

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO COMMUNITY, ENVIRONMENT AND LEISURE OVERVIEW AND SCRUTINY COMMITTEE

8 OCTOBER 2015

#### REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

#### REGENERATION IN THE COUNTY BOROUGH – DELIVERING ON THE CORPORATE PRIORITIES

##### 1. Purpose of Report

1.1 This report provides Members with information on the alignment between the Regeneration Service's work programme and the proposed corporate priorities and focus areas.

##### 2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

2.1 Work is currently underway on developing a narrower and more focused set of corporate priorities for the Council, in recognition of the financial challenges facing the Authority, and the need to focus the limited resource available, on the areas that are most important to us and to our residents, and where we can achieve the most impact for our investment. The table below sets out the draft corporate priorities and areas of focus, which are currently under consultation, and summarises the main programmes and projects being delivered by the Regeneration Service, which are helping to deliver corporate priorities. These are expanded upon in section 4 of this report.

##### *Supporting a Successful Economy:*

Aim	Focus	Commitments
To create successful town centres	Deliver major schemes in our town centres (by making best use of the Vibrant and Viable Places (VVP) grant and other value-adding schemes).	Bridgend -VVP Maesteg – Llynfi Sites, Town Hall Porthcawl –Attractor Destination Town Centre Partnerships Business Improvement District
To create conditions for growth and enterprise	Further develop the capacity / skills of Bridgend business networks to become self-sustaining (providing peer support and business-to-business opportunities that enhance local supply chains).	Bridgend Business Forum Bridgend Tourism Association SEEN3 Centres of Rural Enterprise
	Influence regional developments and maximise local benefits (such as investment in transport and communications infrastructure and the development of the Cardiff Capital Region).	City Deal Regional Engagement Team
To help people develop skills and	Align skills projects to help people develop skills (with greater penetration into the labour market).	Bridges into Work 2 Communities for Work

take advantage of opportunities to succeed	Work with businesses to identify key skills necessary for growth, and seek to influence regional / local provision of training (including within schools).	Bridgend Employer Liaison Partnership City Deal
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### Smarter Use of Resources:

Aim	Focus	Commitments
To streamline internal business processes.	Use ICT to move most common internal processes and how customers access services from manual to automatic.	
	Review and redesign business support services	
To build capacity among third sector, town and community councils and community groups to meet local needs.	Support communities and groups wishing to take on the running of Council owned assets and services.	Community Asset Transfer RDP – creating self-sustaining rural communities
	Align projects funded by Europe and Welsh Government to support community engagement	
To develop the culture and skills required to meet the demands of a changing organisation.	Capitalise on existing skills through coaching, secondments, and learning sets.	
	Identify and invest in key skills required to deliver Council objectives (such as commissioning and project management).	Leverage of external funding
	Improve engagement with staff in ongoing cultural and organisational change.	

## 3. Background

- 3.1 Wales' economic prospects are critical to its long term future. In terms of productivity (as measured by gross value added (GVA) per job) the South East (SE) Wales region has a GVA of only 76% of the UK average. Even with the existing level of collective effort across the region, this gap is widening. *Historically, this area was one of four in Britain given the original Assisted Area Status in 1934. Of the original 4 areas, only South Wales retained this status, the largest and longest recipient of State Aid.* Inactivity and worklessness remain high, and wages and skills remain low.
- 3.2 Public sector employment in the region accounts for 28% of total employment, compared to 19% for Great Britain. The large scale cuts in public finance in the coming years may put Wales further behind the rest of the country. This, alongside the changes to the benefits system will mean less money circulating in the local economy, to sustain local business. The Industrial Communities Alliance estimate the benefit cuts alone will mean £53 million less cash circulating in Bridgend County Borough. The economic climate is difficult for business, and may remain so for some time.

