

GWYNEDD COUNCIL CABINET



A report to a meeting of Gwynedd Council Cabinet

Date of meeting:	6th November 2018
Cabinet Member:	Councillor Ioan Thomas
Contact Officer:	Llŷr Jones, Economy and Community Senior Manager
Contact Telephone:	Ext 32219
Title of Item:	Targeted Regeneration Investment Programme : Bangor City Centre Regeneration Strategy

1. THE DECISION SOUGHT

- a) To support the intention of applying for funds from the Targeted Regeneration Investment Programme to develop and implement projects within the Bangor City Centre Regeneration Strategy
- b) That the Council commits £250k from its Match-funding Fund which was established to provide match funding for external funding programmes
- c) To authorise the Head of Finance to sign individual applications as requested by the relevant Cabinet Member on condition that full details of the application have been completed

2. REASONS FOR RECOMMENDING THE DECISION

- 2.1 On May 22nd this year, the Cabinet approved the North Wales Regional Regeneration Strategy which had been prepared as part of Welsh Government's Targeted Regeneration Investment (TRI) Programme. It was noted that further work was required to consider possible opportunities arising from the TRI Programme, and a further report would be presented to Cabinet outlining the proposals.

3. INTRODUCTION AND CONTEXT

Targeted Regeneration Investment Programme

- 3.1 In October 2017, the Targeted Regeneration Investment (TRI) Programme was launched by Welsh Government. This programme follows the Vibrant Viable Places (VVP) programme, and has a total of up to £100 million capital funding available over an initial 3-year phase for the period for 2018-21.
- 3.2 The Programme also provides a notional allocation on a regional basis for the period 2018-21. Based on the quality of projects, it is envisaged that up to £22m of the capital budget could be allocated to North Wales.

- 3.3 A requirement of this programme is for robust regional partnership and governance arrangements to be in place at the outset to agree an overall plan for regeneration, to prioritise investment proposals and to provide assurance around decision-making.
- 3.4 The TRI Programme also requires a Regional Plan for Regeneration including a strategic framework and context for proposals. It also states Regional Plans are required to be presented and approved before Welsh Government before any proposals are put forward seeking Investment.

North Wales Regional Regeneration Strategy

- 3.5 Based on the TRI Programme guidelines, the North Wales Regeneration Officer Group and the North Wales Economic Ambition Board Management Group worked together to prepare a Regeneration Strategy for North Wales. This Strategy was endorsed by the Cabinet on 22nd May, and has been approved by every local authority in North Wales.
- 3.6 In order to identify areas of need, the Strategy mainly refers to data linked with the Welsh Index for Multiple deprivation. It also applies cluster analysis methodology to identify those areas (towns) that have the greatest concentration of residents living within the 10% most deprived communities in Wales.
- 3.7 In terms of priorities for the TRI programme during the period 2018-21, the Strategy identifies town centre regeneration proposals for the 4 settlements at the top of the list, which are Rhyl, Wrexham, Bangor and Colwyn Bay.
- 3.8 In addition, the Strategy also identifies priority projects based on thematic proposals
- Housing Theme (empty properties) – respond to housing and regeneration needs to renovate properties including the private rented sector
 - Housing Theme (renewal areas) – including continuation of Housing Renewal Area programmes
 - Important Buildings – support for proposals to redevelop or reuse important buildings outside the four priority settlements for regeneration purposes
- 3.9 As part of the regional discussions, notional allocations have been discussed based on the current TRI budget to implement the activities identified in the regional Strategy:

	Activity / Priority	Indicative Allocation	Total
1.	Town Centre Regeneration		£11.25m
	<i>Rhyl</i>	<i>£4m</i>	
	<i>Wrexham</i>	<i>£2m</i>	
	<i>Bangor</i>	<i>£3m</i>	
	<i>Colwyn Bay</i>	<i>2.25m</i>	
2.	Housing : Empty Properties / Renewal Areas		£9.2m
	<i>Gwynedd</i>	<i>£1.5m</i>	
	<i>Anglesey</i>	<i>£1.8m</i>	
	<i>Denbighshire</i>	<i>£1.5m</i>	
	<i>Flintshire</i>	<i>£0.9m</i>	
	<i>Conwy BC</i>	<i>£1.5m</i>	

	<i>Wrexham BC</i>	<i>£2.0m</i>	
3.	Important Buildings		2.5m
	Details to be developed	<i>£2.5m</i>	
	Total		£22.95m

3.10 It should be emphasised that these are merely notional allocations, and any funding commitment would be dependent on presenting detailed Project Plans which would meet the requirements of the TRI Programme. It should also be noted that the delivery Plan within the draft Regional Strategy does include a possible Investment of £29m from the TRI programme to highlight the need for further Investment in the region, and the ambition to attract further Investment to North Wales.

