

# GWYNEDD COUNCIL CABINET



## A Report to a meeting of Gwynedd Council Cabinet

<b>Date of meeting:</b>	<b>19 July 2022</b>
<b>Cabinet Member:</b>	<b>Councillor Dyfrig Siencyn</b>
<b>Contact Officer:</b>	<b>Sioned E. Williams, Head of Economy and Community Department and Dafydd Wyn Williams, Head of Environment Department</b>
<b>Contact Number:</b>	<b>32547</b>
<b>Subject</b>	<b>The Levelling Up Fund</b>

---

### THE DECISION SOUGHT

- a. To support the intention of targeting the UK Government's Levelling Up Fund for the Bywiogi Bangor, Llewyrch o'r Llechi, and Ardudwy Green Corridor projects;
- b. To authorise the Head of Finance Department jointly with the Head of Economy and Community Department and Head of Environment Department to agree upon the details of the bids, to sign the bids and the offer letters if successful, for the Gwynedd Levelling Up schemes.
- c. To authorise the Head of Economy and Community Department, the Head of Environment Department and the Head of Finance Department to sign the bids and the offer letters when targeting the full funding packages to deliver these schemes.

---

### REASONS FOR THE NEED FOR A DECISION

The Economy and Communities Department and the Environment Department have prepared three significant bids. The right is requested to submit these bids to the UK Government's Levelling Up Fund.

---

### 1. INTRODUCTION

- 1.1. On 23 March 2022, the British Government announced the details of the second round of the Levelling Up Fund <https://www.gov.uk/government/collections/new-levelling-up-and-community-investments#the-levelling-up-fund-round-2> . It is one of a package of funds launched by them after leaving the European Union and losing access to the Structural Funds that were available as a Member State.

- 1.2. Between 2021/22 and 2024-25, up to £4.8bn of capital funding is available with UK Government guaranteeing a minimum of £240m (5%) for Wales. The maximum for bids is £20m with a possibility for transport and cultural schemes to be up to £50m. It is a competitive bidding process throughout the UK. The bid for a package of regeneration projects submitted by Gwynedd Council in the first round in 2021 was unsuccessful.
- 1.3. The aim of the fund is to invest in local, visual and good quality infrastructure schemes in the fields of transport, regeneration and town centres together with cultural investments. A particular emphasis is placed on post-industrial areas, deprived towns and coastal communities. The fund this year will continue to invest in projects under the following three themes:
  - Transport
  - Town Centre Regeneration
  - Culture
- 1.4. Each Local Authority can submit one Transport bid and one regeneration and Town Centre or Cultural bid for each constituency. Each individual bid can include up to three different post code areas. This means that Gwynedd Council can submit two Regeneration or Cultural bids, and one Transport bid.
- 1.5. One principal change this year is that Gwynedd has moved from priority category 3 to priority category 1. This is to be welcomed and is likely to strengthen Gwynedd's bids.
- 1.6. In accordance with the guidelines, there were further considerations linked to the type of bids that could be submitted such as maturity, value, commencement period and completing the expenditure, number of sites that could be included in one bid as well as match funding (at least 10%).
- 1.7. There is an extension to the closing date for submitting bids. However, it is expected that the decision on the Fund will be announced in the autumn. There is no certainty that there will be a third round of the fund, but if there are uncommitted funds this time, Local Authorities will be invited to submit further bids.

## **2. THE REASONING AND JUSTIFICATION FOR RECOMMENDING THE DECISION**

- 2.1. Having received feedback from the British Government on Gwynedd Council's 'Glannau' bid, and in accordance with the themes and operational matters associated with the Fund, a cross-departmental scoping exercise was conducted to look at practical possibilities. It should be noted that the level of interest and the concepts discussed were broad but to comply with the fund's operational requirements, only a very small number of schemes were practicable to be considered based on being mature enough, within budget, available to be implemented within a tight timetable and responding directly to the criteria.