- 3.3 To achieve financial savings targets set in previous years, the Regeneration Service is making cuts of £341,000 in 2016/17 representing a 26% cut in the core staffing budget. The Service has already experienced a considerable amount of incremental reduction since the current structure was put in place in 2008, to meet annual savings requirements. There was a cut of £100,000 in 2013/14, £122,000 in 2014/15 and £140,000 in 2015/16. This latest restructure will formalise some ad-hoc arrangements that have resulted from these changes, and attempt to put in place a sustainable service structure for the future. While staffing budgets have had to be cut significantly, the Strategic Regeneration Fund, the Council's match-funding pot for regeneration, has been retained largely intact. This is a deliberate decision, and for this reason, leverage of external funding remains very high, and there are few, if any areas of the County Borough that have not had the opportunity to benefit from regeneration activity.
- 3.5 Historically, the Service has provided technical support to community organisations, to facilitate delivery of local community regeneration projects, for example Garw Mountain Bike Trails, and Caerau Market Garden. In the past year, it has become increasingly difficult to provide this support, and within the scope of the reduced resources available, it is likely to diminish further, unless it can be externally funded, for example through the Rural Development Programme.
- 3.6 Through the last EU Convergence Programme (2008-2014+2), Bridgend County Borough Council delivered 22 separate projects supported by £21.5m of European grant (total investment programme of £45m). In total, including national projects delivered by other bodies in Bridgend, 3,600 people were helped to enter employment and almost 11,000 gained qualifications. 788 local enterprises were assisted, 479 new enterprises were established and 1,718 jobs were created.

#### **4. Delivering the Corporate Priorities**

4.1 This section sets out in detail how the Service will deliver the corporate priorities.

#### **4.2 Corporate Priority 1: Supporting a Successful Economy**

4.2.1 *Aim: To create successful town centres*

*Focus: Deliver major schemes in our town centres (by making best use of the VVP grant and other value-adding schemes).*

#### **Schemes completed**

4.2.2 The Service already has a strong track record in this area, delivering property redevelopment, public realm, marine engineering and townscape heritage schemes in Bridgend, Maesteg and Porthcawl. These schemes have transformed the environment in our town centres, acting as a catalyst for investment and attracting new businesses. For example, in Bridgend, the multi-million pound redevelopment of Cae Court, the Toll House, and the former Victoria Inn, have all followed the completion of the EU Convergence scheme, and new businesses have opened in the town centre. Maesteg Market, despite a challenging trading environment, was fully let on completion, with the majority of units being let to new businesses. It now also hosts a travelling market and a variety of other local events. Since its completion, JD Wetherspoons has also opened a much needed family pub/restaurant in the town centre. The berths in the redeveloped Porthcawl Harbour

were also fully let and the project has been a catalyst for the multi-million pound regeneration of the harbour quarter.

Nolton St- before



Nolton St -after



Maesteg Market – before



Maesteg market - after



Porthcawl harbour – before:



Porthcawl harbour –after:



## Schemes in progress

- 4.2.3 A number of schemes are in various stages of development, some at feasibility stage while others are expected to go on site shortly. In Bridgend, the £9 million **Vibrant and Viable Places (VVP)** project, which will redevelop the site of the Rhiw Multi storey Car Park, will replace outdated and failing infrastructure, to create a modern 240 space car park with a new convenient pay-on-foot payment system, and 28 affordable homes. Site works will commence in the next few weeks.
- 4.2.4 The feasibility and site investigation work is underway to utilise the £2.5 million loan fund, for bring forward **Upper Llynfi Housing Sites**. The site options are the former Llanderw School site, and the east and west lower plateau sites below Maesteg School.
- 4.2.5 In Porthcawl, contracts have been exchanged on the landmark **Jennings building**, following a tender exercise to secure a developer. A planning application is expected shortly. The photograph below is an extract from the tender submission, and provides an indication of the final scheme. This high quality regeneration scheme comprises 3 restaurants and 13 live work units, and is expected to start on site before Christmas.

### The Jennings (impression)



- 4.2.6 The first **Townscape Heritage Initiative** scheme in Porthcawl was launched earlier this year and works are already underway on a variety of significant buildings in the historic harbour quarter of Porthcawl. As well as the Jennings, the buildings include the Customs House and Lookout Tower. The Customs House is being sold and will be brought into use alongside the Jennings.



- 4.2.7 This is working alongside a successful **Coastal Communities Fund** bid to enhance the coastal path and associated visitor infrastructure from Rest Bay to Newton via the harbour quarter, linking the beaches and the town centre.
- 4.2.8 It is important to note that redevelopment of **Porthcawl harbour** has acted as a catalyst for private sector investment, boosting confidence in the resort and re-risking private funding. There was strong commercial interest in Jennings building from a number of investors, and a number of competitive bids were received.