3.11 The indicative regional allocation for TRI Programme funding in Gwynedd therefore includes approximately £3m for Bangor City Centre Regeneration, and approximately £1.5m in respect of the housing theme (empty properties) which would contribute towards priorities within the Regional Strategy.

Bangor City Centre Regeneration Strategy

3.12 In 2016, the Bangor City Partnership was established which brings together a wider range of partner organisations seeking to work on a collaborative basis to develop and implement a new strategy for the city. The partnership includes representatives from a number of organisations including Gwynedd Council, Bangor City Council, Welsh Government, Bangor University, Pontio, Betsi Cadwaladr Health Board, Housing Partnership, Llandrillo Menai Group and the city's Business Improvement District.

3.13 Following the establishment of the Partnership, a Regeneration Strategy was prepared by the city, and more recently during the summer the Partnership's work programme and priorities were reviewed. Whilst further work is required, it seems that a number of the Partnership's priorities also contribute towards the TRI Programme's objectives and guidelines, including :

- i) Property Renovation and Improvement Scheme targeting the High Street area: which would offer support package (loans and grants) targeting empty premises within the city's main commercial area
- ii) Urban Access and Linkages Scheme: including proposals to develop strategic linkages between key locations within the city Centre. Opportunities to incorporate the work with various development sites including possible investments by the University through the proposed Growth Deal
- iii) Bangor Health Hub : proposals being considered by the Health Board and Cartrefi Cymunedol Gwynedd looking at community health Services within the city Centre and new residential units
- iv) Improving and extending community or social provisions: initial Concepts have been identified such as Maesgeirchen Integrated Family Centre which would provide support in a deprived area. Another Concept would be a Centre for the Homeless which would provide multi-agency support and provisions.
- v) Empty Property (Housing) Scheme: which would provide a package of measures to bring empty buildings to residential use.

- 3.14 This list includes a wide range of possible project, many of which require further preliminary work to develop them into detailed proposals.

4. REASONING AND JUSTIFICATION FOR RECOMMENDING THE DECISION

- 4.1 The Regional Regeneration Strategy identifies Bangor city as a priority, and as a result, an opportunity exists to target resources from the TRI Programme to implement eligible regeneration projects.
- 4.2 Contrary to previous regeneration programmes, submissions for TRI funding are invited on a project basis, instead of one bid consisting a package of projects.
- 4.3 Individual applications for TRI funding will be submitted to the Welsh Government and will be considered based on the programme's guidelines and requirements. In addition, proposals will also be considered by the North Wales Regeneration Officers Group acting on behalf of the North Wales Ambition Board Executive Group. Each application must be signed by the Section 151 Officer, confirming that the details are accurate and the project has been endorsed by the regional partnership.

Financial Considerations

- 4.4 The TRI Programme provides capital funding and the maximum Welsh Government intervention rate per project is 70%. This means that at least 30% of match funding is required.
- 4.5 It is expected that the details of individual projects would be developed by individual organisations acting as lead body. Whilst partnership working is a key characteristic in each of the projects, the lead body would be responsible for developing the details of the project including the proposed funding package and securing the match funding.
- 4.6 In terms of the list of projects referred to in 3.13, it is suggested that Gwynedd Council would be responsible for leading on the following projects :
- a) Property Renovation and Improvement Scheme targeting the High Street area
- 4.6.1 The proposal would involve utilising resources from the TRI Programme as grant support to be incorporated within the town Centre loan scheme currently in operation in the city of Bangor. The estimated total cost of the project would be £2.1m, including £1.2m TRI; £250k from Town Centre Loan Funds, and £660k private Investment.
- 4.6.2 Details of the Scheme have been prepared, and would become operational from 1st April 2019.
- b) Urban Access and Linkages Project
- 4.6.3 A multi-agency Project Group has recently been set up with a view of working to develop full details of the project. The estimated project cost is £2.2m including £750k TRI, a commitment of £250k from Gwynedd Council. It is also

expected that Investment from local organisations would also be incorporated into the project which would be the subject of detailed preliminary work.

