Agenda – Culture, Communications, Welsh Language, Sport, and International Relations Committee

Meeting Venue:
Committee Room 3, Senedd
Meeting date: 26 February 2026
Meeting time: 10.00

For further information contact:
Richard Thomas
Committee Clerk
0300 200 6565
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Hybrid

Private pre-meeting

09:45–10:00

1 Introductions, apologies and substitutions

10:00

2 The future of rugby in Wales: Evidence session with the Welsh Rugby Union

10:00–11:00 (Pages 1 – 28)

Richard Collier-Keywood, Chair, WRU
Geraint John, Community Director, WRU
Alison Thorne, Independent non-executive board director, WRU

Attached Documents:
Research brief
Written evidence – Ospreys Supporters Club Committee
Written evidence – Richard O'Connell
Written evidence – Mathew Lacey
Written evidence – Bill Ronan

3 Papers to note

11:00

3.1 Arts Council of Wales

(Pages 29 – 96)

Attached Documents:

Correspondence from the Arts Council of Wales: Sharing research on the economic value of engaging in the arts in Wales, in terms of health and productivity benefits – 19 January 2026

3.2 Funding for Wrexham AFC

(Pages 97 – 435)

Attached Documents:

Letter from the Welsh Government: Clarifying Welsh Government support for Wrexham AFC's stadium development – 4 February 2026

Annex 1 to the letter from the Welsh Government: Wrexham Gateway project documents

Annex 2 to the letter from the Welsh Government: Wrexham Gateway project documents

3.3 Welsh Government Draft Budget 2026-27

(Pages 436 – 447)

Attached Documents:

Letter from the First Minister: Responding to the Committee's Draft Budget 2026-27 report – 27 January 2026

3.4 Wales-Ireland relations

(Pages 448 – 457)

Attached Documents:

Letter from the First Minister: Responding to the Committee's letter on the Wales-Ireland relations inquiry – 27 January 2026

Letter to the Oireachtas Joint Committee on the Irish Language, the Gaeltacht, and the Irish-Speaking Community: Informing the Joint Committee of the cancellation of the Committee's visit to Dublin – 9 February 2026

3.5 Access to student finance for performing arts degrees in England

(Pages 458 – 474)

Attached Documents:

Correspondence from Jenny: Raising concerns about access to student finance for performing arts degrees in England – 28 January 2026

Letter from Equity Cymru Wales: Raising concerns about access to student finance for performing arts degrees in England – 13 February 2026

Copy letter from Equity Cymru Wales to the Minister for Further and Higher Education: Raising concerns about access to student finance for performing arts degrees in England – 10 February 2026

Correspondence from Thomasine Tomkins: Raising concerns about access to student finance for performing arts degrees in England – 23 February 2026

3.6 Public service broadcasting

(Pages 475 - 500)

Attached Documents:

Correspondence from the BBC: Responding to the findings of the independent thematic review of portrayal and representation of the UK in BBC content – 29 January 2026

Letter to the BBC: Requesting further information following oral evidence on 22 January 2026 – 13 February 2026

Letter to Channel 4: Requesting further information following oral evidence on 22 January 2026 – 13 February 2026

Letter to ITV: Requesting further information following oral evidence on 15 January 2026 – 13 February 2026

Letter to Ofcom: Requesting further information following oral evidence on 22 January 2026 – 13 February 2026

Letter to S4C: Requesting further information following oral evidence on 22 January 2026 – 13 February 2026

3.7 UK-EU Parliamentary Partnership Assembly

(Pages 501 - 510)

Attached Documents:

UK-EU Parliamentary Partnership Assembly (PPA) - Sixth meeting summary report – 10 February 2026

3.8 The Welsh Language (Wales) Measure 2011 (Amendment of Schedule 6) Order 2026 and The Welsh Language Standards (No.10) Regulations 2026

(Pages 511 - 512)

Attached Documents:

Letter from the Cabinet Secretary for Finance and Welsh Language: Informing the Committee of his intention to lay The Welsh Language (Wales) Measure 2011 (Amendment of Schedule 6) Order 2026 and The Welsh Language Standards (No. 10) Regulations 2026 – 10 February 2026

3.9 Welsh Government international relations

(Page 513)

Attached Documents:

Ministerial Inward-Outward Visits – January 2026 – 11 February 2026

3.10 Public interest journalism

(Pages 514 - 519)

Attached Documents:

Letter to the Minister for Culture, Skills and Social Partnership: Calling on the Welsh Government to respond to the recommendations of the 2023 report 'Of and for Wales: towards a sustainable future for public interest journalism' – 11 February 2026

3.11 Culture shock

(Pages 520 - 523)

Attached Documents:

Letter to the Cabinet Secretary for Economy, Energy and Planning: Requesting a final update on the Committee's Culture Shock report – 11 February 2026

Letter from the Cabinet Secretary for Economy, Energy and Planning: Providing a final update on the Committee's Culture Shock report – 17 February 2026

3.12 Sport Wales

(Pages 524 - 530)

Attached Documents:

Letter from Sport Wales: Providing information on work being carried out with partners and stakeholders to look ahead at policy recommendations in 2026 and beyond – 13 February 2026

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of today's meeting

11:00

5 The future of rugby in Wales: Consideration of the evidence received

11:00–11:20

6 Treaty between the United Kingdom of Great Britain and Northern Ireland and the Federal Republic of Germany on Friendship and Bilateral Cooperation

11:20–11:30 (Pages 531 – 537)

Attached Documents:

Research brief

Letter from the Legislation, Justice and Constitution Committee on the treaty between the United Kingdom of Great Britain and Northern Ireland and the Federal Republic of Germany on Friendship and Bilateral Cooperation

Agenda Item 2

Document is Restricted

Ms Delyth Jewell,

Chair of the Culture, Communications, Welsh Language, Sport and International Relations Committee.

The Ospreys Supporters Club Committee are writing to express our grave concern at the Welsh Rugby Union's planned restructuring of the elite men's game and indeed, the escalating decline of our national game. We firmly believe that the direction of travel is leading us towards the systematic destruction of rugby in Wales and if this continues, without intervention, we have genuine concerns that it will bring us to a point from which Welsh rugby will never recover.

In this letter we are outlining a number of concerns which we believe have not been adequately addressed through the consultation process or, in any form of communication since that process concluded. We believe there is an unacceptable lack of transparency which is disregarding and disrespecting key stakeholders impacted by these proposals.

The Consultation Process:

- Within no more than six months, we went from a position where there was sufficient money for four equally funded teams (a view that was supported by CEO Abi Tierney) to a situation where four equally funded teams, was not even an option for consideration within the consultation document.
- The consultation document made a number of assumptions and assertions which at best, were ambiguous but in our view, were wholly inaccurate and misleading. Examples include:
    - Graph to depict the performance gap between Wales and other international sides. We queried whether this was data driven or aspirational. WRU representatives could not confirm that it was based on factual data and implied that it was aspirational.
    - Lack of context around the above graph – it suggested improvements would start from 2025/26 and that other unions progress would remain static. This seems unrealistic and for context and balance, these assumptions should have been made explicit.
    - Information was presented that did not provide like for like comparisons, drawing comparison between unions with differing numbers of pro teams. This distorted the information presented and in the interests of clarity and transparency, this should have been made explicit.
- The different models within the document attracted varying levels of funding, with the total available funding seemingly reducing when moving towards the optimal solution model. We do not believe the reasoning for this has been adequately explained in a way that supports the reduction in the number of professional men's teams.
- We believe that the structuring of the survey conducted to obtain feedback from supporters, was fundamentally flawed and not set up in a way that allowed for representative and balanced responses. For example, the theme of affinity and identity was not an option when outlining why you might follow a regional professional team. All questions had to be completed in order to proceed and if the options available did not reconcile with your personal views, "other" was not an option available to you.

- We have been approached by several supporters who stressed that the survey did not allow them to represent their views as part of this process. Many felt that it was actually more appropriate for them not to complete and submit a response.
- Publicly, we have been informed that the WRU received more than 7,000 responses to their survey. At the time of compiling this document, we have more than 8,000 signatures on a petition opposing the WRU's plans and urging an immediate halting of the process.
- On the basis of all of the above points, we would like to challenge Richard Collier-Keywood's assertion, that both he and the WRU Board, have the backing of the Welsh rugby public.

Points of concern directly linked to rugby:

- The WRU forecast turnover for 2024/25 was in excess of £104m. This figure is in the region of £19m more than the IRFU who successfully, run four competitive provincial sides. As supporters, we would like a full and transparent review of the money and how it is both distributed and spent within Welsh rugby.
- Should the WRU succeed in implementing their plan for changes to the men's professional game in Wales, are they able to provide fully costed information for all aspects and clearly outline how they intend to fund things such as setting up of a national academy? Also, can they clearly demonstrate the evidence which they have to support their decision-making processes and the committing of these funds? What is the proven basis for their assumption that their plans will see success return to Welsh rugby?
- We fully support the move to develop and grow women's professional rugby and acknowledge that not only is it the right thing to do, it would be negligent to ignore the growth potential in the women's game. However, given the fact that both the men's and women's professional games are currently at very different stages in their development, why are the WRU seeking to align both within the same strategy. In line with our overall concerns around financial transparency, we would like to see fully costed proposals from the WRU around how it intends to spend the money allocated to the women's professional game within their plans.
- If plans to reduce the number of professional teams are successful, what consideration has been given to the potential reduction in pathway capacity and the subsequent loss of opportunity?
- Can the WRU confirm that they have a definite robust plan for the future inclusion and development of schools' rugby? Can they provide assurances that they are capitalising on the existing and growth potential in this area?

General points of concern:

- Can those in attendance confirm how much the WRU has spent on consultancy fees since the current Chair and CEO have been in post? Can they also confirm whether or not there has been an offsetting reduction in executive salaries during that timeframe?
- Given the current state of Welsh rugby and the failing confidence and belief of the Welsh rugby public, do they believe the expenditure on consultancy constitutes value for money?
- What quantitative and qualitative assessment has been done on the economic, social and cultural impact of these proposed changes on the communities that their decisions will affect?

- What strategies are in place to ensure maximisation of revenue streams? Accepting that there are a capped number of international games within a season, what are the WRU actively doing to ensure that revenue from those opportunities is optimal?
- Also, can they confirm how much of an increase was realised through the extension of the stadium naming rights agreement with Principality and was this following a tender process to ensure that market value was properly achieved?
- Following numerous allegations which suggest a toxic culture within the WRU, do the current board members accept that years of reputational damage has contributed significantly to the situation that Welsh rugby finds itself in today?
- We accept that the current situation will also be as a result of years of mismanagement, underinvestment and inaction which predates the existing board. However, in a period now fast approaching three years, the CEO and Chair have done nothing to improve circumstances and the ongoing chaos has been created and presided over by them.
- Since the current Chair and CEO have been in place, many of the announcements around issues such as the plan to cut teams, the fact that Y11 were the preferred bidder for Cardiff Rugby and other such seismic announcements, have been broken via Wales Online on social media. These have, on occasion, been announced when regional players have been away from their home and their families in South Africa, and without players and staff being spoken to before issues are widely out in the public domain. It shows a total lack of respect for those whose livelihood and reputations are so heavily linked to Welsh rugby. It also shows a disrespect towards the public who invest so much financially and emotionally in Welsh rugby.

We would like to take this opportunity to thank you for taking the time to consider the issues outlined and we hope that they go some way to conveying our concerns around the process and the way in which it has been overseen.