### Bywiogi Bangor Scheme

- 2.2. The Bywiogi Bangor Scheme is a scheme which responds to the fund's priority theme of **investing in town centre regeneration**. It is a package with a value of approximately £40m for Bangor city centre, which couples interventions associated with health and well-being with the re-purposing of the High Street and the regeneration of the city centre. The aim

of this package is to lead to economic regeneration, long-term investments and the creation of employment.

The package includes:

- Development of a Health and Well-being Centre in a strategic site in Bangor city centre;
- Environmental improvements in Hirael Bay (linked to the coastal defence work) and active travel links between Hirael Bay and Port Penrhyn and the City Centre;
- The first phase of the work of establishing North Wales Medical School in Bangor in one of the University's buildings on Dean Street.

Further financial information is provided in Appendix 1. A more detailed report will be submitted to Cabinet that will present the full funding package and a consideration to a contribution from Gwynedd Council in the form of a loan.

The scheme in Bangor fully responds to the work of Bangor Strategic Partnership and the priority of the Bangor Strategy and Vision (2015) that they commissioned. This scheme is also supported by Bangor Leadership Group that has been established between Betsi Cadwaladr Health Board, Gwynedd Council, Welsh Government, Grŵp Llandrillo Menai and Bangor University to oversee the significant investments within the City.

The scheme is expected to contribute to outputs and results such as:

- Restore and re-purpose empty/redundant buildings in the city centre;
- Increase the numbers of users within the city centre;
- Create and protect employment and increase spending in the city centre;
- Improvements to the environment and public spaces within the city;
- Coastal protection;
- Create and develop active travel links;

#### Ardudwy Green Corridor Scheme

- 2.3. The Ardudwy Green Corridor Scheme responds to the Fund's priority theme of **investment in transport**. It is a package worth approximately £40M, to include the construction of a new bypass road for the village of Llanbedr, create a new access to the existing airfield in addition to providing wider improvements to the walking and cycling provision, bus stops and electric charging points along the A496 in the Ardudwy area.

Appendix 1 provides further financial information. Gwynedd Council will work in partnership with Welsh Government and other partners to identify funding opportunities and a further report will be presented to Cabinet to present the full package.

The scheme is expected to contribute to outputs and results such as:

- Upgrading the provision of active travel routes in the area;
- Improving access to public transport (buses and trains) in the area;
- Offering provision for electric car users throughout the area;
- Improving traffic safety and management in the village of Llanbedr;
- Developing infrastructure in order to maximise economic benefit, for the whole area, from Llanbedr Airfield in the future.

## Llewyrch o'r Llechi

- 2.4. The Llewyrch o'r Llechi scheme is a package worth £27M and includes projects across the slate valleys of Gwynedd, to respond to the theme of ***investing in culture***. It identifies opportunities to maximise the benefits to the local community and economy arising from the World Heritage Site designation in 2021. It is a scheme that offers opportunities, employment and developments that contribute towards the regeneration of these communities.

The package includes:

- Hwb Dinorwig – a package of schemes to upgrade the provision of the Slate Museum, Parc Padarn and links to the quarries in the Llanberis area;
- Hwb Ogwen – a package of schemes to upgrade a building in the centre of Bethesda to improve the industrial and heritage offer, and improve the links between the town centre and the main attractions;
- Hwb Ffestiniog – a package of schemes to upgrade buildings in the centre of Blaenau Ffestiniog to improve the industrial and heritage offer, and improve the links between the town centre and the main attractions;

A further report on the full details will be presented to Cabinet. Appendix 1 summarises the funding details.

The scheme is expected to contribute to outputs and results such as:

- Recovery and re-purposing of empty/redundant buildings in the town centres;
- Ensuring consistency in the interpretation and cultural experience of the area;
- Creating educational, health and well-being and community facilities;
- Improving awareness of the culture of the slate valleys;
- Creating economic opportunities;
- Creating and protecting employment and increasing sustainable spending throughout the year in the valleys;
- Improvements to the environment and public spaces within the towns;
- Creating and developing active travel links;

- 2.5. A comprehensive Risk Assessment has been created for all the schemes. The following summarises the risks identified for the Council.