- 4.6.4 A commitment of £250k from the Council's Match-funding Fund is requested towards the project costs. This would also demonstrate the Council's support and commitment to the wider initiative.

c) Empty Property (Housing) Scheme

- 4.6.5 The Scheme offers a package of measures aimed towards bringing vacant buildings into residential use and is managed by the Housing Service within the Adults, Health and Well-being Department. The package includes first time buyer's support, and assistance to landlords who wish to bring their empty into residential use. Under certain circumstances, the package could also enable the Council to purchase and renovate empty Properties directly.
- 4.6.6 The scheme forms part of a regional priority and theme involving renovating empty Properties. In this instance, Anglesey Council is acting as lead body in submitting an application to Welsh Government, and an agreement between Gwynedd and Anglesey Councils to be completed as part of the governance arrangements.

Outputs

- 4.7 Should the list of priority projects identified by the Bangor Partnership be successfully implemented, it would involve a significant Investment to the city of Bangor. However, the details of all the projects have not yet been developed, and it would be premature to estimate the totals outputs at this stage.
- 4.8 Nevertheless, as regards those projects which would be led by the Council, it is expected that the activities would contribute in achieving the following outputs (which are based on TRI Programme outputs)

Outputs	Number
Gross jobs created	21
Number of Jobs accommodated	48
Enterprises accommodated	15
Number of non-residential premises created or refurbished	17
Investment induced	£2.5m
Number of households helped towards securing improvement in the energy performance of their homes	35
Number of empty homes brought back into use	60
Number of new housing units created	23
Number of SMEs based in Wales successful in securing contracts/sub contracts	78

- 4.9 Arrangements to monitor outputs will be incorporated to each individual project. The Council will co-ordinate the Bangor City Centre Regeneration Strategy and will present regular monitoring reports to Welsh Government.

5. NEXT STEPS AND TIMETABLE

- 5.1 Subject to receiving the Cabinet's support, it is intended to submit funding applications to Welsh Government in order to secure TRI funding during the period 2018-21.
- 5.2 It is intended to submit an application in respect of the Property Renovation and Improvement Scheme targeting the High Street immediately, and put relevant arrangements in place for the project to be operational by 1st April 2019.
- 5.3 It is intended to carry out further preliminary work in respect of the Urban Access and linkages project, working collaboratively with other members of the Bangor Partnership. It is hoped that a detailed application would be submitted early in the 2019/20 period.

6. ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION

6.1 Views of Statutory Officers:

i. Monitoring Officer

The report notes that the recommendation to release the funds builds on the Cabinet decision in May 2018 in relation to the Strategy. The report appropriately weighs up the basis for the recommendation.

ii. Head of Finance

The Property Renovation and Improvement Scheme targeting the High Street area is the first project to be presented as part of package of regeneration proposals for Bangor city centre. I can confirm that I am satisfied with the propriety of the funding arrangements in respect of this first project, with funding sources having been identified. I am also clear, following discussions with officers from the Economy and Community Department, that the maturity of other projects (referred to in part 3.13 of the report) are currently at different stages of development.

I confirm that there are sufficient resources within the Match-funding Fund to commit £250,000 as match-funding for the Bangor City Centre Regeneration Strategy. Should the Cabinet agree to this, there would be £250,000 remaining in the Fund.

I am familiar with the Welsh Government application form for these grants, and can confirm that the authority of the Statutory Finance Officer is required. Therefore, if the Cabinet is satisfied, it would be appropriate for me to sign the application forms on behalf of the Council as part of this programme, but only after receiving firm assurances and evidence from the relevant officers to show that the information detailed in these applications are accurate, and that the Regional Partnership have endorsed the individual applications.

6.2 Views of Local Member

Not a local matter

6.3 Results of any consultation

Nothing to note