Yours Sincerely

Ospreys Supporters Club Committee

4 February 2026

WRU proposals to reduce number of professional men's regional sides

Good afternoon, Ms Jewell

I am writing to you in your role as the chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee.

I would like to ask if the committee has considered calling in the proposals by the WRU to cull a men's regional rugby team, as you will be aware the Welsh Affairs Committee at Westminster has already met with the WRU and in their opinion, there is a risk of the WRU "*throwing the baby out with the bathwater*" and "*There seems to be an immense disconnect between the WRU and fans*"

The lack of transparency throughout this process has been astonishing.

If you have been following this debacle you will know that initially the WRU were of the opinion there was sufficient funding for all 4 regional sides, following their bailout of Cardiff they changed this to only sufficient funding for two sides, then subsequently changed this to three sides, all despite their assertions that they have turned around the finances of the union putting us in a better financial position than we were when they first suggested a new funding model for all four regions. The improved financial offering to the proposed three sides is still far less than the playing budget of other sides in the URC , English premiership, or the top 14 in France, so the uplift would not be enough to retain marquee players.

The public consultation document was amateurish and provided no metric for measuring fans preferences for the number of sides, instead there was a series of questions designed to elicit positive response to improved outcomes for the Welsh national side, of course every rugby fan in Wales wants our teams to do better, but many believe as do I that this is achievable by repairing the player pathways rather than cutting a region.

In Richard Collier-Keywood's evidence to the Welsh Affairs committee he stated that the pathways have been repaired and this would mean that better quality players would start to come through the pathways, he also stated the Union is now on a much firmer financial footing due to new financing deals- which he stated to the committee were not contingent on the reduction of regional sides.

If these players come through, and I believe they will, then there will be an increase in talented Welsh qualified players so all four regions would benefit from improved

performances, and this could only benefit the national team. If on the other hand they cut a region we will never know whether the improvements came from the revamped pathways or from the reduction in the number of teams- what is being proposed is therefore a permanent and draconian solution to a temporary problem, Welsh rugby has seen similar bad times before, and come back to win Grand slams.

What is certain is that if a region is lost, we will also lose a lot of dedicated rugby fans, and whilst I do not in any way decry or fail to respect the passion of the fans who attend Wales games, many of those fans do not attend any other rugby games. The real fans are those who turn up week in week out to watch regional, SRC or local rugby, and many of those fans are turning away from the game due to the year-on-year mismanagement by the WRU. Whilst this may seem like conjecture, please look at the ticket sales for the forthcoming six nations!

There is no successful international side in the world with just two regions, the two most notable are Scotland and Italy neither of whom has ever won a significant trophy/ tournament.

You may not be aware that Abi Tierney (WRU CEO) has met with CF10 (Cardiff Supporters group) but has refused a request to meet with the Ospreys Supporters Club, this is clearly a divide and conquer ploy, she is hoping if she can mollify one set of supporters who are vocally against the reduction in teams, she can isolate the Ospreys fan base. Where is the equality and transparency ? it is clear that the Ospreys and their supporters are persona non grata with the WRU board.

You may have seen that criticism of this proposal is not limited to Welsh rugby fans, social media sites are awash with ex-players including Welsh, English Irish and Australian former internationals and coaches expressing disbelief at this latest turn of events.

If they cut a region, the direction of travel is set. If (when!) they get it wrong the barriers to entry are far too high to walk this back and create another region, so they will only have one option and that will be to cut again.

If on the other hand they take a more incremental approach and wait to see whether their improved pathways and financial security bear fruit they would still have the opportunity to make cuts further down the line hopefully with actual evidence and a more transparent and structured approach.

On a personal note, if the Ospreys, or any other region, are closed down, I will never again spend a single penny to watch rugby that will benefit the WRU in any way. I

will of course always support Welsh Teams, but will never attend the stadium, attend away games, buy merchandise, pay to watch Welsh Rugby at any level, or even watch any game on TV that is not free to air, and this from someone who has travelled as far afield as Japan supporting Wales and attended three world cups. and more six nations and other Welsh fixtures (home and away), than I can remember. I have heard similar sentiments expressed by many fans and I personally know people who stopped attending all rugby when the Celtic Warriors ended in 2003 and have never done so since.

I do not know whether it is within your remit to call in this proposal, but I would hope that the committee would do everything in its power to ensure that the WRU do not blindly and wilfully destroy the game in Wales and in particular make them consider the economic and cultural effect of removing professional rugby from any region, rugby is such a vital part of Welsh culture.

Please do not hesitate to contact me if you would like to discuss this, I would only be too happy to do so.

Kind Regards

Ritchie

Ritchie O'Connell

16 February 2026

WRU Board meeting to discuss the future of rugby in Wales

For the attention of the Chair

I will try to be brief but think it is important to scrutinise the current actions of the WRU board to ensure that the right decision is made for the future of Welsh Rugby.

My expertise? Long time rugby fan (Neath, Pontypridd, Celtic Warrior and Ospreys).

As a regional/pro rugby fan me and many others could see this situation happening a mile off and have been warning and predicting this situation since before Covid.

This has happened for many reasons but predominantly the lack or misdirection of investment while the National side has been very successful.

Since the formation of the regions in 2003 the pro sides won numerous championships and had a good fan base and the Wales National team had unprecedented success, winning many six nations titles, grand slams, World Cup semi finals and achieving number 1 position in the World, my main generic question is 'how was this achieved and why can't this be replicated again with what we have currently got in place? If it is down to money then how do we make them product better and get more fans and how can the Welsh government support with the pathway/schools etc i.e helping with 4g pitches or training facilities?

Question on Future Structure

If 3 teams are deemed to be the best way going forward then what data is this based on and why doesn't this go out to a proper tender process to achieve this. E.g number of clubs, players and supporters within an area, historic performance, facilities and infrastructure etc etc

What is frustrating people is that the WRU have publicly stated that we need to forget the past and present and reimagine a new future. Ospreys did this over 20 years ago by merging two successful historic clubs and rebranding as a new entity which has become famous and known across the rugby world. The others teams at the time did not do this and remained as Cardiff, Newport and Llanelli and alienated lots of fans - which to this day do not attend regional rugby. These are the

reimagined teams that the WRU will keep because of history.

The issue with merging sides and rebranding now, I believe will turn more fans away and the current stay away fans will still not buy into this.

Question on integrity

I believe, and a lot think this way, that the way the board has conducted itself by 'selling' Cardiff to Y11 has been done underhandedly. There is an open letter doing the rounds that has highlighted some constitutional points regarding this conduct. I am happy to share but this was sent to many people including local MP's and Swansea Council.

How can a current owner of a regional side, be guaranteed rugby at another regional side(that the WRU board currently runs) unless future decisions had already been made (by the WRU board) to convince them to give up on their current side entirely?

This to me just solves the WRU problem of 3 teams without them having to make any decisions.

Surely the best interest of Welsh rugby is to sell to the other investors (the Hollywood group) so there's more new money in the game and ask the Ospreys owners Y11 to invest more (which the CEO Lance Bradley indicated at an Ospreys meeting that they were prepared to put another £2million in).

My Opinion

If 3 sides are the way forward then put out a proper tender process with no pre conceived geographical regions (which the WRU have stated West, Cardiff and East) with specific requirements to bid against and do it transparently.

I believe the best solution is to retain 4 pro sides as is and focus on the pathway including schools and grass roots etc and maybe be supported financially by local or national government. On Sunday 16,000 tickets were unsold, probably over £1million of lost revenue plus the travelling, hotel and hospitality losses which maybe even double that.

I would have 2 main sides Ospreys in Swansea and Cardiff in the Capital as the two man higher funded teams (Swansea council has £5milllion ready to develop a centre of excellence and a new stadium) and the other two teams more development sides which would be less funded, Llanelli in the West and Newport in the east.

I would then incentivise them and provide more money based on KPI's like attendance, international caps, u20's and women's rugby participation and success etc and them reevaluate after 5 years.

This won't happen overnight but would mean we would keep the 4 pro sides and greater success and financial reward in the future would mean that funding could become more equal over time.

I would look at the success of 4 team Ireland (I get there is an economic difference but they were going to drop a team once) versus 2 team Scotland. They have not won anything Internationally for 26 years and they just seem to be happy beating England occasionally.

This is not who Wales are and won't to be.

A quick look at History for our tiny little nation with limited resources and rugby players is that we are only second to England for success in the Five/Six nations and have won just as many games and grand Slams as them.

Our players are world renowned and revered over many time periods and we don't want to lose that with data and stats.

Thank you

Matthew Lacey Rugby (Ospreys fan)

17 February 2026

Senedd Culture, Communications, Welsh Language, Sport & International Relations Committee 26/02/2026: The Future of Rugby in Wales

Dear Delyth Jewell MS, Chair,

Firstly may I thank you and the whole committee for undertaking to shed some light upon what is currently being done by the Welsh Rugby Union behind closed doors. The WRU's actions will have a major impact, not only upon the future of rugby throughout Wales but also upon the sporting aspirations and opportunities of Welsh girls and boys for many years to come. It will therefore have an equally profound affect upon Welsh culture and community identity across Wales.

I hope that you will receive and have a chance to consider my notes below ahead of the meeting and I hope they will be of some use.

The Nature of the Problem

The problem faced by Welsh rugby today is not the number of professional clubs. The players who brought the Welsh men's national team such outstanding success in the first Gatland era were nurtured and developed by the four professional clubs, in cooperation with their local clubs and an effective national academy system. Cracks began to appear in the player base when the WRU disbanded the national academy, devolving responsibility for it to the four professional clubs and then constraining their budgets.

The alleged "structural problem" of having four professional clubs is being used by the WRU to deflect attention from its own culpability in failing to develop with schools and local clubs a fun, engaging and nurturing programme that will offer more children opportunities to enjoy playing the game and to continue enjoying it into their teens, thus helping them to grow and mature with the camaraderie and sense of belonging that are intrinsic to the game of rugby. If such a programme were to be activated with urgency across the whole of Wales then the player base would increase and the professional end of the continuum would, in time, reap immense benefit. So, too, would a whole new generation of rugby players right across Wales, becoming in the process a part of the local identity and the lifeblood of our communities. This, surely, is the whole point of Welsh rugby.

Consultation

Having mistakenly decided to focus on short term finance and the "elite" end of the men's game for a quick-fix reform, the WRU then set about justifying its decision via a sham consultation exercise. Carefully engineered closed questions and selected, highly edited data were designed to support a pre-determined outcome. For respondents with enough stamina to soldier on to the very end, there was an opportunity to add a free-text contribution. Sadly, this element was not reported upon and no analysis of it was published, so one is left to conclude that it was ignored.

The Current Proposal

We have now been presented with a naive and simplistic "solution" to a self-determined problem. It adheres to the mechanistic $x+y=z$ school of personal and player development that pays no regard to the reality of how rugby lives deep within the veins of our communities. It seeks to deny generations of children across a huge tract of deep-rooted rugby country the scope to aspire through school and local club to professional rugby, all within a nurturing context of shared identity. It is not just in the towns that this absence of aspirational scope will be felt: from the Aman to the Llynfi valleys, from Pontyclun to Powys the villages that produced Sir Gareth Edwards, Justin Tipuric, Jack Morgan and so many more will no longer be able to offer a local path to rugby excellence. The result? A dwindling player base, and those with the highest potential making their way across the bridge to the English school and academy system, possibly not to return.

