

# Enterprise and Learning Committee

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## Paper by The Vale of Glamorgan Council submitted in advance of the National Assembly for Wales' Enterprise and Learning Committee on 8<sup>th</sup> October 2008

### Purpose

1. The purpose of this Paper is to:

Outline the Council's response to the petition 'Pride in Barry'.

Explain how the Council works with the Welsh Assembly Government and, prior to the merger in 2006, the Welsh Development Agency.

Describe the Council's Vision for the future regeneration of Barry.

Set out how the Council intends to work with the Welsh Assembly Government beyond the short term.

2. This paper recommends that the National Assembly for Wales' Enterprise and Learning Committee support the following actions:

That the Welsh Assembly Government acknowledges the historic role of Barry as a Valleys Port and a Valleys Resort and the legacy of this role in terms of socio-economic conditions and physical environment.

That having regard to the Wales Spatial Plan, the Welsh Assembly Government commits as a matter of urgency to develop and fund an agreed 3-year rolling Delivery Plan to ensure that Barry reaches its full potential as a key settlement within South East Wales as a whole and in the Strategic Opportunity Area based around St Athan.

### Background

#### The Council's response to the petition 'Pride in Barry'

3. Socio-economic Profile: For the past 50 years Barry has suffered as a port, a resort and a community as a consequence of the decline of the South Wales coalfield. At present the town -the largest in South Wales- has a population of around 50,000 and its industrial legacy means that it shares a range of socio-economic conditions with comparable towns in the valleys of South Wales, as follows:

20% of the town's households are in social rented accommodation.

12 out of 32 Lower Layer Super Output Areas in the town are in the most deprived 30% of such areas in Wales. 2 of the 12 are in the most deprived 10%.

The Employment Land Study under taken by BE Group for the Vale of Glamorgan Council in 2007 concluded that the property market views Barry as a lower quality and lower value location in respect of the supply of employment land and premises. The report recommends that the Council should work with key partners such as the Welsh Assembly Government to overcome barriers to the development of key sites, especially in Barry.

In 2005 a league table of town centres in Wales compiled by King Sturge and Geobusiness Solutions based on shopper numbers and shopper spend power showed Barry Town Centre (Holton Road) ranked 28<sup>th</sup> out of 28 towns of a comparable size behind the likes of Neath, Llanelli, Caerphilly, Bridgend, Aberdare, Pontypridd, Merthyr Tydfil, Ebbw Vale and Port Talbot. The 2008 version shows a modest improvement to 24<sup>th</sup> out of 28.

4. Funding Uncertainty: The Council recognises that successful regeneration requires consistency of purpose and funding commitment well beyond the short term. The regeneration effort in Barry has been characterised by lower levels of funding compared with the rest of South East Wales and uncertainty throughout the financial year about when and how much grant could be claimed. This affects the development and management of regeneration projects.

5. Funding Disparities: The regeneration effort in Barry has occurred against the backdrop of diminishing Assisted Area Status and the shift of Welsh Assembly Government and European funding priorities for public investment to the Valleys and West Wales. The lapse and non-replacement of the Welsh Assembly Governments Physical Regeneration Fund has further undermined the regeneration effort in Barry. Furthermore, Priority 5, Theme 1 of the ERDF Convergence programme deals with the physical regeneration (including town centre renewal) but there is no comparable Priority/Theme in the ERDF Competitiveness programme. The Welsh Assembly Government Outcome Fund allows Communities First areas in the Convergence programme to use Convergence funds as match-funding. There is no comparable source of match funding for the Communities First areas in Barry under the Competitiveness programme.

#### How the Council works with the Welsh Assembly Government and, prior to the merger in 2006, the Welsh Development Agency

6. Previous Initiatives:

Barry Joint Venture (Barry Action) 1994 - 2006. The Joint Venture -consisting of the Vale of Glamorgan Borough Council, South Glamorgan County Council and the Welsh Development Agency- was established in March 1994, following the preparation of a broad strategy. Implementation of the strategy was the responsibility of a project team co-ordinated by a Welsh Development Agency project manager.

Barry Joint Initiative 1992 - 2007. The redevelopment of the 190 acres around No. 1 Dock has been directed and managed through a Joint Initiative established between Associated British Ports and the Welsh Development Agency. Although the official start date for this project was 1<sup>st</sup> January 1992, preparatory work and the agreement of Heads of Terms were achieved before that date. The full detailed agreement was signed in 1994. Under that agreement Associated British Ports and the Welsh Development Agency agreed to invest in the effective treatment of significant areas of contaminated land and the creation of high quality development sites with income being shared pro rata between the two organisations.