#### **Schemes in development**

- 4.2.9 Work is underway to develop a capital funding proposal under the Welsh Government's (WG) Buildings for the Future programme, to implement the earlier feasibility study completed on **Maesteg Town Hall**, aiming to secure improvements and increase the number and diversity of uses in the building, enhancing both its viability and the visitor experience.
- 4.2.10 Negotiations are underway with the adjoining landowners, to bring forward the **Ewenny Road** site in Maesteg, for a mixed use housing, retail and employment scheme, comprising 115 new homes, food outlets, neighbourhood retail facilities and serviced employment sites.
- 4.2.11 WG Ministers have been consulting local authorities, through the WLGA, on the **successor programme for VVP**. To ensure that the Council is in readiness for this, proposals are being developed to take forward the implementation of elements of the original VVP submission for Bridgend, but which were not pursued due to the reduced level of grant awarded.
- 4.2.12 The Porthcawl submission under the Visit Wales EU Convergence '**Attractor Destination**' programme has received priority status and is one of only 3 regional projects from SE Wales, and 9 in total across Wales being developed for funding. Tourism contributes to local prosperity and quality of life in Bridgend County Borough, injecting £307m into the local economy and supporting over 4,300 jobs in the County. The Porthcawl proposal comprises the **Maritime Centre**, led by Harbourside Community Interest Company, supported by infrastructure and redevelopment works led by the Council. The total investment is expected to be in excess of £7 million, building on the historic harbour quarter, and strengthening Porthcawl as a tourist resort, growing the value of tourism in the economy and increasing employment and business opportunities.
- 4.2.13 Alongside this, a **Heritage Landscape Partnership** programme has been developed for the coastal zone from Kenfig to Merthyr Mawr. This will improve the management of archaeological sites and maritime heritage sites, increase biodiversity, and result in an increased number and wider range of people being engaged with the management of landscape heritage of the 7 Bays, thus reducing demand on the Council to meet statutory obligations.
- 4.2.14 More recently, fresh consideration is being given once again to the wider **Porthcawl regeneration** project at Salt Lake and Sandy Bay, in collaboration with the Evans' family.
- 4.2.15 In addition to the capital schemes, **town centre partnerships** have been developed in Porthcawl and Maesteg, and the action plans agreed by the

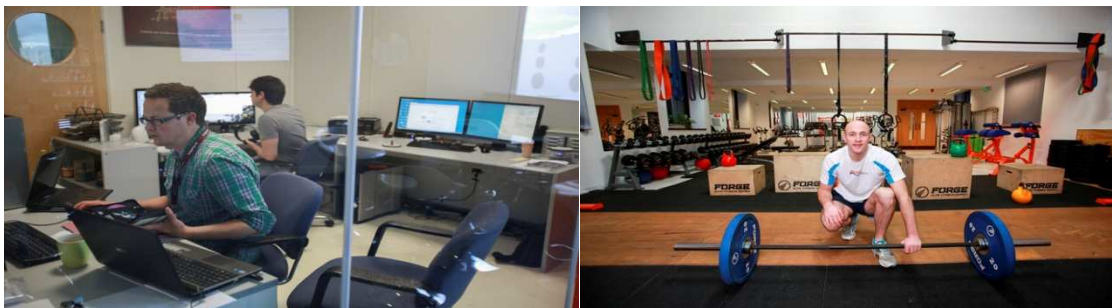
partnerships are being implemented, bringing vibrancy and interest into the town centres. The Maesteg Partnership, for example, is jointly with the Town Council, funding a skating rink in the market square, as part of the Christmas programme.