Mis-Management of Process

There are too many examples of how the current WRU process has been mis-managed to list them all here. There are also grounds upon which the WRU and Y11 are open to legal challenge and these are being pursued by the City & County of Swansea so I will not rehearse them here. Some examples of WRU mis-management are, given, though, in the broad categories below:

Lack of Transparency

In October 2025 the WRU Chairman promised "a fair and transparent process" to decide which three clubs would be retained. By the end of October he was saying it would be done through a consultation process, carried out completely behind a veil of commercial confidentiality: a veil that has, in the following months, been stretched to ripping point and is, in itself, actionable.

Lack of Objectivity

When the decision to reduce the number of professional clubs to three was announced, the CEO of the WRU demonstrated that the selection of the three was to be anything but fair by stating that it was “unthinkable” that the capital city would not have a professional team. She later suggested that Ospreys could merge with Swansea RFC to play in the SRC at semi-professional level. Not the objective approach we had been promised and a clear indication of the WRU’s bias.

Chaotic & Prejudicial Timing

Arbitrary deadlines have come and gone, resulting in genuine harm to the wellbeing of players. Within the space of nine months the WRU has veered from a favoured four clubs to two, then to three. The desperation to conclude the sale of Cardiff Rugby behind closed doors to Y11 **before confirming the future of the professional clubs** is as bizarre as it is prejudicial to the outcome of the process to decide which three clubs survive. Again, hardly transparent and hardly objective.

“Can’t Afford It”

The WRU has chosen a particular model for financing professional rugby In Wales in order to maximise its own control over every aspect of the game and to stifle local initiative. They claim that under this model funding is only available for three professional clubs and seek to severely constrain the scope for clubs to act upon their own initiative. This is not what the WRU was established for and other financial models are available.

If you strip away the current WRU leadership’s power and control obsession, you will be left with a WRU that is much closer to what it was always intended to be: a servant of the game and a benign shepherd for those clubs seeking to promote the benefits of the game at all levels across Wales.

Professional club owners, investors or benefactors, need to know that they have the freedom to act within the broad scope of their roles to promote and develop the game and to build the success of their rugby without unnecessary restrictions and constraints imposed by a governing body that sees itself as the “controller” of the clubs and sees the professional clubs as its rivals.

A good professional club owner will be happy to fund the activities of a national academy in its area and to cooperate with national academy coaches. They will also be happy to conclude a sensible international player release agreement, subject to fair and adequate compensation for the periodic absence of its principal assets, the international players.

To do this and to remain competitive the clubs will need to recruit a modest number of experienced, high quality non-Wales-qualified players who have the ability and the wish not only to perform as players, but to act as mentors for the younger developing players. Each of the current professional clubs can point to past NWQ players who have made a hugely beneficial impact on their younger players, who in turn have gone on to represent Wales with distinction. The capacity to do this is essential to facilitate the clubs' development and survival and also to ensure that a steady stream of high quality developing players is fed through to the national academy, age-grade representation and ultimately to the senior national squads.

The key to making this work is critical mass. Wales needs four professional clubs to ensure that all young players of potential have access to a sufficient number of professional clubs who can nurture them and help them to grow in the game within their community identity.

Wales cannot afford not to.

Yours sincerely,

Bill Ronan

Bore da,	Good morning,
Rwy'n ysgrifennu ar ran Rosie Dow a'r tîm Celfyddydau, Iechyd a Llesiant yma yng Nghyngor Celfyddydau Cymru.	I'm writing on behalf of Rosie Dow and the Arts, Health and Wellbeing team here at Arts Council of Wales.
Rydym yn falch i rannu darn ymchwil nodedig gyda chi, a ryddhawyd heddiw, sy'n archwilio gwerth economaidd ymgysylltu â'r celfyddydau yng Nghymru, o ran manteision iechyd a chynhyrchiant.	We're delighted to share with you a landmark piece of research, released today, exploring the economic value of engaging in the arts in Wales, in terms of health and productivity benefits.
Mae'r adroddiad, gan y Ganolfan Economeg Iechyd a Gwerthuso Meddyginiaethau (CHEME) ym Mhrifysgol Bangor, yn adeiladu ar y gwaith a wnaed yn 2024 gan Frontier Economics ac UCL yn y maes hwn trwy gymhwyso modelau cadarn Frontier i ddata poblogaeth a chyfranogiad celfyddydau Cymru. Mae economegwyr CHEME hefyd wedi tynnu sylw at sawl prosiect celfyddydol sy'n digwydd yng Nghymru sy'n dangos potensial cryf i leihau'r galw ar ein GIG, gan gynnwys dawns ar gyfer cryfder a chydbwysedd, cerddoriaeth mewn wardiau ysbytai a gweithgareddau creadigol cymunedol ar gyfer iechyd meddwl.	The report, by the Centre for Health Economics and Medicines Evaluation (CHEME) at Bangor University, builds on the 2024 work undertaken by Frontier Economics and UCL in this area by applying Frontier's robust models to Welsh population and arts participation data. CHEME economists have also highlighted several arts projects happening in Wales that demonstrate strong potential to reduce demand on our NHS, including dance for strength and balance, music in hospital wards and community-based creative activities for mental health.
Mae'r adroddiad yn datgelu bod pob ymgysylltiad â'r celfyddydau yng Nghymru yn cynnig tua **£588m y flwyddyn** mewn buddion iechyd a chynhyrchiant, a bod buddsoddiad	The report reveals that all engagement in the arts in Wales offers an estimated **£588m a year** in health and productivity benefits, and that Arts Council of Wales's investment in its 81 multi-year funded organisations returns **£11.08** in health and productivity benefits for every £1 we invest.

Cyngor Celfyddydau Cymru yn ei 81 o sefydliadau a ariennir dros sawl blwyddyn yn dychwelyd **£11.08** mewn buddion iechyd a chynhyrchiant am bob £1 a fuddsoddwn. Rydym yn eich annog i edrych drwy'r adroddiad a'n tudalennau crynodeb byr drwy'r ddolen hon: Asesu Effaith Economaidd y Celfyddydau ar Iechyd a Gwasanaethau Gofal Iechyd yng Nghymru | Arts Council of Wales. Rhannwch hyn gyda'ch tîm, partneriaid ac unrhyw gysylltiadau y teimlwch a allai fod â diddordeb yn y canfyddiadau os gwelwch yn dda. Rydym hefyd yn falch bod BBC Cymru wedi codi'r stori (Celfyddydau'n arbed miliynau i'r GIG trwy wella iechyd a lles - ymchwil - BBC Cymru Fyw / Strictly's Amy Dowden says dancing helped her through cancer treatment - BBC News) ac wedi dod i ymweld â grŵp Dawns i Iechyd yn Abertawe ddydd Gwener i archwilio'r canfyddiadau gyda'r bobl bwysicaf: y rhai sy'n elwa'n uniongyrchol o'r celfyddydau. Gobeithiwn y bydd y canfyddiadau hyn, a chyhoeddiad adroddiad hwn, yn ychwanegu rhywbeth pwysig at y cyfoeth o dystiolaeth sydd bellach yn ddiamheuol o fanteision y celfyddydau, ac yn ein helpu ni i gyd i barhau i hyrwyddo dros fwy o fuddsoddiad a chefnogaeth yn y maes hwn.	We encourage you to have a look through the report and our short summary pages via this link: Assessing the Economic Impact of the Arts on Health and Healthcare Services in Wales. Please share this with your team, partners and any contacts you feel might be interested in the findings. We're also pleased that BBC Wales have picked up the story and came to visit a Dance to Health group in Swansea on Friday to explore the findings with the people that matter most: those benefiting from the arts directly. We hope these findings, and the release of this report, add something important to the wealth of now-irrefutable evidence of the benefits of the arts, and help all of us continue to advocate for more investment and support in this area. Please reply to this email if you have any questions or feedback and we'll be happy to help. Best wishes, Rosie and the Arts, Health and Wellbeing team.

Atebwch yr e-bost hwn os oes gennych unrhyw gwestiynau neu adborth a byddwn yn hapus i helpu. Cofion gorau, Rosie a'r tîm Celfyddydau, Iechyd a Llesiant.	

Assessing the Economic Impact of the Arts on Health and Healthcare Services in Wales

January 2026

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Background and purpose of report

This report provides an assessment of the economic impact of the arts on the NHS and social care in Wales, as well as wider population health and societal impacts. This is first time the economic impact of the arts on the NHS and social care in Wales has been investigated at national level.

This report was produced by researchers at the Centre for Health Economics and Medicines Evaluation (CHEME) at Bangor University and the Research Centre for Arts and Wellbeing at Edge Hill University. The project team combines world-leading expertise in health economics, the arts and arts psychotherapies research.

The report was commissioned by Arts Council of Wales (ACW), an independent charity organisation established in 1994. ACW is a development agency, of which distributing funds to arts organisations, communities and artists in Wales is a core remit. The funds distributed by ACW are primarily provided by both the National Lottery and the Welsh Government.

Executive Summary

- There is a growing body of evidence linking engagement in arts and culture to better physical and mental health across the life-course. Establishing the financial value of these benefits, and possible savings for the NHS and social care, is an important emerging area of research.

- This report builds on a 2024 report by Frontier Economics that explored these economic impacts at UK level. It applies the models used therein to Welsh population figures and attendance and participation data for Arts Council of Wales (ACW) multi-year funded organisations 2019-2024. It also explores specific healthcare challenges where the arts may have the most to offer in terms of NHS and social care cost savings in Wales.

Key findings

1. The estimated financial value of health and productivity benefits through all arts engagement in Wales (including but not limited to ACW activity) **is at least £588m a year.**
2. We estimate ACW's investment in multi-year funded organisations generates a financial ROI of **£11.08 in for every £1 invested in terms of health, wellbeing and productivity benefits**.
3. Evaluations of specific ACW funded projects that target particular health conditions indicate:
    - A dance for strength and balance programme has the potential to save **£5m a year in healthcare costs by preventing falls amongst the elderly.**
    - If arts programmes could reach 5% of young people in NHS mental health pathways, this would generate **annual mental health and wellbeing benefits of £9.5m.**
    - If 5% of all adult mental health GP appointments were avoided following engagement in the arts, this would save **£17m per year.**
    - Arts programmes that support the health and wellbeing of NHS staff have the potential to save up to **£3.5m a year through reductions in staff sickness and attrition costs.**

- These findings point to significant, monetary health and wellbeing benefits of arts engagement in Wales.
- Our literature review suggests that investing in more economic research in this area would help strengthen these findings and allow for comparison of return on investments in different types of arts and culture programmes in Wales.

Funding statement

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The relationship between arts and health in policy and research

The Welsh Government's Priorities for Culture: integrated impact assessment 2025 makes consideration of the strong link between individual and community participation and engagement with culture and the arts and improved health and wellbeing outcomes[1]. The Welsh Government's Mental Health and Wellbeing Strategy 2025-2035 also considers how community assets (including arts and cultural centres) can be leveraged to promote good mental health and wellbeing across Wales[2].

Unique to Wales, the Wellbeing of Future Generations Act 2015[3] requires all listed public bodies to work to achieve seven wellbeing goals. Two goals of pertinence to the arts and health are *A Healthier Wales* and *A Wales of Vibrant Culture* and a *Thriving Welsh Language*[3].

