

MID WALES REGIONAL COMMITTEE

POWYS COUNTY COUNCIL

PRESENTERS

1. County Councillor John Thompson, Chairman of East Wales Partnership, Powys Regeneration Partnership and Powys Economic Development and Planning Committee.

Graham Davey, Director of Planning, Economic Development and Regeneration, Powys County Council.

PURPOSE OF PAPER

2. The Committee Chair's invitation to make submissions to the October meeting of the Assembly's Mid Wales Regional Committee raised two related but distinct issues:

- the impact of the 1998 merger of the Development Board for Rural Wales (DBRW) and the Welsh Development Agency (WDA) on economic and community regeneration in Mid Wales; and
- the County Council's view of key economic and community regeneration issues as they pertain to the authority.

3. This short paper addresses both these important issues separately. The presenters will be pleased to elaborate on the contents of the paper in discussion at the Committee meeting.

MERGER OF THE DBRW AND WDA

4. The Assembly will be well aware of the very deep concerns caused in Mid Wales by the loss of its own dedicated development agency, the DBRW. Our concerns were many and included the following:

- loss of local representation on the Welsh Development Agency Board;
- loss of independence and flexibility to respond to local needs;
- loss of direct budgetary control within the region;

- loss of accessibility to key policy makers;
- loss of a clear focus on rural development problems and needs; and
- the threat of budget diversion and decline in agency activity in Mid Wales.

5. We have to say that in at least one respect our worst fears have been realised, while in others it may be fairest to say that it is too soon to make a final judgement.

6. It must be emphasised that under the local leadership of the Mid Wales Managing Director of the Welsh Development Agency the Council has been very pleased to see considerable continuity of staff and expertise maintained in the region's offices. We continue to enjoy very good professional officer working relationships with Mid Wales Welsh Development Agency staff and are continuing to pursue many joint initiatives.

7. But the Council has formed the impression that local operational flexibility has been reduced since the merger, that the processes of policy development and the evolution of new initiatives have lengthened, and that rural development priorities struggle to compete for attention against the urban development needs on which the Welsh Development Agency has historically concentrated and which are most readily evident to the majority of Welsh Development Agency policy makers based in South Wales.

8. The DBRW rightly focused substantial resources on indigenous small business development. The Council has been pleased to note the increased Welsh Development Agency commitment to this sector and relieved to see that Welsh Development Agency co-funding of the long-established Business Connect partnership in Mid Wales has been sustained.

9. It has taken some time for the new Welsh Development Agency to consider how to make use of the social development powers inherited from the DBRW. The Council is anxious that the Welsh Development Agency budget from next year does include allocations for community development work. The Market Towns Initiative and associated funding by the DBRW has helped to promote more community regeneration activity, but it has also raised expectations substantially. Community regeneration requires revenue funding support and access to capital funds on a long-term basis. The Welsh Development Agency has a valuable part to play in this crucial work, alongside other partners, notably local authorities and the communities themselves. It is essential that Welsh Development Agency funding is maintained with increased flexibility, as envisaged by the Welsh Development Agency Mid Wales team.

10. The Council is concerned at the under-funding of the Welsh Development

Agency, particularly given the continued reliance on income from the sale of assets that are fast disappearing and which in turn reduces rental income for the agency. We believe that the Welsh Development Agency should be investing more in the acquisition of business sites, site infrastructure and advance workspace, including small business premises, than they are currently able to achieve. There is a particular concern in Powys that the National Assembly's clear concentration on the Objective 1 area could lead to the diversion of match funding resources, to the serious detriment of the East Wales economy.

11. The concerns associated with the merger of the DBRW and the Welsh Development Agency were greatly reinforced by the loss of local representation. The county of Powys - a quarter of Wales - moved from a position where it was well represented on the DBRW Board to the current position of NO representation from any sector on the Welsh Development Agency Board. The National Assembly has recently invited applications to fill up to six vacant seats on the agency's board. The County Council and the business community in this huge area of rural Wales would gain considerable reassurance if the Assembly took this opportunity to achieve more even geographical representation on the WDA Board.

ECONOMIC AND COMMUNITY REGENERATION

- A POWYS PERSPECTIVE

12. Powys County Council and its predecessors have a long-standing record of community regeneration work, based on a broad economic, social and environmental approach involving local partnership working, community capacity building, support for community appraisals and action plans, and the targeting of capital and revenue resources to help achieve community regeneration projects on the ground.

13. This year Powys County Council's new Corporate Plan has further strengthened the Council's commitment to economic and community regeneration, identifying it as one of five core priorities for Council action. The Plan will influence budget allocations from April 2001.

14. From our experience a number of clear principles need to underlie economic and community regeneration:

- a holistic cross-cutting approach: multi-departmental and multi-organisational;
- the need to avoid solely top-down or bottom-up approaches, in favour of a combination of strategic vision and direction with grass-roots commitment;
- the building of mutual trust is essential, based on equal partnerships between

- communities, public, private and voluntary sectors;
- all partners need to be flexible and willing to contribute their expertise and resources to the achievement of realistic and shared community goals;
 - competitive bidding should be minimised;
 - long-term revenue and capital funding is essential;
 - community capacity building is crucial: there is real scope for the voluntary sector here, but it is also vital that we develop the roles of county councillors, town and community councils and chambers of commerce: there must be sensitivity to leadership tensions within communities.

15. While there maybe increasing consensus on how to promote community regeneration , the practical benefits of such work is in real danger of being diluted or confused by the plethora of strategies and plans that local authorities and our partners are expected to produce and by the number of partnerships, alliances, fora, liaison committees, working and focus groups that we are being encouraged or required to establish.

16. Powys County Council's Corporate Plan counts some forty strategies and plans that local authorities are expected to produce, all impacting to some extent on community regeneration. Local authorities have also been urged to establish anti-poverty fora, LA21 groups, local health alliances, voluntary sector liaison committees, EU funding partnerships etc, all of which overlap the same broad agenda.

17. All sectors are increasingly suffering from partnership, strategy and plan overload, with the associated diversion of scarce resources from action on the ground. There is a clear need for the development and co-ordination of strategies and action plans by effective partnerships, but there is a need to explore the scope for rationalising and clarifying partnership and planning work at both the local and national level.

18. The time is ripe to address these issues for two reasons in particular:

- the new duty placed on local authorities by the Local Government Act 2000 to prepare a community strategy that promotes economic, social and environmental well-being; and
- the National Assembly's Communities First initiative which highlights the need for joined-up government and a community focus.

19. It is the County Council's view that the Community Strategy for Powys required under the new Act should provide the crucial central focus for all economic and community regeneration (and other) activity in the county. The Community Strategy will need to be prepared in an open and inclusive way,

informed by both national and regional policies and by community planning at the more grass-roots level. Once agreed the Community Strategy should influence all other strategies and plans locally, regionally and nationally. The Community Strategy provides the opportunity to rationalise strategy and plan preparation at the local authority level and to look hard at the partnership structures best suited to feed into preparation of the strategy and to facilitate its subsequent implementation. Local authorities will have a crucial role in leading this debate.

20. It is to be hoped that the National Assembly's Communities First initiative will not confuse or undermine this new era of community planning triggered by the Local Government Act. There would be real concerns if an Assembly initiative sought to override this new statutory process by the narrow targeting of resources based on the new Index of Multiple Deprivation. But the Communities First initiative could allow the Assembly to play a valuable enabling role if it provided additional resources to encourage the process of community capacity building and community planning within the framework of the new duty under the Local Government Act.