- 4.2.16 The Council, with financial support from WG, is also supporting the development of a **Business Improvement District** in Bridgend Town Centre. This is a trader-led initiative to create a fund, through an additional levy on business rates, which is controlled by traders and spent on initiatives and projects of importance to them.
- 4.2.17 These schemes are a significant pipeline of town centre investment, which will require commitment and capacity to deliver, but will create opportunities for businesses and jobs for local people, both in the construction phase, and subsequently, through private investment and business creation.
- 4.2.18 Challenges remain however; changes in shopping habits, technology patterns of demand and the ageing physical fabric will continue to impact on town centres. While a great deal of work has been done in each of the three main towns, the need and opportunity for further renewal is evident. Added to this, future reductions in street cleansing, public toilets and highways maintenance will make the need for continued investment, and strong partnership working with town councils and traders a necessity, in order for town centres to continue to attract shoppers and businesses.
- 4.2.19 *Aim: To create conditions for growth and enterprise*  
*Focus 1: Further develop the capacity / skills of Bridgend business networks to become self-sustaining (providing peer support and business-to-business opportunities that enhance local supply chains).*
- 4.2.20 The Service helps to supports a variety of **business networks**, (Bridgend Business Forum, Bridgend Tourism Association, the social enterprise network known as SEEN3), with a number of different specific interests, but with the common aim of creating the conditions for growth and enterprise. The existence and growth of these networks has been a key contributor to Bridgend's success in delivering regional business support programmes. In both Local Investment Fund (**LIF**) and South East Wales Community Economic Development (**SEWCED**), Bridgend was allocated additional resources towards the end of the programmes, taking up underspend from elsewhere in South Wales. It is also true to say that the Council's reputation with the business community has grown as a result of its engagement and support for these networks
- 4.2.21 These networks are currently supported to varying degrees by the Council through officer time, although it should not be overlooked that the businesses themselves contribute significantly in cash and in kind. The high profile Bridgend Business Awards for example, are funded entirely by the Borough's businesses. However, as our capacity to sustain the current level of support diminishes, the focus of work in this area will need to be on securing long term sustainability. This can only be successfully achieved with the support and engagement of the businesses themselves, in a managed transition, which involves proactively seeking opportunities for income generation. Without this, there is a risk that the investment, goodwill and relationship management of many years will be lost.

4.2.22 The last Rural Development Programme (RDP) supported the creation of physical networks of businesses in the form of **Centres of Rural Enterprise**, and three were created in Bridgend. At the micro-business centre at Sony, 12 businesses are now located. These businesses are an indication of the potential of the knowledge economy, and they benefit both directly and indirectly from the close association with Sony. Another Centre is located in Blaengarw, a converted church building which now houses the Garw Valley Health & Fitness Club and two complementary businesses: BB Sport Therapy and Eatwell 4 Life. By providing local people with a range of easily accessible services, the Centre enables more money to be retained and circulated within the valley economy, as well as creating local employment. The third Rural Enterprise Centre is based in North Cornelly, the conversion of a previously dilapidated building into a business centre known as the Genesis Enterprise Centre offering a mix of retail and office space as well as conference facilities. The Centre now accommodates three retailers of sportswear, PC sales and a cards & gifts shop. In total, over 40 jobs have been created to date.

Sony Micro-business Centre

Garw Valley health and Fitness Club



Genesis Enterprise Centre



4.2.23 *Focus 2: Influence regional developments and maximise local benefits (such as investment in transport and communications infrastructure and the development of the Cardiff Capital Region).*

4.2.24 The scale and depth of regional working has increased significantly in recent years, to a point where many economic initiatives and programmes are now developed



regionally, but delivered locally. Historically, Bridgend has had a good reputation for contributing to regional working, playing an active role in a number of work streams and task groups to support the previous and current rounds of Convergence, the Regional Strategic Framework, and most recently, the City Deal and the Regional Engagement Team.