Beyond Wales, there is an ever-growing evidence base exploring the benefits of arts-based activities for participant health and wellbeing[4–9] and resultant economic impacts through reductions in healthcare resource utilisation (HCRU) and wider societal benefits, such as returning to paid employment and social cohesion[10]. Further examples from across the UK suggest that the arts can act as an approach to tackling health inequalities through influencing social determinants of health[11].

Purpose of report

To date, there have been no assessments of the economic impact of the health and wellbeing benefits of the arts in Wales. Through this work we, therefore, sought to add value to this area by using robust existing models, Welsh demographic data and Arts Council of Wales (ACW) participation and attendance data to estimate the economic impacts across Wales.

Our analysis builds upon the pioneering methods developed in the Frontier Economics (2024) report: *Culture and heritage capital: Monetising the impact of culture and heritage on health and wellbeing*[12]. The models used in that report were created using evidence of health and wellbeing benefits of different types of arts engagement within different populations, with only the most robust evidence being used to calculate the economic impact of engagement with the arts across the life-course. For this report, we used the evidence and models in Frontier Economics (2024) in two ways. Firstly, we re-estimated all Frontier Economics (2024) models with respect to Welsh population figures to generate estimates of the financial impacts generated through all arts engagement in Wales. Secondly, we took the most applicable models (and their respective per-person financial benefits) and applied them to ACW arts participation data to calculate estimates of the financial impacts generated through ACW-specific arts engagement.

To supplement these estimates, we presented case studies from across the ACW funding portfolio with evidenced change in NHS and social care resource use, participant health, wellbeing and wider societal outcomes. These case studies reflect programmes targeting some of the most pertinent health and wellbeing threats to the Welsh population, Welsh NHS and care systems, and show the potential financial returns of scaling up investment in these areas.

As detailed in the Technical Appendix of this report and Section 4.2.5 of Frontier Economics (2024), the Frontier Economics (2024) models largely underestimate the impact the arts have on the NHS and social care. Further, given we present only a handful of case studies, **results in this report likely underrepresent the true**

economic impact of health and wellbeing benefits from arts participation and attendance in Wales.

Arts Council of Wales's investments and health and wellbeing

In line with its mission to widen engagement with the arts in Wales[13], Arts Council of Wales (ACW) currently invests in 81 arts organisations on a multi-year basis (known as 'multi-year funded organisations'), with investment contributing towards core operating costs. This investment is currently around £29.3m per year. ACW also fund individual projects such as productions, tours, events, and programmes to increase engagement in the arts, often working in partnership with other sectors such as education and health. The current evidence base suggests that all such programmes have the potential to support the NHS, its workforce, and reduce demand on NHS resources by keeping people well in their communities[14].

Dedicated arts projects in health settings (sometimes known as 'arts and health' or 'creative health' programmes) have added potential to support patient treatment, management and recovery. Following a mapping study of its activity in 2018[15], ACW invested in several strategic programmes in this area, including co-funding arts and health coordinator posts in Welsh Health Boards, supporting the 'Health Arts Research People' (HARP) innovation and research programme and creating a dedicated funding stream for arts and health projects in Wales.

These strategic programmes form a core part of delivering ACW's mission as set out in its Strategy 2024-2034: *to create an environment where the knowledge, understanding and practice of the arts can flourish and where everybody in Wales can engage with the arts*[16].

Study aims and approach

This study aims to establish a financial value for health and wellbeing benefits, productivity and potential costs savings to the NHS and social care systems generated by arts programmes in Wales, including those funded by Arts Council of Wales (ACW). This was achieved through three work packages:

1. Applying Welsh population data to all economic models in Frontier Economics (2024) to estimate the financial value of NHS and social care cost savings, individual health and wellbeing, and productivity benefits generated through all arts engagement across Wales.

2. Applying appropriate Frontier Economics models to annual participation and attendance figures from ACW's multi-year funded organisations to estimate the financial return on ACW's investment in terms of health, wellbeing and productivity benefits generated across those funded organisations.

3. Presenting examples of ACW funded arts programmes that target particular health challenges in Wales and estimating a financial value for the evidenced impacts on participant outcomes in those programmes. This allows us to demonstrate, from a financial perspective, the potential of these programmes in addressing key health and wellbeing challenges across Wales and the Welsh health and care systems.

Work package 1: valuing population benefits of all arts engagement in Wales

Summary

The financial value of health and productivity benefits generated through all arts engagement in Wales, is at least £588m a year.

To estimate the financial value of population benefits of all arts engagement in Wales, we re-estimated the models presented in Frontier Economics (2024) using respective Welsh population data to pro-rate the engagement figures used in that report. As population data was used, this analysis is representative of all arts engagement in Wales, inclusive of activity outside of the Arts Council of Wales (ACW) portfolio.

The Frontier Economics models from its 2024 report were used as it offered the most comprehensive analysis of the economic impacts of the arts identified in our review of the published and grey literature. The robust derivation of financial values and assumptions within their analyses provided the best approach to generating estimates for Wales.

Frontier Economics designed each of their models through first searching the literature for evidence of the links between culture, heritage and health and wellbeing in respective populations (by age, cultural activity engaging in, frequency of engagement and engagement while living with a specific health condition). From this evidence, the authors then measured quality of life changes from cultural engagement through changes in quality adjusted life years (QALYs). QALYs are a generic measure of the quantity and quality of life lived, with one QALY representing a year of perfect health. QALYs were used as the measure of effect in most of these models given they are monetisable, using HM Treasury[17] (£70,000 per QALY) and the lower end of the National Institute of Health and Care Excellence (NICE)[18] (£20,000 per QALY) values. Wellbeing years (WELLBYs) were used in models

where identified evidence was not reported in terms of quality of life, but rather where mental health and self-esteem impacts were reported. WELLBY values followed valuations reported in Fujiwara et al., 2021[19].

The main assumption made in producing these estimates is that the people of Wales have the same opportunity to engage in the arts as the UK-wide evidence used in Frontier Economics (2024) model derivation. We recognise there will be variation in opportunities to engage in the arts across countries in the UK.

Through doing this, we estimate all arts engagement in Wales generates:

- Annual society-wide **general health** benefits of at least **£506m** (Table 1).
- Annual society-wide **productivity benefits** of at least **£81m** (Table 1).

We also estimate all arts engagement in Wales generates:

- Annual **NHS and social care cost savings** of at least **£26m** (Table 2).

To generate the headline figures for general health and productivity presented above, Frontier Economics Model 1 (general participation and general health in all adults aged 30 to 49), has been used. This approach was taken as it is the largest single estimate of all models; this approach is consistent with that of Frontier Economics (2024). The estimates generated by respective Frontier Economic models are not additive, meaning we cannot generate a single total value figure inclusive of all model estimates. Further, not all Frontier Economics model estimates are directly comparable given differences in methodologies and data used. However, the individual model estimates present illustrative benefits in each of the respective populations and forms of arts engagement. Therefore, the estimates from Model 1 presented as headline figures give as close an indication as possible of the total economic impact of annual, all arts engagement in Wales on health, wellbeing and productivity but **considerably underrepresent the true economic impacts.** For more information on why model estimates cannot be added, please see Frontier Economics (2024) Section 4.2.5.

In our analysis used the same evidence-informed assumptions presented in Frontier Economics models, but applied them to respective Welsh population data, obtained from StatsWales Population estimates by local authority and age[20].

A brief description of the respective populations in the models included in the Frontier Economics (2024) report is presented in the first column of Table 1. The inclusion of populations at different stages of the life-course[21] is considerate of the different benefits that may be experienced through arts engagement at different life-course stages. These different benefits may in turn produce different economic impacts to the health system and the wider Welsh economy. The consideration of inter-generational health challenges follows the guidance of the Well-being of Future Generations (Wales) Act 2015[3]. For more information on assumptions made, please see Frontier Economics (2024) Annex B.4.

Table 1 presents individual annual health, wellbeing and productivity benefits across each model. Respective population numbers for each model are presented, which were multiplied by individual financial benefits to generate annual, society-wide financial benefits.

Table 1: Health, wellbeing and productivity benefits of arts engagement in Wales, by age group and type of engagement

Age group and arts attendance models *Frontier Economics (2024)*	**Annual per-person health and wellbeing individual benefits (£)**	**Annual per-person productivity benefits (£)**	**Respective model populations (using Welsh population data)**	**Total society-wide value of health and wellbeing benefits (£)**	**Total society-wide value of productivity benefits (£)**	**Total society-wide value of health and wellbeing and productivity benefits (£)**
1) General participation and general health in adults 30-49	£992	£138	592,910	£506,345,032	£81,821,563	**£588,166,595**
2a) General attendance and mental health in adults (30-49)	£649	£91	214,952	£120,158,291	£19,560,652	**£139,503,991**
2b) General participation and	£386	£63	668,740	£258,133,733	£42,130,635	**£299,595,628**

mental health in adults (30-49)						
3) Extracurricular activities and externalising behaviour in children (10-14)	£122	-	106,775	£13,026,581	-	**£13,026,581**
4a) Art and self-esteem in children (10-14)	£134	-	15,735	£2,108,530	-	**£2,108,530**
4b) Music and self-esteem in children (10-14)	£68	-	42,710	£2,904,287	-	**£2,904,287**
5a) Weekly organised arts activities and mental health in young adults (18-29)	£662	£86	54,537	£36,103,282	£4,690,154	**£40,793,437**
5b) Daily organised arts activities and mental health in young adults (18-29)	£1,098	£142	29,747	£32,662,513	£4,224,114	**£36,886,627**
6) Arts-based museum activities and general health in older adults	£1,164	£333	768	£893,388	£112,057	**£1,005,445**
7) Choirs and general health in older adults (65+)	£481	£71	6,822	£3,281,555	£484,388	**£3,765,943**
8) Engagement with cultural venues and depression in older adults (50+)	£232	£56	497,427	£115,403,064	£27,855,912	**£143,258,976**
9) Engagement with cultural venues and dementia in older adults (50+)	£66	£7	259,697	£17,139,981	£1,817,877	**£18,957,858**
10) Museums and dementia in older adults (50+)	£160	£21	139,280	£22,284,730	£2,924,871	**£25,209,600**

Table 2 presents the financial estimates of NHS and social care savings derived from Frontier Economics (2024) Models 8, 9 and 10. Research on the causal links between engagement with or attendance of the arts and healthcare resource use (HCRU) has been quite limited up until this point, so Frontier Economics note it was only possible to generate top-down estimates for groups where robust evidence of cost savings exists. These are older adults with depression and dementia engaging with cultural venues and older adults with dementia attending museums. These estimates assume that people living in Wales have the same access to NHS and social care services as those living in other areas of the UK. We acknowledge there will be variation in access to these services across the UK.

As with the health, wellbeing and productivity topline figures, the largest financial estimate across the models in Table 2 was presented due to limitations in comparing and adding models. Therefore, the estimates from Model 10 presented as headline figures give as close an indication as possible of the total economic impact of annual, all arts engagement in Wales on NHS and social care cost savings but **considerably underrepresent the true economic impacts.**

Table 2: NHS and social care cost savings of arts engagement in Wales (older adults and cultural venue engagement only)

Age group and arts attendance (from Frontier economics report)	Annual per-person NHS cost savings (£)	Annual per-person social care cost savings (£)	Participating Wales population in this age group	Total health and care cost savings
8) Engagement with cultural venues and depression in older adults	£26*	-	497,427	**£12,933,102**
9) Engagement with cultural venues and dementia in older adults (50+)	£11	£64	259,697	**£19,477,252**
10) Museums and dementia in older adults (50+)	£27	£162	139,280	**£26,323,837**

**£26 in Model 8 is reported as NHS and social care savings in Frontier Economics (2024), no disaggregation of how much of this figure is NHS or social care are provided for this model estimate*

Work package 2: return on Arts Council of Wales's investment in terms of health, wellbeing and productivity

Summary

The average annual financial return on Arts Council of Wales's investment in multi-year funded organisations is £11.08 in health and productivity benefits for every £1 invested.

