- 7.8 Without the generous revenue funding received to date for North Anglesey from the NDA, it would not have been possible for the IACC to have undertaken the work to progress the exciting proposals set out in 7.3 above as far as it has.
- 7.9 The IACC does not, however, have the capacity and funding to plan and prepare further. Additional revenue is, therefore, vital to develop a project pipeline ready for submission when funding becomes available and various bidding rounds open. This would ensure that the IACC does not miss out on opportunities to seek essential seed capital which will unlock important and much needed investment in the North of the Island. This is needed ahead of the 2025/26 capital programme.
- 7.10 Even with best possible projects prepared and ready to compete for public sector funding, there is, however, a limit to what the Council can achieve and, alone, will be unable to deliver the truly transformational change the area deserves. Whilst the future of Wylfa remains uncertain (even following UK Government's £160m site purchase), substantial job creation, economic restructuring and major transformational change in North Anglesey is likely to remain some years away and can only be achieved with a collaborative approach by both UK Government, Welsh Government and wider local and regional partners.