- 4.2.25 **City Deal** - the increasing competitiveness of the global economy requires local authorities and other stakeholders to work together to support economic development. The growth of the *city region* concept provides an approach which is being used elsewhere in the UK and Europe. The essential elements of a city deal are: an economic growth plan; an investment fund; devolution of decision making to city region level; and retention of additional revenue arising from growth of the tax and rate base. A number of city deals are now operational or in development across the UK, and if the South-East Wales councils do not respond then they risk being left further behind in terms of economic growth and opportunity.
- 4.2.26 The proposal for a Cardiff City Deal is still at an early stage, but the SE Wales local authorities have agreed to work together to develop the business case, and the work is being co-ordinated and supported by the Regeneration Service for the Council.
- 4.2.27 Established City Deals elsewhere, for example, have business support, housing, town centre and transport infrastructure funds, focused on investing in value generating investments. The Cardiff City Deal could generate major investment capacity especially in rapid transport systems (e.g. rail electrification, Metro), infrastructure, skills and innovation. For Bridgend to benefit from this directly, it will need to have the local capacity to develop and deliver investment programmes and projects financed through the City Deal.
- 4.2.27 **Regional Engagement Team – EU Structural Funds (ESF)** - Bridgend Council has been requested by the SE Wales local authorities to host the regional engagement team to support delivery of the 2014 – 2020 EU Structural Fund programmes. This will increase capacity to engage and benefit from regional collaboration across South-East Wales.
- 4.2.28 The regional engagement team will have a formal role to support the effective delivery of European-funded projects on a regional basis. This will be done by:
- ensuring projects in development from all sectors work effectively as possible on a regional basis (regional proofing). In this way the teams will provide a link between the Wales European Funding Office (WEFO) and the emerging partnership structures in South-East Wales and existing ones such as the City Region Board and Learning, Skills & Innovation Partnership (LSkiP);
  - monitoring the regional delivery of projects to ensure that duplication and gaps are minimised and opportunities for improvement are taken. The team will help to broker solutions to issues; and
  - co-ordinating the review and update of the regional sections of the Economic Prioritisation Framework which supports WEFO in its decisions on project approvals.
- 4.2.29 The benefits to Bridgend for leading on regional engagement in the 2014 – 2020 programmes include a formal responsibility to be involved at a strategic level in the development and delivery of regional projects. The regional engagement team will

also have access to information and intelligence on the regional aspects of the European funds. Through regional working, Bridgend County could benefit from stronger economic links within a city region with the potential for greater sustainable economic growth.

4.2.30 *Aim: To help people develop skills and take advantage of opportunities to succeed  
Focus: Work with businesses to identify key skills necessary for growth, and seek to influence regional / local provision of training (including within schools).*

4.2.31 **The Bridgend Employment Liaison Partnership (BELP)** aspires to foster positive partnership working between employment and training agencies operating in the Bridgend area so that through developing best practice and sharing of information clients maximise employment, education or training outcomes. The Partnership works collaboratively to influence any issues that are a barrier to local provision and delivery including promoting and supporting the Bridgend Workclub Network and ensuring opportunities such as job vacancies, training opportunities and community benefits are promoted to partner members to benefit clients. BELP currently has 245 members across 132 different groups or organisations

4.2.31 *Focus: Align skills projects to help people develop skills (with greater penetration into the labour market).*

4.2.32 **Bridges into Work 2** is a £7m ESF regional project led by Torfaen CBC and includes 4 other local authorities including Bridgend. The project will run from May 2015 to March 2018 and in the Bridgend area it will target 464 participants who are either long term unemployed or economically inactive, and who face significant barriers to employment. Participants will be aged over 25 years and living outside Communities First areas. Referrals will come from a variety of sources, for example in response to marketing, directly via Job Centre Plus, the Workclub Network and community organisations. The targets include helping 98 participants into employment, and 233 into work experience or volunteering. Bridges into Work 2 will work alongside other ESF operations to maximise opportunities to local people. The total value of the project in Bridgend is £1.268m.

4.2.33 **Communities for Work (C4W)** is a separate but complementary programme to Communities First. The project will provide intensive employment mentoring and support, delivered locally through 'employment mentors' who will work closely with Employment Advisors within DWP. Communities First delivery bodies have been invited to submit costed proposals for the delivery of the project in their areas and work is underway on this, with an anticipate start later this year. There is no cash contribution required from the Council, as overhead costs can be used to meet the match funding requirement.

### 4.3 **Corporate Priority 2: Helping people to be more self-reliant**

4.3.1 While these programmes are aimed at supporting a successful economy, it is also irrefutably the case that success in supporting people to develop skills for work are critical to corporate priority 2 : Helping people to be more self-reliant. Creating the conditions for investment and growth is a large part of the solution to the continued difficulties we will face over the next decade or more. Creating businesses and jobs

is one of very few sustainable ways to enable individuals to come off benefit and live independently. The lack of confidence in the future is well documented as a driver for poor educational attainment, poor mental and physical health, and poverty from childhood to old age. All these create considerable spending pressures for the Council.