To estimate the average annual financial value of health, wellbeing and productivity benefits generated across Arts Council of Wales (ACW) multi-year funded organisations, we applied the annual, per-person financial benefits presented in the most comparable Frontier Economics (2024) models to average annual participation and attendance figures reported to ACW by its multi-year funded organisations between 2019-2024.

Attendance and participation figures for ACW multi-year funded organisations across the period 2019/20 to 2024/25 were supplied by ACW. **Participation** in this context refers to individuals actively engaging and participating in arts/cultural projects. **Attendance** in this context refers to individuals visiting/attending art exhibits or cultural events. This differentiation is made as financial estimates of impacts vary by whether someone engages in or attends arts/cultural activities.

Participation figures reported to ACW by its multi-year funded organisations were disaggregated by Children and Young People (CYP) or General Participation. Attendance figures were not disaggregated. The period 2019/20 to 2024/25 was chosen as it provided the latest estimates available at the time of this study. It is worth noting that this period was inclusive of the COVID-19 pandemic and the emergence out of it, so we would expect participation and attendance figures to be lower during this period than in non-COVID times. This figure also excludes participation or attendance in ACW's projects funded separately through its National

Lottery grants, because such data are not reported on those projects in the same way, although they are estimated to be significant.

These annual average attendance and participation figures were multiplied by per-person financial benefits from Frontier Economics Models 2a (cultural arts attendance by adults aged 30 to 49) and 2b (cultural arts participation by adults aged 30 to 49) for adults. These estimates of adult participation and attendance were inclusive of health and productivity benefits. For CYP participation figures, an average of financial benefits from Models 4a and 4b (children's participation with arts and music aged 10 to 14, respectively) was used. CYP estimates represented wellbeing benefits only, as such, we expect this to be an **underrepresentation of the true benefits**. See the Technical Appendix for further details on model inputs.

Through doing this we estimate ACW multi-year funded organisations generated **average annual financial benefits of at least £316m** (Table 3).

Table 3: Annual total society-wide financial benefits generated through participation & attendance to ACW multi-year funded organisation arts and cultural activities

Form of engagement	Average annual engagement: ACW multi-year funded orgs	Annual per-person productivity benefit	Annual per-person health and wellbeing benefit	Total annual per-person benefit	Total society-wide benefit
Participation (adult)	270,926	£63	£386	£448	£121,374,848
Participation (CYP)	430,535	-	£101	£101	£43,485,045
Attendance (adult)	233,348	£91	£559	£649	£151,442,852
Annual society-wide productivity benefit generated (participation & attendance)					£37,798,732
Annual society-wide health and wellbeing benefit generated (participation & attendance)					£278,504,013
Annual total society-wide benefits generated (participation & attendance)					**£316,302,745**

Average annual ACW investment into multi-year funded organisations during this period was £28,571,699, so this is an estimated 1008% annual return on investment (ROI): £11.08 generated in health, wellbeing and productivity benefits per £1 invested by ACW.

Models 2a and 2b relied on evidence from the same study, had the same outcome measure and were valued in the same way. With each sub-model estimating the impact of a different type of engagement (2a, attendance and 2b, participation). CYP estimates were derived differently and used different outcome measures and valuation methods but are combined to produce the holistic headline figure estimate to be illustrative of the considerable engagement of CYP across ACW multi-year funded organisation arts and cultural activities.

All models used in this work package do not consider impacts on healthcare resource use (HCRU) so we expect them to underestimate true effects. The ROI figures therefore are indicative rather than representative, but we are confident the actual benefits will be larger given that this analysis does not include other ACW funded activity through its lottery portfolio and also the lack of HCRU in Frontier Economics models used for this analysis.

In a systematic review of return on investment of public health interventions conducted by Masters et al. (2022), mean ROIs for local public health interventions were £4.10 per £1 invested[22]. Using examples from that review, the annual average return on investment of ACW arts activities was comparable to home blood pressure monitoring for hypertension diagnosis and treatment for 16,000 participants and an intensive early education programme for socioeconomically deprived families. Note these are not direct comparisons as the methods of calculation differ. But these offer illustrative examples and context for the returns evidenced through ACW investment.

Although it is important to note that these organisations receive and raise investment from many sources other than Arts Council of Wales, ACW’s investment in these

organisations' 'core' costs is a fundamental part of their ability to operate and engage people at this scale.

Work package 3: potential cost-saving arts programmes targeting particular health challenges

Summary

Evaluations of specific Arts Council of Wales (ACW) funded projects that target particular health conditions show these programmes demonstrate great potential to generate significant savings in NHS and social care costs, as follows:

1. A national dance for strength and balance programme has the potential to save NHS Wales £5m per year through preventing falls amongst the elderly.

2. If 5% of the young people referred to Childhood and Adolescent Mental Health Services (CAMHS) in Wales engaged in specialist arts programmes as part of their treatment pathway, £9.5m in mental health and wellbeing benefits would be generated.

3. Arts-based interventions for people with mild-to-moderate mental health could reduce the need for up to 3.1m adult mental health related GP appointments per year. If just 5% of these adult mental health GP appointments were avoided through engaging with arts-based programmes, this would generate savings of £17m per year.

4. Arts programmes that support the health and wellbeing of NHS staff have the potential to save up to £3.5m a year through reductions in staff sickness and attrition costs.

In these exemplar case studies, we used published evaluation data on the health and wellbeing benefits of individual projects and their monetary (or monetisable) benefits, then extrapolated that evidence to population level.

To select case studies, we screened project evaluation reports from Arts Council of Wales (ACW) funded arts and health projects and the wider published evidence base to identify those that contained evidenced impacts on participant outcomes. These were used to demonstrate, from a financial perspective, the potential of these interventions/projects in addressing key health and wellbeing challenges across Wales and the Welsh health and care systems. Outcomes of interest for the exemplar case studies included:

- **NHS and social care resource use** (including change in primary and secondary care contacts),
- **Health and wellbeing of participants** (including health-related quality of life, wellbeing, confidence),
- **Wider societal impacts** (employment, productivity, absenteeism).

These results are largely illustrative rather than representative but present the potential economic benefits of expanding targeted arts and health activity across Wales.

Case study 1: Falls prevention

Amongst the elderly, falls and subsequent injuries are a considerable health risk. 30% of people over the age of 65 will fall at least once a year, this increases to 50% of those aged over 80[23]. Over 130,000 older people will fall at least once in Wales each year[24]. The high prevalence of falls and likelihood of subsequent injury cost the NHS £2.3bn per year[25]. Almost half of this (£1.1bn) is attributed to hip fractures[23].

One project ACW has supported is the *Iechyd Da-wns!/Dance to Health* structured falls prevention dance programme for the over 60s, which was devised by the charity Aesop Arts and Society Ltd. *Iechyd Da-wns!/Dance to Health* is currently operating in four locations in Swansea. The Sheffield Hallam University Evaluation (2020) of *Dance to Health's* UK programme suggested the sessions had the potential to save over £79m per year to NHS England by reducing the healthcare costs associated with falls[26].

Pro-rating these impacts to the Welsh population over 65 (and assuming prevalence of falls amongst over 65s same in England and Wales), falls prevention through a national **dance programme like Dance to Health could save NHS Wales £4,998,257 a year.**

Case Study 2: Children and Young People's Mental Health

1 in 5 children and young people (CYP) aged 8 to 25 had a probable mental health disorder in 2023[27]. The literature suggests there is an opportunity for the arts to play a role in supporting young people at both an individual level with their mental health, and subsequently through reducing demand on NHS mental health services[10].

Working with Health Boards in Wales, Arts Council of Wales and Baring Foundation have made a strategic investment in this area through their 'Arts and Minds' programme, funding arts activities for young people in NHS Children and Adolescent Mental Health Services (CAMHS) across Wales. Within this, Hywel Dda University Health Board's Arts & Minds project, *Arts Boost*, offers creative activities for CYP who are experiencing mild-moderate mental health problems and are known to the CAMHS team.

In early evaluations of the *Arts Boost* programme[28], changes in CYP's mental health and wellbeing were measured by asking them to complete the Short Warwick Edinburgh Mental Wellbeing Scale, SWEMWBS, before and after the programme and comparing results. Using published SWEMWBS valuations (as used in Granger et al., 2025)[29] and applying them to the mean changes in wellbeing reported by CYP in the first two cohorts, we estimate the mental health and wellbeing benefits of *Arts Boost* to be £3,621 per year, per participant.

Estimates of the number of CYP with mild-to-moderate mental health problems known to CAMHS teams in Wales is not currently available. But assuming the 8% prevalence figure amongst children in England[30] holds in Wales, we can estimate approximately 52,500 children may currently be known to CAMHS in Wales. If 2,625 (5%) of these young people engaged in arts programmes such as *Arts Boost* each year and this is multiplied by the per-person benefit, it suggests there could be potential annual mental health and wellbeing benefits generated of **£9,505,125**.

Case study 3: Adult Mental Health in Primary Care

Poor mental health amongst adults is a considerable economic and public health challenge in Wales. Mental health problems are estimated to cost the Welsh economy at least £4.8bn per year[31] and Mind, the mental health charity, estimate that 40% of all adult GP appointments are associated with mental health[32]. Latest estimates suggest there are 19.4m unique GP appointments in Wales per year[33]. Therefore, **7.8m GP appointments per year** could be associated with **adult mental health in Wales**. This figure is an estimate as GP appointment activity is not reported publicly by adult or CYP in Wales.

With population-level data from cohort studies revealing that adults who engage in arts every few months or more have a 32% lower risk of developing depression[34], this is clearly a promising area for exploration. Indeed, a study from Whiteley et al. (2025), assessing the impact of a therapeutic craft programme for individuals with mild-to-moderate mental health issues in Wales found that demand for GP appointments fell by 40% across the cohort for those that engaged regularly in the programme[35].

Considering the estimated 7.8m GP appointments offered per year in Wales related to mental health and applying the reduced level of demand for GP appointments from Whiteley et al. (2025), similar arts-based interventions for people with mild-to-moderate mental health could reduce overall demand for GP appointments by 3.1m per year. We appreciate roll-out at such scale is unlikely, therefore, if only **5% of all mental health GP appointments in Wales each year** were avoided through engaging with arts programmes (388,618), this could generate savings of approximately **£17,487,810 per year**. This cost considers the published unit cost for a single GP consultation as presented in the Personal Social services Research Unit (PSSRU) unit costs 2024 (£45)[36].

Case Study 4: The NHS Wales Workforce

The National Health Service (NHS) is the largest employer in Wales, with over 112,000 employees. Sickness absenteeism costs the NHS at the UK-level approximately £2.4 bn per year across its 1.3m employees, with an annual average of just under 10 absence days per employee[37]. Costing approximately £184 per day missed by a single employee, and £1,840 per average 10 days of absence. Pro-rating this to the **Welsh NHS workforce** (112,135) the estimated sickness costs (assuming average 10 days of absence per employee) are **£206m**.

