

Report To:	Cabinet
Date of Meeting:	22nd May 2018
Lead Member / Officer:	Cllr Hugh Evans, Lead Member Economy & Corporate Governance / Graham Boase, Corporate Director, Economy & Public Realm
Report Author:	Mike Horrocks, Economic & Business Development Team & Programme Manager
Title:	North Wales Regional Regeneration Plan and Welsh Government Targeted Regeneration Investment programme

1. What is the report about?

The report is about securing regeneration investment in Denbighshire from the Welsh Government (WG) Targeted Regeneration Investment (TRI) programme. It introduces the North Wales Regional Regeneration Plan 2018-2035 (RRP) which is currently being taken through executive processes in each Local Authority area.

2. What is the reason for making this report?

To ensure that Members are provided with relevant background information and to seek approval of the recommendations below that will enable the Council to access resources from WG for the regeneration of targeted areas of the county.

3. What are the Recommendations?

3.1 That members approve:

- submission of the final North Wales Regional Regeneration Plan (and broad priorities contained within it) to WG in order to access TRI funds
- the outline projects proposed for submission by the council to the TRI
- delegated authority for the Corporate Director, Economy & Public Realm in consultation with the Lead Member for the Economy & Corporate Governance, Head of Legal, HR & Democratic Services and Head of Finance (Section 151 Officer) to:
 - make any project funding applications necessary to secure resources from the TRI programme for the period of its operation
 - accept and undertake expenditure on projects accessing TRI programme support, including award of grants to third parties
 - negotiate and enter into agreements with other North Wales councils where this is necessary to bid for or receive TRI programme funds

3.2 That Members note there will be an annual review of the RRP in line with governance and monitoring arrangements (set out in Appendix 1) offering opportunity for changes in strategy and direction that may focus resources on other towns / areas.

3.3 That Cabinet confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 4) as part of its consideration.

4. Report details

4.1 Background

- 4.1.1 WG have launched the TRI programme to provide funding for targeted regeneration projects across Wales from April 2018. This replaces the Vibrant & Viable Places (VVP) programme 2014-17. Funding is conditional upon submission of a prioritised RRP agreed by all 6 councils in North Wales.
- 4.1.2 WG has invited each of the four regional economic development partnerships to develop long term plans to steer the TRI programme in their region. WG has proposed that each region prioritise a small number of “Regeneration Areas” within their plan, with initially Rhyl, but also Denbigh highlighted as priorities in our county.
- 4.1.3 The initial TRI programme will operate for three years from 1 April 2018 but WG officials are confident there will be funding available in subsequent years and have advised that the RRP should set out long term priorities and programmes of work.
- 4.2 The North Wales response
- 4.2.1 Officers from the North Wales Regeneration Officers Group (facilitated by DCC) and the North Wales Economic Ambition Board (NWEAB) Programme Management Group (PMG) have led the response to this opportunity for North Wales.
- 4.2.2 It has been agreed that there should be a North Wales RRP which sets out a vision and objectives for regeneration until 2035, providing a high level summary of priorities to steer development of future programmes of work. This will align the regeneration process with that for economic growth operating to the same timescale.
- 4.2.3 A draft RRP (Appendix 1) has been developed within challenging timescales set out for the process, requiring a collaborative approach to be taken across North Wales. Officers have been required by WG to develop and prioritise investments and to concentrate limited resources into priority Regeneration Areas and thematic projects which will make use of the first three years of the TRI programme funding.
- 4.2.4 The following broad priorities are proposed within the North Wales RRP:
- Reduce inequality
 - Increase employment
 - Modernise town centres
 - Develop the rural economy
 - Improve the housing offer
 - Strengthen the visitor economy
 - Improve the health of local people
- 4.2.5 Based on advice from WG, twelve towns are proposed as priority areas for urban regeneration interventions in North Wales. These towns have been identified using the Welsh Index of Multiple Deprivation (WIMD) rankings for overall levels of deprivation based on the presence of Lower Super Output Areas (LSOAs) which are among the ten percent most deprived in Wales. The twelve towns to be prioritised on this basis are Rhyl, Wrexham, Bangor, Colwyn Bay, Caernarfon, Wrexham Villages, Holywell, Shotton, Llandudno, Denbigh, Holyhead, Abergele & Pensarn. These are ranked based on the population living in the most deprived LSOA’s.
- 4.2.6 It is recognized that this methodology identifies concentrations of poverty associated with larger urban settlements, and the need to address poverty and regeneration needs in smaller towns and rural areas is also recognized.