#### **4.4 Corporate Priority 3: Smarter use of resources**

4.4.1 *Aim: To build capacity among third sector, town and community councils and community groups to meet local needs.*

*Focus 1: Support communities and groups wishing to take on the running of Council owned assets and services.*

4.4.2 The **South East Wales Community Economic Development (SEWCED)** programme started in Bridgend in September 2010 and operated to 31 August 2015. Bridgend was initially awarded £1.8m but successfully managed to utilise underspends from other local authorities and the final award for Bridgend was £2.086m – with all additional funds secured being put into the grant pot available for Bridgend organisations – all of which has now been spent. Throughout the lifetime of the project 23 organisations have been supported, 58 new jobs created, 3 new social enterprises created, over 4000 additional people accessing the services of social enterprises. Just under £500,000 of private sector investment was levered as a result of the project.

4.4.3 **Community Asset Transfer** - in recognition of the fact that the Service has skills and experience in working with community organisations, it will be taking on responsibility for facilitating Community Asset Transfer, later this year focusing initially on sports pavilions, community centres, bus shelters and public toilets, to enable Medium Term Financial Strategy savings to be achieved in the Neighbourhood Services side of the Communities Directorate.

4.4.4 **Rural Development Programme** - linked to Community Asset Transfer, work will be undertaken through the Rural Development Programme to provide advice and practical assistance to community organisations in rural areas who wish to take on the running of non-statutory services for example sports pavilions and playing fields. The RDP is also supporting the development of community energy schemes. These can play an important role in helping community groups to become more financially independent, and thereby better able to take over the running of assets. Equally, energy generation can generate income which makes the running of assets a viable option for community groups. For this reason, the asset transfer and community energy work will work closely together.

4.4.5 *Aim: To develop the culture and skills required to meet the demands of a changing organisation.*

*Focus: Identify and invest in key skills required to deliver Council objectives*

4.4.6 Over the last few years the Regeneration Service has developed and targeted its approach towards strategic project development and attracting external funding to deliver corporate priorities. There is a strong culture of enterprise and efficiency, in recognition of the fact that this is a discretionary service, so every pound spent has to be supported by a strong justification, and demonstrate added value in terms of

leverage. All members of staff are aware that if the service is not lean, efficient and delivering on members priorities, there is no automatic requirement on the Council to continue to support it.

- 4.4.7 Between 2008 - 2014, this resulted in successful bids for some £41 million from the European Structural Funds, RDP, Lottery and Welsh Government to support a range of physical and economic development activity, as detailed below:

<b>Funder</b>	<b>Grant Approvals 2008 - 2014 (£m)</b>
ERDF	11.775
ESF	10.239
RDP	4.100
Welsh Government	13.464
Lottery	1.172
<b>TOTAL</b>	<b>40.750</b>

- 4.4.8 All the funding Regeneration receives is bid for in a competitive arena, and is not guaranteed. Therefore uncertainty is a constant. The opportunity to draw down external funding with SRF depends on the amount we have available and ‘un-matched’ to the existing project implementation. Opportunities can be lost when there is no capital match funding left in the small pot of SRF. Equally, deadlines for submission of bids can be very short, and not allow time for projects to be developed ‘from scratch.’ There needs to be sufficient capacity retained in the Service to develop priority projects to a sufficient level of readiness, to be able to respond quickly to funding opportunities.
- 4.4.9 The Service also cannot simply chase funding. The SRF ‘pot’ is limited, and has to be deployed very carefully to ensure that match funding is available to support priority projects. Delivery capacity is also limited, and the Service’s project management resources have to be carefully targeted.
- 4.4.10 The Regeneration Service’s focus on making the best use of resources is illustrated by other key facts and figures for the Service set out below:
- Following the restructure, the Regeneration Group will account for **0.71% of total Council revenue budget**; this has fallen from 0.83% when last reported to the Scrutiny Committee in September 2013.
  - The primary capital budget for the Regeneration Group is the Special Regeneration Fund (SRF) and this amount of £540,000 is fully matched into various EU and other external capital funding for periods of up to five years. This relatively limited resource has helped to support multi-million pound regeneration projects in the three main towns, developed the Authority’s property asset base, and provided investment to help small and medium sized businesses to grow.
  - the Council’s financial match funding for the Maesteg Outdoor Market project represented only **9.5% of the total project cost**. The rental income from the Market increased by 15% on completion.