Evidence from an evaluation of *Musical Hospitals* in Swansea Bay University Health Board suggested that having live musicians playing in various locations (including neuro-rehabilitation, stroke rehabilitation and adult mental health wards) across Neath Port Talbot and Tonna hospitals and helping staff to integrate music into day-to-day care had a hugely positive impact on patients' agitation, need for medication and physical assaults against staff. Total projected savings for Swansea Bay University Health board were closer to £110,000 per ward per annum, as the study factored in reduction of 1:1 staffing, medication use, and other care efficiencies - highlighting the wider benefits of creative arts within healthcare, and potential to deliver both human and economic value.

Through supporting staff wellbeing, healthcare support worker sickness on the ward fell by **53%** and registered nurse sickness **by 32%,** leading to potential weekly savings of **£318** (healthcare support workers) and **£356** (registered nurses) in sickness costs. **Scaled up annually, this equated to health board cost savings associated with reductions in staff sickness of £35,042**.

If similar interventions could reach 10% of all healthcare support workers and registered nurses in NHS Wales, this could translate to annual savings of **£248,000** (healthcare support workers[38]) and **£1,061,211** (registered nurses[39]).

Evidence from another ACW-funded creative mindfulness programme evaluation found that decreases in NHS staff absence and attrition after engaging with the

programme saved **£79.10 per staff member per month**. Using the estimated attendance rate for this programme (33%) and applying it to **10% of the current NHS workforce**, could generate up to **£3,512,040** per year by reducing NHS staff absence and attrition in 3,700 NHS staff.

Discussion

For the first time, this report has produced compelling new estimates of the economic benefit the arts in Wales produce with respect to NHS and social care, individual and population health, and wider societal impacts. This adds to the evidence base of the arts in Wales. At a time when public sector resources are under considerable pressure, presenting the financial impact of the sector can inform future funding and investment decisions that best allocate scarce public sector resource. Given that per-person public funding on arts and culture in Wales is currently among the lowest in Europe[40], it is clear that additional investment in the arts would generate even greater health and wellbeing benefits and help reduce demand on the NHS in Wales.

The financial estimates presented in this report underrepresent the actual impacts. The difficulties in estimation of causal links between engagement with or attendance of the arts and NHS and social care resource use (see Technical Appendix) meant it was only possible to generate top-down estimates amongst older adults with depression and dementia engaging with cultural venues and older adults with dementia attending museums. **Thus, estimates considerably underrepresent impacts with regards to NHS and social care impacts.**

This report has evidenced that the arts in Wales generated considerable economic returns to the Welsh economy through improvements in individual health and wellbeing, reductions in healthcare resource use (HCRU) and productivity impacts. Further to this, when applying estimates to Arts Council of Wales (ACW)-specific data, we evidence strong annual average return on investment for ACW.

Recommendations for policy and future research

- Policy makers could consider scaling up investment in supporting arts and cultural activities given their evidenced benefits to society-wide health, wellbeing, productivity, reductions in healthcare resource use (HCRU) and associated economic returns across the life course.
- The arts offer policy makers an alternate route to improving population health and wellbeing in Wales outside of traditional health and care systems. This is particularly pertinent at a time when Welsh health and care systems are facing considerable demand pressures.
- Commissioners and funders of arts programmes requiring end of project evaluations should provide guidance on appropriate evaluative tools for arts-based projects to ensure they capture evidence that can be used to measure economic benefits of programmes, at a time where competition for budgets and requirements for effective use of resource is of utmost importance.
    - We are aware from reading evaluation reports that extensive evaluation capturing self-reported questionnaires is often avoided to reduce participant burden. However, we have seen validated questionnaires effectively used.
    - Using validated tools can facilitate the generation of new, robust evidence of project-level economic impacts. This robust evidence will in turn benefit future evaluations at the national level that may draw from such evidence.
- Particular consideration is needed for the employment of trained practitioners such as arts psychotherapists as part of routine provision in healthcare services, enabling the economic benefits from the use of the arts not only at a population level and with those with mild and/or moderate difficulties but also for those experiencing severe health problems e.g., advanced dementia or severe mental health problems.
- Project evaluations in future should consider capturing evidence of project influence on HCRU, if appropriate. Effective capture of this enables the production of stronger economic arguments concerning the impacts of the arts, at a time when NHS and social care systems in Wales are under unprecedented pressure.

- Future research on the impacts of the arts may wish to consider the role they play in reducing health inequalities and reaching under-served groups. Such as the work of Disability Arts Cymru that produces art that shares the lived experience of disability, develops disabled and deaf creative talent, and delivers disability access and inclusion training.
- Future research at population level may wish to explore the feasibility of using the Secure Anonymised Information Linkage (SAIL) databank to capture participant HCRU use through a central, national data warehouse.

Conclusion

This report has provided evidence on the considerable economic impacts of the arts in Wales and the role Arts Council of Wales has played in facilitating these impacts through their investments. Although the impacts presented are considerable, actual impacts are expected to be considerably greater than results presented in this report.

Comparing the economic impacts generated by the arts in Wales with evidence of preventative public health interventions, the evidence of this report suggests investments in arts programmes and interventions can offer strong value for money compared to other alternatives when considering investment into health promoting and disease preventing initiatives in Wales.

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Technical Appendix

Work Package 1

Much of the economic estimation in the main report draws upon the detailed estimation conducted within Frontier Economics (2024). A brief overview of model inputs is offered here, but for more detailed information on model-specific derivation, see Annex B.4 of Frontier Economics (2024).

The authors of Frontier Economics (2024) note that due to evidence availability, health and social care impacts are estimated only in the models where specific health conditions are assumed to be ‘avoided’ due to cultural engagement. This estimation applies to the models that focus on either depression or dementia as the health outcome. Meaning health and social care estimates underestimated total healthcare costs avoided. This caveat is important when interpreting our results as this underestimation holds given we followed the same methodologies and assumptions when applying the models to Welsh populations.

Every model has been re-estimated in the main report, applied to the respective Welsh populations in each model scenario. Annex B of the Frontier Economics (2024) report presents the populations used in each model. Population estimates for respective categories in Wales were derived from StatsWales Population estimates by local authority and age.

The authors of Frontier Economics (2024) note that:

“Not all the estimates are additive or representative of the health-economic benefits of the sector as a whole, so we do not arrive at a ‘total’ value figure for the impact of culture and heritage on health and wellbeing. The estimates are produced using different methodologies and data and are not directly comparable. The estimates focus on the health and wellbeing benefits and do not consider the costs associated with culture and heritage services and engagements“. (Section 4.2.5 of Frontier Economics (2024) provides more information on these issues).

An implication of the above statement is that the society-wide estimates presented in our main report cannot be summed to generate an overall annual figure.

The £8billion figure reported in Frontier Economics (2024) concerned Model 1: General engagement and general health in adults. In our main report, we similarly present that the largest economic impact of the arts in Wales is generated through our respective Model 1 estimate. We acknowledge the methodological limitations restricting the presentation of a single, annual economic impact, but we can confidently say the total annual economic impact is considerably greater than the Model 1 estimate headline figure alone given the elements (health and social care resource use) and populations (children, young people and those over 50) the model excludes. Financial benefits of adult participation comprised of QALY gain (mapped from SF-36 results) at the £70,000 HM Treasury valuation and productivity benefits. Annual per-person impacts equalled £992.

Therefore, the estimates from Model 1 presented as headline figures give as close an indication as possible of the total economic impact of annual, all arts engagement in Wales on health, wellbeing and productivity but **considerably underrepresent the true economic impacts.** For more information on why model estimates cannot be added, please see Frontier Economics (2024) Section 4.2.5.

Figure T1 presents the estimated impacts of each of the respective models when applied to Welsh population data.

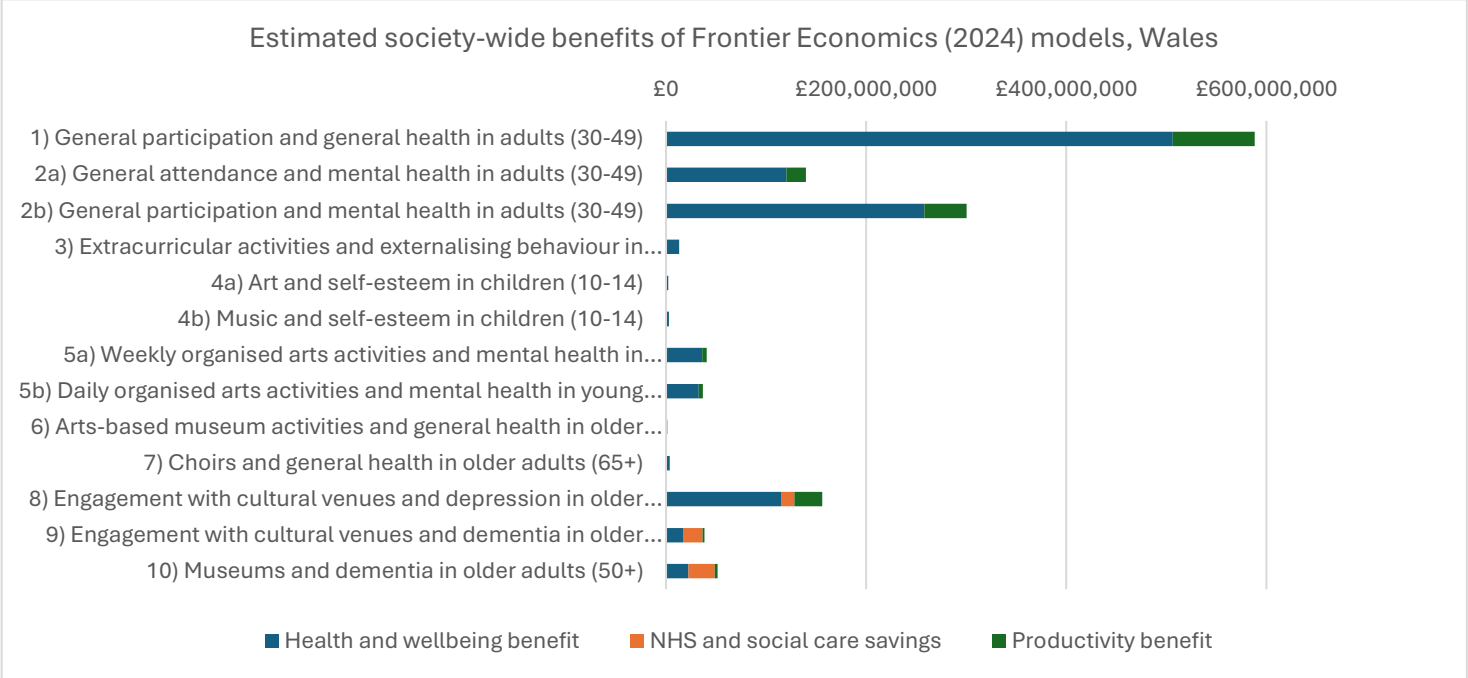


Figure T1: Estimated society-wide benefits from Frontier Economics (2024) models, using Welsh population data.

Work Package 2:

This analysis assigned relevant per-person financial estimates from Frontier Economics (2024) models to ACW-specific participation and attendance figures across the evaluative period.

Frontier Economics (2024) presented financial estimates of the health gain and productivity benefits associated with adults and children participating in the arts.

