

CABINET MEETING: 15 MARCH 2018

TARGETED REGENERATION INVESTMENT PROGRAMME

HOUSING & COMMUNITIES (COUNCILLOR LYNDA THORNE)

AGENDA ITEM: 11

REPORT OF CORPORATE DIRECTOR PEOPLE & COMMUNITIES

Reason for this Report

1. To outline opportunities under the Welsh Government's new Targeted Regeneration Investment Programme and seek approval for priority themes and projects.

Background

2. The Welsh Government has announced a new funding programme to support economic regeneration projects. Guidance on the new Targeted Regeneration Investment Programme (TRIP) was issued in October, 2017. TRIP is the successor programme to the Vibrant & Viable Places (VVP) programme, under which grant funding was secured for improvements to Clare Rd/ Penarth Rd District Centre, Grangetown Hub, and the St Mellons Hub extension.
3. The overarching aim of TRIP is to support projects which promote economic regeneration, with activities focussed on individuals and areas most in need. Local authorities are invited to submit capital investment proposals aimed at widening prosperity and improving community well-being.
4. The aim is to support 'regionally significant' investment in defined 'Regeneration Areas', where a programme of projects will tackle the complex range of challenges facing the area and reverse this decline.
5. The programme begins in April, 2018 initially for a 3-year period, although the guidance also encourages authorities to identify projects which could feature in a rolling programme for future years.
6. The all-Wales budget for the 3-year period 2018/19 – 2020/21 is £100 million, with a notional allocation to the South-East Wales region of £44 million. The maximum intervention rate is 70%, and all projects must

have a minimum contribution of 30% from non-Welsh Government sources.

7. A break-down of the £44 million regional allocation on a 'per capita' basis would equate to some £10 million for Cardiff. While this provides an indication of the level of resources available, actual funding awards are based on the merits of individual project applications from across the region.
8. Based on preliminary work, funding of £1.3 million over the 3 year period is included in the Council's capital programme. Match-funding requirements will be further reviewed as projects are worked up, and other sources of funding identified.

Regional Framework

9. A requirement of the new programme, as set out by the Welsh Government, is that it is aligned regionally. This includes the development of an overall regional regeneration strategy and establishing a means for regional endorsement of project proposals. All project proposals put forward for consideration under the programme will need to demonstrate how they align with regional priorities. A regional regeneration plan is currently being drafted based on contributions from the ten local authorities of the Cardiff Capital Region. This will be a high-level framework document, identifying key regeneration themes and priority areas for TRIP funding.
10. Only projects which link to the regional plan and have been endorsed by the region may be submitted for Welsh Government assessment. There is however no current mechanism in place for regional approval of projects, therefore there will need to be further work undertaken to develop appropriate governance. It should be noted that the Cardiff Capital Region Joint Committee does not currently have the authority to approve or endorse projects regionally.
11. Any governance established to provide formal regional approval for TRIP funded projects would require the prior approval of all ten participating local authorities.

Target Regeneration Area

12. The majority of the city's most deprived wards are located in the 'Southern Arc' of the city, which if it were considered a single local authority would be far and away the poorest area of Wales. Employment rates and earnings in the area lag behind the city-region average by some distance, whilst unemployment and inactivity are significantly greater than the Cardiff Capital Region figure.

13. For the purposes of TRIP, the 'Southern Arc,' stretching from Trowbridge in the east to Ely in the west, is proposed as Cardiff's Regeneration Area. This target area has been proposed for inclusion in the draft regional plan. Regeneration investment in these communities has potential to deliver significant economic outcomes which will help address inequalities, enhance community well-being, and promote inclusive growth. The aim would be to develop a comprehensive phased programme of schemes within this 'Southern Arc'.

Project Themes

Business Corridors

14. The Southern Arc contains a number of District and Local Centres which, together with adjoining residential/mixed use areas, are in need of investment if their economic role is to be sustained and further developed. Two specific 'Business Corridors/Areas' have been identified which are significant locations of economic activity and employment, as well as regionally important access routes into the city centre.
15. The South Riverside Business Area, which focusses on Tudor Street, Wellington Street and Cowbridge Road East, and interconnecting areas, is proposed as the initial focus for targeted investment under TRIP. As well as serving a wide catchment area in the west of the city, it functions as a key gateway into the city centre and includes communities which are amongst the most deprived in Wales.
16. A package of regeneration measures will be brought forward under TRIP, linking in to the regional theme of urban centre regeneration. These could include :
 - commercial property enhancement scheme to uplift retail frontages and facilitate business development;
 - gateway improvements leading to key city centre destinations including the Central Square redevelopment;
 - improvements to the commercial environment, including public realm and community safety improvements;
 - bringing vacant and under-used floor-space into beneficial use including opportunities for low-cost, flexible business start-up units;
 - active travel measures to link with major new infrastructure proposals including measures (walking, cycling and public transport) which encourage access to, and through the corridor;
 - identification of new residential/mixed use and wider investment opportunities.
17. To factor in effective partner engagement and community consultation, and to have fully worked up and deliverable project proposals, it is anticipated that Year 1 (2018/19) will be devoted to planning and bid preparation, with project implementation starting in Year 2 (2019/20).