- the Council's financial match funding for Bridgend Town Centre Convergence programme represented **about 7% of the total project cost**;
- The BCBC match-funding contribution to VVP represents **2.96% of the total grant from WG, but only 1.8% of the total investment in the scheme**, taking account of Coastal Housing Group's investment in the housing element of the scheme. The leverage is **over £50 for every £1** from the Council.
- Leverage of external funding varies significantly between programmes, but the aim is always to deploy resources in a strategic way, to minimize the Council's contribution, and make resources go further. For example, the RDP has an 80% grant rate, but by using other external funds to meet the match-funding contribution, it is likely to achieve over 90% external funding, in this round. **Overall leverage rates of £15 for every £1 invested by BCBC can be confidently achieved.**
- following the last audit of project management practices, Internal Audit returned a view of "**substantial assurance**" for project management in both the Economic Development and Physical Regeneration Teams;
- Most recently through VVP, we have developed a partnership arrangement with Coastal Housing Group, as a variation to direct delivery, and need to monitor the effectiveness of this, to inform future practice.
- Finally, additional external funding of **£3.159 million has already been secured in first 6 months of 2015/16** through the European Social Fund, RDP, and BIG Lottery Fund (Coastal Communities Fund) with SRF money again being used as match funding.

## **4.5 Conclusions**

- 4.5.1 There are a number of points made throughout this report that require some scrutiny and discussion.
- 4.5.2 The information in this report demonstrates that the Service is aligned to the corporate priorities. In refocusing programmes such as the RDP, it is developing expertise and resources for Community Asset Transfer, adapting to changing needs within the Authority. It is supporting a successful economy, by securing investment in town centres, and delivery of regional economic initiatives. Through its employment and skills initiatives, the Service plays a key role in helping people to become more self-reliant and overcoming a culture of dependency. By facilitating Community Asset Transfer and leveraging external funding, it is helping the Council to maximize use of resources.
- 4.5.3 The Service delivers value for money, with leverage of between £4 to £54 for every £1 invested by the Council. However, financial pressures over the past 3 years have reduced a small service considerably, and the savings to be achieved in 16/17 will reduce this still further, cutting the core staffing budget by a further 26%. Successful regeneration requires a medium to long term approach; projects are being developed now, which will take a number of years to bring to implementation stage. While the Service has been able to withstand the cuts so far, greater financial certainty is required on the future scale investment that the Council wish to



maintain, in order to ensure that resources are not being wasted on developing projects which will never be implemented.

4.5.4 The City Deal makes this decision even more significant; there could be little point in participating in the City Deal and contributing to an Investment Fund, unless there is capacity to develop investment proposals and implement the City Deal programme in Bridgend, with the resources levered.

4.5.6 Securing funding for regeneration takes place in a hugely competitive arena. However, this could change significantly if some local authorities make a financial decision to withdraw from or scale back their regeneration programmes. If this happens, the potential gains for those that retain a commitment to regeneration could be even greater in the future, substantially increasing the level of investment available to them to support their local economy, and their ability to attract investment and jobs from the private sector. In this scenario, continuing austerity, rather than impacting equally across the region and the country, may well widen the gap between the economic performance of local authority areas in Wales.

## **5. Effect Upon Policy Framework and Procedure Rules**

5.1 None

## **6. Equalities Impact Assessment**

6.1 None required for an information report.

## **7. Financial Implications**

7.1 Financial information is set out in the main body of the report, and demonstrates that the Service brings investment into Bridgend County and delivers value far in excess of its costs. There are no financial implications arising from this report.

## **8.0 Recommendations**

8.1 It is recommended that the Community, Environment and Leisure OVSC note the report.

**MARK SHEPHARD**  
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**8<sup>th</sup> October 2015**

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## **Background documents**

None