The financial estimates for adult participation were drawn from Frontier Model 2b (cultural arts participation). The model presents these estimates as being representative of adults aged 30 to 49 years. Financial benefits of adult participation comprised of Quality Adjusted Life Year (QALY) gains, valued at £70,000 per QALY following HM Treasury Green Book guidance and productivity benefits. Annual per-person financial impacts equalled £448. Given there was no age profiling of participation in our ACW data, we acknowledge this estimate is therefore illustrative rather than representative and likely underrepresents actual impacts.

ACW data disaggregated between general participation programmes and programmes targeted towards children and young people (CYP). For this reason, we assigned child participation estimates to the programmes targeting CYP.

The financial estimates for child participation were drawn from Frontier Models 4a and 4b (child engagement with art and music respectively). We calculated average per-child benefit of engaging with either art or music. The financial benefits of both Models 4a and 4b were expressed as WELLBYs so the estimation of an average from both was justified. Mean annual financial wellbeing benefit across both models, measured by WELLBYs, equalled £101 per child. Again, this estimate is illustrative rather than representative and likely underrepresents actual impacts, especially concerning wider life-course impacts of improved wellbeing in children such as educational attainment and associated earning potential.

The attendance figures captured by ACW are not individual attendances but rather aggregate attendances. The estimated £649 in financial benefits from attending the arts presented in Model 2a reflects per-person estimates for adults aged 30-49. To estimate the number of unique adults within this age range, we first estimated the

proportion of 30-49 year olds as a % of all adults (16+ in Wales) in Wales (45%). This figure was then multiplied by the 18% estimated to be attending regularly as presented in Frontier. We acknowledge this underrepresents the actual figure but the approach allowed us to be confident that we did not overestimate the financial impacts of attendance.

The financial estimates for adult attendance are drawn from Frontier Model 2a (cultural attendance, defined as: visiting exhibitions, film screenings, performances by touring companies and performances at presenting venues). As in Model 2b, the model presents the financial estimates as being representative of adults aged 30 to 49 years, leading to a general underrepresentation of actual impacts. Financial benefits of adult participation comprised of QALY gain at the £70,000 HM Treasury valuation and productivity benefits. Annual per-person impacts equalled £649. Again, this estimate is illustrative rather than representative and likely underrepresents actual impacts.

Work package 3

Brief methodologies, assumptions and data sources included within the case study estimates are presented in the ACW report. These case studies use evidenced impacts of programmes from across the ACW portfolio and used their results to demonstrate how they could contribute, from a financial perspective, to addressing the following key health and wellbeing challenges across Wales:

- Falls prevention
- Children and Young Peoples mental health
- Adult mental health
- Health and wellbeing of NHS workforce

In Case Study 1, we assumed the prevalence of falls amongst over 65s was the same in England and Wales. We assumed this as the evidence used in the case study reflected an evaluation of the programme in England, which used estimates of prevalence of falls in the over 65s in England only. Given the same programme has now been rolled out across Wales, when pro-rating to the population of over 65s in Wales, in the absence of publicly available Welsh data, we assumed the same prevalence between populations.

In Case Study 2, SWEMWBS values from Granger at al., 2025 were applied to the evidenced changes in SWEMWBS scores presented in the evaluation. Estimates of the number of CYP with mild-to-moderate mental health problems known to CAMHS teams in Wales is not currently available. So, English prevalence data was assumed to hold in Wales.

In Case Study 3, our cost-saving results centred around estimates of the number of GP appointments for a mental health condition. No Welsh data was identified, so estimates from a UK-wide analysis by Mind was used and applied to the number of GP appointments in Wales to estimate a Welsh figure. Our GP appointment data is representative of all appointment statuses (attended and missed). GP data does not disaggregate appointment by age group, so we assume the total figure of GP appointments are adult. There is no publicly available record of CYP GP appointment figures in Wales.

In Case Study 4, we focussed on the health and wellbeing impacts on the NHS workforce only. We acknowledge there were wider impacts identified that are presented in the case study but these were not extrapolated. The evaluation presented wellbeing benefits in two staff categories: healthcare support workers and registered nurses. The other mindfulness programme did not strategy by staff categories. In both instances, pro-rated extrapolations were made respective of the different categorisations reported. In the first instance, impacts were extrapolated to estimates of the number of healthcare support workers and registered nurses employed by NHS Wales. In the second instance, impacts were extrapolated to estimates of the overall NHS Wales workforce.

Supplementary literature review

To supplement our understanding and decide on the best approach to generating our estimates in this report, we conducted a rapid review of the published and grey literature. We searched for economic evidence on the impacts that arts programmes have on healthcare resource use (HCRU), health and wellbeing and wider societal outcomes in the UK and Ireland. A systematic database search strategy was developed, informed by and building upon searches of previous reviews in this topic area[6,10].

The review aimed to identify relevant, contemporary evidence to be used to inform our economic estimates. Searching for published estimates provided guidance on appropriate methodological approaches and financial valuations used in this space. Articles were screened by two reviewers. Data from included articles were extracted and synthesised narratively. Review methods were conducted in accordance with the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidance 2020 where applicable[41].

Six peer-reviewed journal articles met the criteria for inclusion. Five reports from the grey literature were identified and included.

Included studies were conducted across the UK and Ireland (2 studies took a pan-UK perspective), England (4 studies), Wales (2 studies), England and Wales (1 study), Scotland (1 study) and Ireland (1 study). Ireland was included due to its geographical proximity to the UK and similarities in the country's mixed healthcare system model.

HCRU impacts in identified studies included: primary care contacts (General Practitioner (GP) and GP nurse contacts), secondary care contacts (inpatient and outpatient contacts, hospital length of stay), medication (acute pain relief and prescriptions), community-based services (including direct school costs) and personal social services contacts (including social work).

A number of studies concerned examples where arts and health programmes were used as a direct alternative to clinical treatment i.e., referred through social prescribing. One study considered the impacts on healthcare staff through a programme targeting their wellbeing. Social Return on Investment (SROI) studies often used the counterfactual proposition that no service would be in place if the programme under evaluation didn't exist. Data extraction is presented as Table T3.

Headline findings:

- Three studies evidenced reductions in visits to GPs after engaging in arts programmes (crafts and creative). Each of the respective arts programmes that evidenced this reduction targeted participant mental health or mental wellbeing.
- Two studies assessed hospital admissions following engagement with creative art programmes and found a reduction in hospital admissions.
- One study found a creative arts programme targeting health care professionals reduced both presenteeism and absenteeism amongst the study population.
- One study assessing a community singing initiative for older people found service use costs increased for both those engaging in the initiative and those not. With those engaging in the initiative displaying a greater increase in service use costs.
- Two studies modelled NHS and social care impacts to a whole systems level (one considered impacts to NHS Wales, and the other to NHS and social care in England).
- One SROI study of older people living in care homes found that participating in various arts activities (e.g. visiting virtual art galleries, attending theatre productions, listening to live streamed piano recitals etc) yielded a social return on investment of £1.20 for every £1 of expenditure. Material outcomes for the primary stakeholders, which could have impacts on healthcare resource use, included improved mental health, improved mobility, improved cognition, and decreased social isolation.

- One study conducted a Cost-Benefit Analysis (CBA) of a music project for children aged 6 months to 9 years old. The project delivered more social benefit than the resources used to fund it, irrespective of the timescale of appraisal, participation rates, and other factors. At each time horizon considered, and for all scenarios analysed, the project demonstrated its potential to increase net worth for society over its lifetime.
- One study of a programme that integrated various arts programmes into schools found the monetary average lifetime benefit per child to be up to £2,300, mostly through higher lifetime earnings and lower societal spending. It estimated for every £1 invested in the programme, there was a collective £32 gain to the child, government, and society, and that 97% of the programme's benefits would need to fade out over time before its costs outweighed its benefits.
- Two studies used SROI methodologies to estimate the social value of a music programme, or of various arts sessions (e.g. visual arts, craft, and design, media, theatre etc). Both studies' primary beneficiaries were CYP. Base case SROI ratios were £6.69 for the music programme, and €1.98 for various arts sessions. Sensitivity analyses ranged between €1.70 to £8.95 returned for each €1 or £1 invested. For the primary beneficiaries, the social value received was 48% and 64% respectively.

Review Discussion

The current evidence base of direct impacts that arts-based programmes or interventions have on HCRU does suggest that their use can support reduction in primary and secondary care contacts. However, the number of studies is relatively small at present, and most identified studies had very small sample sizes, expected given the nature of the interventions.

Most identified studies targeted the improvement of mental health and wellbeing of participants, which appears to have indirect impacts on HCRU. This is potentially illustrated in the SROI studies identified in this review, which often chose healthcare services to attribute proxy values for improvements in physical and mental health

outcomes (e.g. a participant experiencing improved mobility being valued as attending a session of physiotherapy[42] improved wellbeing being valued as the cost of attending 6 sessions of play therapy[43], or improved capacity to cope with a long-term health condition being valued as the cost of a child counselling course[43]. While proxy values are only used as estimates, their choice should be grounded to avoid overstating or undervaluing outcomes. The HACT Social Value Bank[44] emphasises that wellbeing valuations should be evidence-based, consistent, and linked to real changes in people's lives, ensuring that proxies genuinely reflect the scale and significance of the outcome experienced.

Measuring improvements in mental health early in the life course with the strengths and difficulties questionnaire (SDQ) can be converted to wider societal benefits realised between the ages of 11 and 60[45]. This includes savings to NHS and social care services, savings to other governmental departments, and greater taxation through improved productivity and lifetime earnings[46].

This rapid review did not consider an evaluation of study quality given time constraints, but future assessment of impacts that arts-based programmes or interventions have on HCRU should do so.

Review Conclusions

There is a considerable research gap concerning the direct impacts that arts-based programmes/interventions have on healthcare resource use. Identified evidence did report reductions in HCRU, mostly through reductions in primary care contacts. However, the majority of identified studies used SROI or CBA methods to monetise the overall benefits of an arts programme to individuals, society and the wider environment.

This review searched the following electronic databases: MEDLINE, EMBASE, Cumulative CINAHL and PsycINFO. Searches of the grey literature included Google Advanced Search and content expert signposting.