4.3 The Targeted Regeneration Investment (TRI) programme for North Wales

- 4.3.1 As with VVP, the TRI programme is being made available for housing and regeneration capital investment, with a clear emphasis on creating employment, urban renewal and housing. WG has advised that it will consider capital funding bids from local authorities only once an agreed regional plan is in place.
- 4.3.2 WG has indicated a notional allocation over three years for North Wales (£22m), which is about half of the funds that were available under VVP, but the level of funding may well vary from this depending upon the performance of other regions in Wales. TRIP can only fund capital investments and will provide up to 70% of project costs (50% for project development).
- 4.3.3 Due to the limited level of resources, WG officers have advised that they will only consider targeting 3 or 4 settlements in North Wales during the period 2018-21. Based on the WIMD these are identified as Rhyl, Wrexham, Bangor and Colwyn Bay.
- 4.3.4 At the request of the local authority officers involved, it has been agreed in principle by WG that some of the North Wales funding can be made available for thematic programmes covering more than one county, which could be open to other settlements identified in the regional strategy. Thematic programmes under consideration include: Housing Renewal Areas; Empty Buildings; and Important Buildings in smaller towns across the six North Wales counties.

5. How does the decision contribute to the Corporate Priorities?

- 5.1 As well as supporting priorities relating to the regeneration of Rhyl the RRP and TRI programme will make contributions to new 2017-2022 corporate priorities by:
- Developing new town centre housing targeted at younger people
 - Bringing redundant space back into commercial and residential use
 - Supporting the creation of an attractive town centre environment that supports economic prosperity
 - Improving the connection between residents and their town centre, shops, services and employment opportunities
 - Developing town centres as places where young people want to live and work
 - Enabling local people to plan and shape the future of their town centre

6. What will it cost and how will it affect other services?

- 6.1 The TRI programme requires match funding for projects of 30%. Each council is responsible for securing match funding for its own projects and to enable it to secure resources from the regional thematic projects. This match funding has not yet been identified as without approval of the RRP in place it could be abortive work.
- 6.2 Required match funding may come from a range of public / private sources and will be considered via the usual Council procedures, including CET, SIG and Cabinet.
- 6.3 Project proposals have been developed with engagement of officers from across a number of service areas. In particular the proposals contribute positively to delivery of Service Plans for Facilities Assets & Housing and Planning & Public Protection. There may be a workload impact on the Legal, HR and Democratic Service in relation to legal and procurement work on property redevelopment schemes.

6.4 The long term regeneration of deprived communities in Denbighshire aims to improve community wellbeing and will reduce demand on a number of public services.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1 The proposal was developed with input from officers across a number of disciplines during and scored 3 out of 4 stars. Overall, securing regeneration investment into an area suffering from multiple deprivation was recognised as positive. However, to maximise the benefits it is important that there are strong links between projects that create physical changes and projects supporting local people. It will also be important to consider scheduling projects in order to minimise disruption to local businesses and existing town centre users.

8. What consultations have been carried out with Scrutiny and others?

A previous report to Cabinet Briefing, discussions with various Officers of the Council and collaborative development work on the RRP with WG / officers across the region.

9. Chief Finance Officer Statement

The opportunity to secure external funding to support priority areas is welcome. Careful consideration will have to be given to how the council's match-funding elements can be secured and whether there are revenue implications of any projects emerging. Projects will be subject to the usual internal scrutiny and approval processes, including submission of capital schemes to the Strategic Investment Group.

10. What risks are there and is there anything we can do to reduce them?

- That insufficient staff time / expertise / money is available to develop and deliver proposed projects. Early identification of the gap in resources and re-allocation of staff time / financial resources to aid development / delivery will help.
- That one of the Councils in North Wales does not approve the RRP / TRI proposals for submission to WG. If this happens it is likely that the 18/19 TRI grant allocation will be lost from the region as there will be insufficient time to bid and deliver within this financial year. This has been mitigated to date through close collaborative working but there remains some risk that political difficulties could arise in some councils.

11. Power to make the Decision

Section 2, Local Government Act 2000. The power to undertake activity for the promotion of the social, economic or environmental well-being of the area.