18. A further inner city economic corridor, the Adamsdown/Roath Business Area – which could include City Road, Clifton Street and surrounding areas – has been identified as a potential future target area. It is proposed that a feasibility assessment for this target area is undertaken in 2019/20, with the aim of commencing project delivery in 2020/21. Investment themes could include:
- improvements to the eastern gateway to the city centre.
 - active travel measures to link with major new infrastructure proposals and promote safe cycling and walking routes to, and within the Corridor;
 - improvements to commercial frontages and the public realm, building on previous District Centre investments;
 - measures to bring longer-term vacant properties into beneficial use and opportunities for business start-up accommodation;
 - enhancements to the setting of Cardiff Royal Infirmary, which is being converted into a locality health and well-being centre.
19. Further phases tackling the key regeneration issues in other areas of the Southern Arc will be programmed for subsequent years and will be based upon the good practice developed in these two initial phases.

Community & Well-Being Hubs

20. Community Hubs serve as a focus for economic and social well-being for individuals and areas in need. Working closely with partner organisations, the Council has delivered a highly successful Community Hubs programme, bringing together community services in a sustainable and customer-focussed way and investing in better quality facilities. A network of 11 Community Hubs has now been established, 8 of which are located in the Southern Arc. 'Into work', training, advice and employability services are a key element of the Hubs core service offer.
21. Opportunities have been identified for further embedding Hub services, based on the experience of developing and operating Hubs to date and responding to the particular needs of individual communities. These include investment in reshaping existing Hubs as well as integrating Hub services in other community buildings, with a particular focus on employability services and economic outcomes for young people.
22. Proposals for new health and well-being hubs in Llanedeyrn, Ely and at the Cardiff Royal Infirmary are the subject of partnership working with Cardiff & Vale University Health Board. In view of the multi-agency, multi-service nature of well-being hubs, support from a number of funding streams, such as TRIP, is likely to be required.
23. Equality Impact Assessments will be undertaken for specific regeneration proposals put forward under the programme.

24. The proposed investments in Business Corridors and Hubs outlined above formed the basis of a preliminary submission for the regional plan, and this is attached at Appendix 1.

Local Member Consultation

25. Local Members, as key community stakeholders, will be fully consulted on any projects taking place in their Wards.

Reason for Recommendations

26. To ensure that priority themes and projects in Cardiff are included in the Capital Region regeneration plan, which will form the framework for Targeted Regeneration Investment Programme bids to the Welsh Government.

Financial Implications

27. The report proposes priority themes and areas as the basis for making capital grant funding bids. Welsh Government Guidance for the bid process sets out the key outputs and assessment criteria against which bids will be assessed on a regional basis. The terms and conditions of grant require that match funding must come from non Welsh Government sources. This would need to come from any approved Council funding or other public and private sources with achievability considered before commitments are entered into. The Council's capital programme for 2018/19 to 2022/23 includes £1.3 million as Council match funding to support towards eligible grant expenditure as well as funding towards development of further hubs projects as outlined in the report.
28. Any funding bids should be considered at an early stage with financial services and clearly set out the project brief and estimates of cost, including consideration of any ongoing revenue implications of delivering the schemes and managing the grant process as well as in relation to operating and maintaining any improvements made from any successful grant bid.

Legal Implications

29. No direct legal implications arise from this Report. The Council should, however, be aware that it will have to abide by the conditions attached to any grants that are awarded

HR Implications

30. There are no Human Resources implications to this report.

RECOMMENDATIONS

The Cabinet is recommended to:

1. Note the funding opportunity presented by the Welsh Government's Targeted Regeneration Investment Programme and associated match-funding requirements;
2. Agree the priority themes and projects for the Targeted Regeneration Investment Programme set out in the report;
3. Delegate authority to the Corporate Director, People and Communities, Director of Economic Development, and Director of Planning, Transport and Environment, in consultation with the Cabinet Member for Housing & Communities, Cabinet Member for Investment and Development and Cabinet Member for Strategic Planning and Transport, to finalise details of the Council's contribution to the Regional Regeneration Plan and prepare funding bids for consideration under the Targeted Regeneration Investment Programme.

SARAH MCGILL

Corporate Director for People and Communities.

9 March 2018

The following appendix is attached:

Appendix 1: Draft Submission for Regional Plan.

The following background paper have been taken into account

Targeted Regeneration Investment: Guidance for Local Authorities & Delivery Partners - Welsh Government: October, 2017.