7. Prior to the formal establishment of the Barry Joint Initiative, in discussions between the local authorities and the Welsh Development Area, it was recognised by all parties that the development of the Waterfront on its own could not regenerate the town and that a long term sustained initiative was required in order to bring about change and address the causes and manifestations of decline in Barry. The establishment of the separate Joint Venture, Barry Action, was brought about to undertake whatever was necessary to regenerate the town. In this respect it is not an exaggeration to state that regeneration takes a generation. The process of regeneration is only partially completed and it requires input from all sectors of the Welsh Assembly Government to ensure that it continues into the future. By way of example in the 1990's the local authorities were able to access derelict land grant and strategic development grant which assisted in the process of providing access to the Waterfront and improving linkages in the town which had long been separated from its coastline. This type of grant aid no longer exists to the same extent and some of the initial drive to reconnect Barry has been lost in the process. The establishment of the Physical Regeneration Fund Grant in 2004 made a useful contribution to two major projects in Barry (the clearance of the former holiday camp buildings and the environmental improvement of Holton Road) but this strand of the regeneration framework has now been lost.

8. Current Initiatives: Barry Regeneration Partnership 2006 - present. Led by the Vale of Glamorgan Council, this is the successor to Barry Action following the merger of the Welsh Development Agency with the Welsh Assembly Government. Preparatory work began in 2005 with the formation of the Barry Regeneration Partnership Board a non-executive body consisting of Executive Members, Welsh Assembly Government officers and representatives from the local community and local business representatives. The Partnership Board informs decision-making; encourages joined-up service delivery and advises the Council and the Welsh Development Agency on spending decisions and the allocation of resources. The Barry Regeneration Partnership has adopted a Regeneration Vision for the town and a Strategic Framework for investment underpinned by six beacon projects and a draft 3-year rolling Delivery Plan. The finalisation of the Delivery Plan is currently on hold pending the outcome of the Welsh Assembly Government review of the distribution of regeneration funding across Wales.

### **The Council's Vision for the future regeneration of Barry**

9. The Wales Spatial Plan identifies Barry as a primary key settlement. In this context the Barry Regeneration Partnership has adopted a Regeneration Vision Statement 2005-2020 and Strategic Framework for the town as follows

"Barry will become a dynamic and competitive location close to the capital city of Wales and Wales' only international airport. Barry will be a distinct, attractive and safe place to work, live, invest and visit, and will make a strategic contribution to the economic growth of South East Wales. Its reputation for excellence will be focused on entrepreneurial activity, leisure and tourism augmented by the profile and academic distinction of a leading edge higher and further education sector."

10. A number of inter-related objectives flow from the Vision Statement forming a strategic framework for investment as follows:

Barry: a great place to live - boosting the population

The vision is that Barry will become a key settlement in South East Wales with a distinct and complementary role in respect of Cardiff. The Vale of Glamorgan Line through the heart of Barry coupled with the brownfield development opportunities of 'Barry Waterfront' place the town in a strong position to become one of the best places to live.

Barry: a rising star - spreading the benefits

The vision is to provide the necessary infrastructure and add value to ensure that the benefits of 'Barry Waterfront' are spread to the wider community and a variety of new uses with good design quality and good sustainability credentials are produced. Reintegrating the Waterfront with the Town Centre and Barry Island will increase demand for local services and support the regeneration of both the resort and the Holton Road and High Street/Broad Street shopping areas.

Barry: a learning town - building a culture of lifelong learning

The vision is to work in partnership with the higher and further education sector to develop Barry's role as an exemplary location for lifelong learning thus underpinning efforts to attract more people to live and work in the town.

Barry: a great place to work and to grow a business

The vision is that Barry becomes an outstanding location for businesses to start up and expand. A significant proportion of Barry's workforce is out-commuting, and there is an opportunity therefore to encourage more to stay local, meeting the sustainability agenda. This could be done by providing better quality land and premises, as well as serviced offices and managed workspace to encourage

entrepreneurial start-ups in Barry.

Barry: a great place to visit - bringing more visitors back

Barry is in a strong position in respect of Cardiff to serve tourists seeking to visit an attractive coastal destination. The Vale of Glamorgan Line, a marina development on No.1 Dock and the expansion of water activities on Barry Island will be encouraged to improve the offer.