- Failure to secure expenditure in the current financial year which is one of the Fund's requirements;
- Failure to spend the money in total by the end of the 2023/24 financial year which is one of the Fund's requirements;
- No match funding for the schemes;
- Difficulties involving land issues;
- Difficulties in obtaining the necessary statutory permissions;
- Problems arising as a result of third party agreements to realise the scheme.

- 2.6. By now, Levelling Up is one of the most significant capital funding opportunities that is available to Local Authorities to apply for, for the benefit of Gwynedd's communities. Gwynedd Council has identified packages of schemes that respond to the priority themes

and have ensured that the opportunities for Gwynedd are maximised. The County's Members of Parliament are supportive of the schemes.

- 2.7. The decision sought through this report enables officers to move forward to establish detailed project management arrangements and comprehensive funding packages for the individual schemes described above. Further reports will be submitted to the Cabinet on the details of the above schemes.

### Equality Issues

- 2.8. Each scheme associated with the Levelling up Scheme will ensure that equality matters are a core part of the scheme. A full assessment will be undertaken for each scheme as they are developed.
- 2.9. When a third-party partner is operating a scheme, it will be necessary to comply with equality matters and a full assessment will be part of the legal agreement with the partner.

### Issues relating to the Well-being of Future Generations (Wales) Act (2015)

- 2.10. The Well-being of Future Generations Act (Wales) 2015 identifies seven well-being goals. It sets an ambition, permission and legal obligation to improve our social, cultural, environmental and economic well-being. This report and the work associated with the three Levelling Up Schemes responds to these Well-being Goals:

- A Prosperous Wales - In Gwynedd, the economy is vulnerable and the retail and business sector in our town centres, the slate valleys and rural areas of Meirionnydd, specifically, make a substantial contribution towards the county's economy, and offers a cross-section of employment opportunities. These schemes also make a positive contribution towards a prosperous economy;
- A Healthier Wales - the theme of health and well-being is a common theme in all the bids, from the direct health services and training to bespoke infrastructure to improve the health and well-being of Gwynedd's residents.
- A more equal Wales - town centres are places that offer a variety of opportunities and provisions for a broad cross-section of the population, regardless of the background or circumstances of the individuals;
- A Wales of cohesive communities - vibrant and prosperous town communities offer a range of services in a pleasant and safe environment. This is crucial for the future of communities and a core part of these schemes;
- A Wales of Vibrant Culture and thriving Welsh language - town centres contribute towards protecting our culture through their people, attractions and services, along with the work of promoting the Welsh language. The Llewyrch o'r Llechi bid identifies the cultural importance of Gwynedd;
- A globally responsible Wales - active travel and leisure schemes are a prominent part of all the schemes that support the carbon reduction agenda.
- A Resilient Wales - Gwynedd's communities play a key role in establishing structures and opportunities that can face and respond to future economic and community challenges.

## **3. NEXT STEPS AND TIMETABLE**

The work of fully developing the schemes is continuing and the decision on the Levelling Up fund is expected in the autumn.

#### **4. VIEWS OF STATUTORY OFFICERS:**

##### **i. The Monitoring Officer:**

“Any further observations from a propriety perspective will be presented at the meeting”

##### **ii. Head of Finance:**

*“The decision sought will allow the Council to move on to the next stage of applying for funding from the Levelling Up Fund, and I believe that what is being sought is reasonable and practicable. I am satisfied with the accuracy of the financial information that appears in the report.*

*I am confident that appropriate steps are in place within the Council to ensure proper use of the funding and the arrangements in place to manage the various projects will be robust. However, the Cabinet needs to be aware of the match-funding that will need to be sought for these projects, and there is the possibility that Gwynedd Council will have to find the match-funding in some cases, as described in Appendix 1, if other sources are not available. As set out in that appendix, further reports will be submitted to Cabinet in those cases with full financial details.”*