Barry: an easy place to access - promoting sustainable transport

With close proximity to Wales' only international airport, the development potential of 'Barry Waterfront' and the Vale of Glamorgan Line running through the heart of the town, an exceptional opportunity exists to lead Wales in reducing the need to travel by car.

Barry: a place to be proud of - investing in quality design

The vision is that Barry becomes a place where everyone is truly proud of the quality of the built environment, especially the civic centre based around Holton Road. The image and perception of Barry needs invigorating.

Barry: a place with sustainable communities - meeting local needs

Sustainable regeneration requires the integration of economic, environmental and social outputs and outcomes. The existence of multiple stakeholders and multiple funding streams requires the management of regeneration initiatives to be a job of 'making the connections'. The regeneration agenda must now focus on the need to tie all the regeneration needs and initiatives in Barry together.

11. The strategic framework is underpinned by six beacon projects, which reflect the need for the Welsh Assembly Government - especially in the current economic climate- to build on private sector investments such as Barry Waterfront and Metrix at St Athan by providing the necessary infrastructure and in so doing adding value to ensure the spread of regeneration benefits. The beacon projects are as follows:

Airport Access and M4 Linkage

Vale of Glamorgan Line Enhancements

Barry Waterfront Phase 2

Barry Island Context Sites

Marina Development on No.1 Dock

Barry Town Centre (Holton Road) Action Plan

12. The beacon projects complement the private sector investments at Barry Waterfront and Metrix at St Athan and have the potential to enable the town to function as an important regional centre in South East Wales and to realise its economic growth potential as part of the Strategic Opportunity Area based around St Athan. However, the private sector investments in question are both market driven and in the current economic climate will not stimulate the economic development and regeneration of the town without the intervention and support of the Welsh Assembly Government.

How the Council intends to work with the Welsh Assembly Government beyond the short term

13. The Council has the project capability and track record of successfully managing change within a framework of demanding financial and political constraints. In recent years Barry Regeneration Partnership has successfully delivered the multi-million pound overhaul of the Town Hall, King Square and Central Park and begun a challenging phased programme of investment to upgrade the Holton Road shopping areas.

14. The regeneration effort in Barry must now focus on securing by negotiation a funding commitment from the Welsh Assembly Government in the form of an agreed 3-year rolling Delivery Plan. The preparation of the Delivery Plan is currently on hold pending the outcome of the Welsh Assembly Government review of the distribution of regeneration funding across Wales. The Welsh Assembly Government has been advised of the Council's concerns over the lack of involvement of local authorities in the current review.

15. In the draft Delivery Plan it is intended that all projects will be assessed for their contribution to the principles of social justice, sustainability and inclusivity in the Welsh Assembly Government's One Wales programme for government. Furthermore, it is intended that baseline indicators in the form of a Performance Measurement Framework will be used to measure project outcomes and quantifiable outputs.

## **Summary / Recommendations**

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16. Barry's industrial legacy means that it shares a range of socio-economic conditions with comparable towns in the valleys of South Wales. However, the regeneration effort in Barry occurs against the backdrop of diminishing Assisted Area Status and the shift of Welsh Assembly Government and European funding priorities for public investment to the Valleys and West Wales.

17. The Council recognises that successful regeneration requires consistency of purpose and funding commitment beyond the short term in the form of an agreed 3-year rolling Delivery Plan with the Welsh Assembly Government.

18. The preparation of the draft Delivery Plan is currently on hold pending the outcome of the Welsh Assembly Government review of the distribution of regeneration funding across Wales. The Welsh Assembly Government has been advised of the Council's concerns over the lack of involvement of local authorities in the current review. The lack of transparency has undoubtedly adversely affected the momentum of regeneration in Barry and been the cause of considerable speculation regarding the future status of the town.

19. The Welsh Assembly Government has an important strategic role to play in the current financial climate building on private sector investments such as Barry Waterfront and Metrix at St Athan by providing the necessary infrastructure and in so doing adding value to stimulate the economic development and regeneration of Barry.

### **Recommendations**

20. The National Assembly for Wales' Enterprise and Learning Committee is recommended to support the following actions:

That the Welsh Assembly Government acknowledges the historic role of Barry as a Valleys Port and a Valleys Resort and the legacy of this role in terms of socio-economic conditions and physical environment.

That having regard to the Wales Spatial Plan, the Welsh Assembly Government commits as a matter of urgency to develop and fund an agreed 3-year rolling Delivery Plan to ensure that Barry reaches its full potential as a key settlement within South East Wales as a whole and in the Strategic Opportunity Area based around St Athan.