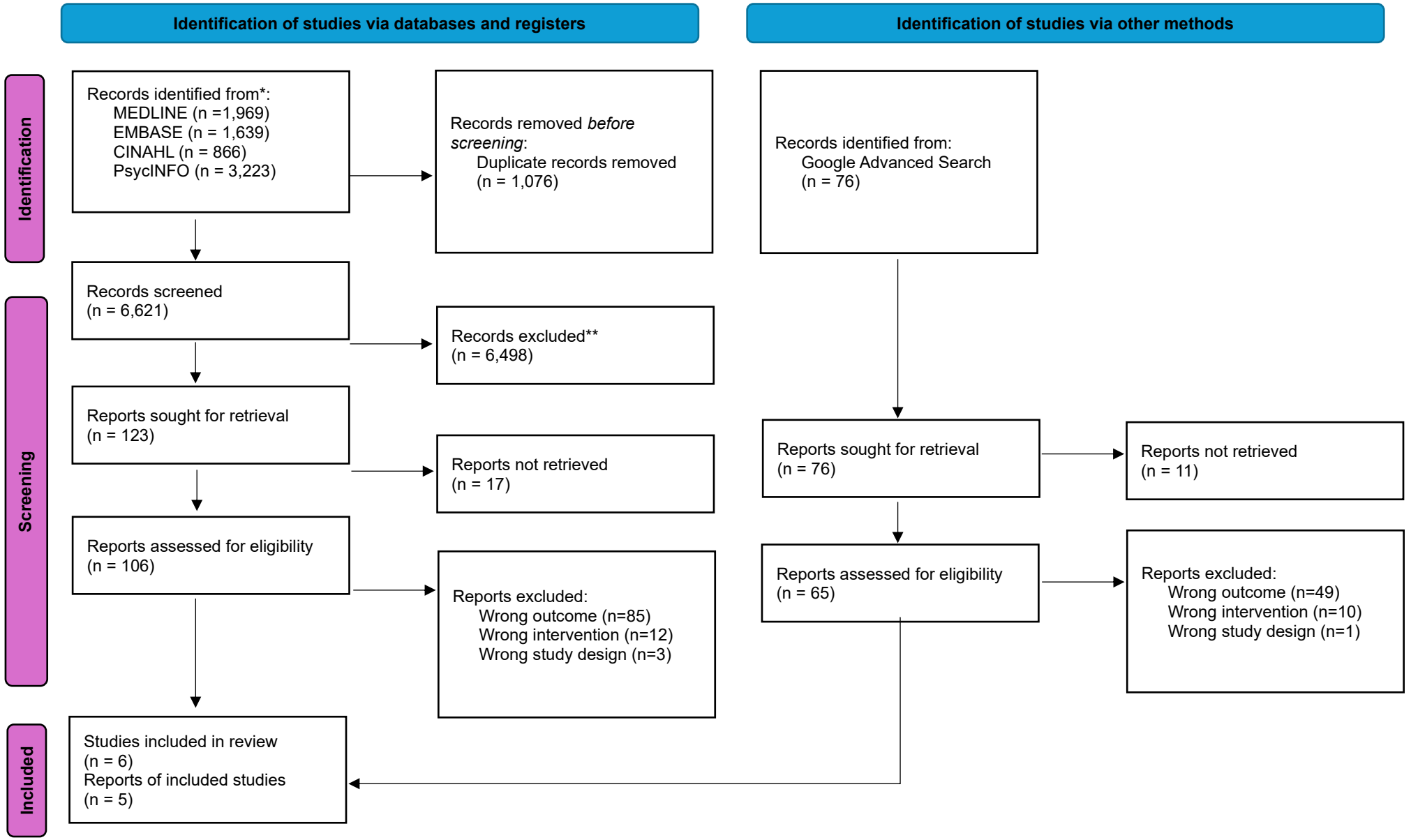
The search strategy combined terms with comprehensive coverage across arts-based terminology, modalities, and health economic terms. A UK filtering strand was incorporated into the search strategy to filter UK evidence. The search strategy was guided by a simultaneous systematic review of the cost-effectiveness of arts based programmes for CYP conducted by members of the report team, plus other published reviews in the subject area. This review changed the population terms to be inclusive of all stages of the life course, not just children and young people. The full search strategy is presented below:

Screening of titles and abstracts was conducted between 2 reviewers (JD, GF) against the inclusion criteria presented below. The inclusion criteria was developed following the Population, Intervention, Comparator, Outcome (PICO) framework (Table T1). The same approach was taken for screening of full texts. Study screening and selection was captured using the Preferred Reporting Items for Systematic reviews and Meta-Analyses (PRISMA) flow chart (Figure T2).

Table T1: Review inclusion and exclusion criteria

	Inclusion criteria	**Exclusion criteria**
Population	No restriction	No restriction
Intervention	In line with *Sonke et al. (2024),* there will be no restriction on level of engagement with the arts, their focus, or modality	Arts interventions that are mixed with another non-arts clinical intervention e.g. cognitive behavioural therapy, talking therapy, medications etc., or studies that do not have an element of community setting e.g. are run solely in clinical environment
Comparator	Any comparator or no comparator	No restriction
Outcome	Any study design that reports on outcomes relevant to economic evaluations in relation to arts engagement	Studies that do not report on outcomes relevant to economic evaluations
Study design	No restriction on study design, primary studies only	No restriction, secondary studies including reviews of primary evidence
Countries	UK (England, Wales, Scotland, Northern Ireland)	Outside of the UK
Language of publication	English	Not available in English
Publication date	January 2015 – September 2025	Before January 2015
Publication type	Published full-text peer-reviewed or grey literature articles	Not full-text article (such as abstracts/posters)

Figure T2: PRISMA flow chart



Data extraction was completed by the 2 reviewers (JD, GF). Study, population and intervention characteristics such as study design, country, population, and arts intervention/modality were extracted, as well as extraction of evidence. Each reviewer independently conducted extraction, with the review team coming together to cross-reference extraction to assess uniformity in the process. The data extraction is presented in Table T3.

Table T3: Data extraction table

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
(Whiteley et al., 2025) Wales, UK N=15 study population. Mean age 46.5 years, SD: 11.46.	**Crafts** Therapeutic craft and horticulture programme for mental health.	Individuals with mild-to-moderate mental health socially prescribed to programme.	Mental health (SWEMWEBS), Overall wellbeing (ICECAP-A), Self-confidence (GSES), Healthcare service use, General Practitioner (CSRI).	Overall wellbeing captured by the ICECAP questionnaire improved by 0.1 from baseline to 9-week follow-up [(0.611, SD: 0.2) to (0.711, SD: 0.167)]. **This improvement in overall wellbeing was valued at £6,107 per participant.** Mental health as measured by the SWEMWEBS improved by 4.2 at follow-up [(20.07, SD: 6.86) to (24.27, SD: 4.30)]. **This improvement in mental health was valued at £4,290 per participant.** Social connection as measured by question 6 of the SWEMWEBS improved by 0.87 ay follow-up [(2.60, SD: 10.6) to (3.47, SD: 0.64)]. **This improvement in social connection was valued at £1,365 per participant.** Self-confidence as measured by the GSES improved by 2.77 at follow-up [(23.93, SD: 6.03) to (26.7, SD: 5.3)]. **This improvement in self-confidence was valued at £3,173 per participant.**

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				The number of GP appointments at follow-up dropped by 12 across the cohort, a decrease of 40%. **Average cost savings per participant due to reduced GP appointments were £32.80.**
(Jones et al., 2020) England and Wales, UK N=125 people with dementia, mean age 81.4, SD: 8.5. N=146 caregivers.	**Visual arts** The program comprised two underpinning factors: dynamic and responsive artistic practice, and a provocative and stimulating aesthetic experience.	People living with mild-to-severe dementia from across residential care homes, hospital, and community venues.	*People living with dementia* Wellbeing/mood (DEMQOL), Confidence/self-esteem, (DEMQOL, Q5) Feeling of control over their life/personal environment (DEMQOL, Q13) Social isolation/sense of belonging (T3 question) Physical activity (DEMQOL, Q10) Engagement with art (activities attended over 12 months)	People living with dementia (£2,424 per person), their family caregivers (£1,515 per person) and staff caregivers (£1,515 per person) all experienced increased engagement with art, leading to a modest generation of **social value**. The outcome that led to the most social value across the cohort was improved **wellbeing for people with dementia**, which generated a social value of £373,350. This was followed by increased feeling of control over their life/environment, which generated the social value of £150,889 and increased confidence, which generated the social value of £109,003. The value of inputs over the 132 art group sessions was £189,498 and the value of outputs was £980,717, leading to a base case scenario of £5.18 of social value generated for every £ invested in Dementia and Imagination. Our base

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
			Families/friend caregivers Engagement with art (activities attended over 12 months) Increased social support network (T3 question) Change in attitude toward participants (Dementia questionnaire) *Care home staff* Engagement with art (activities attended over 12 months) Opportunity for professional development/ feeling of prestige (T3 question) Change in attitude toward participants (Dementia questionnaire)	case analysis took a cautious approach and assumed that outcomes lasted for 1 year as the health and wellbeing of participants with dementia is likely to decrease over time. Changing this assumption to outcomes lasting for 2 years resulted in a higher SROI ratio of 6.36:1. All tested scenarios resulted in a positive SROI ratio, meaning that for every £1 invested in the arts activities over £1 of social value was generated in return.

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
			Community engagement (T3 question)	
(Coulton et al., 2015) England, UK N=258, mean age: 69 years, SD: 7.14.	**Music** Community singing group with support from professional musicians.	Community singing initiative that targets provision of opportunities for older people to come together and sing.	Mental health-related quality of life (York SF12) Physical health-related quality of life (York SF12) Health-related quality of life (EQ-5D) Depression and Anxiety (HADS) Healthcare service use (CSRI)	The mean difference in SF12 mental health-related quality of life score between intervention and control at 6 months was 2.35 (0.06–4.76), and this was significant (P = 0.05). At 6 months, no significant differences were observed between the groups in terms of SF12 physical health-related quality of life components, anxiety, or depression. At 3 months, significant differences between the groups were observed in terms of mental components of SF12 health-related quality of life and mean difference intervention compared with control 4.77 (2.53–7.01), anxiety −1.78 (−2.50 to −1.06) and depression −1.52 (−2.13 to −0.92). No other significant differences were observed between the groups at 3 months. Service use costs increased in both groups between baseline and 6 months, but although the increase was greater in the intervention

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				group, £315.89 versus £281.14 for the control group, this difference was not significant. Participants in the control group gained 0.008 QALYs between baseline and 6 months compared with a gain of 0.023 QALYs in the intervention group, the difference between the groups of 0.015 (95% CI 0.014–0.016) was significant.
Frontier Economics, 2024 Pan-UK Economic modelling study using national datasets and published evidence	Engagement with cultural venues (attending theatre, a concert, an opera, art gallery, exhibition or museum) and museums considered in models assessing NHS and social care impacts of engaging with the arts.	Age groups defined in models that included NHS and social care impacts of engaging with the arts: Adults aged 50+ with depression, Adults 50+ with dementia.		NHS and Social care savings estimated at £26 per person per year for older adults (50+) with depression engaging in cultural venues. Annual society-wide impacts are £255million across England. NHS savings estimated at £11 per person per year for older adults (50+) with dementia engaging in cultural venues. Annual society-wide impacts are £54million across England. Social care savings estimated at £64 per person per year for older adults (50+) with dementia engaging in cultural venues. Annual society-wide impacts are £322million across England.

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				NHS savings estimated at £27 per person per year for older adults (50+) with dementia going to museums. Annual society-wide impacts are £100million across England Social care savings estimated at £162 per person per year for older adults (50+) with dementia engaging in cultural venues. Annual society-wide impacts are £700million across England.
(Ellis-Hill et al., 2019) England, UK N=56, mean age 69.8, SD:12.13	Ten 2-hour arts and health practitioner-led group sessions held in community venues over 14 weeks.	Support psychological wellbeing in people following stroke.	Mental wellbeing (SWEMWBS), Anxiety and depression (HADS), Capability (ICECAP-A), HCRU (resource use questionnaire) – costed using 2015 PSSRU and NHS reference costs	**Inpatient and A&E resource use (Intervention arm):** Inpatient admissions rate: 3/25, with mean cost of £49 (SD:£136), A&E or hospital admissions rate: 4/25, with mean cost of £22 (SD:£53) Inpatient and A&E resource use (usual care arm): Inpatient admissions rate: 3/25, with mean cost of £96 (SD:£308),

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				A&E or hospital admissions rate: 6/25, with mean cost of £34 (SD:£61). **Outpatient appointments resource use (Intervention arm):** Stroke rehab appointment rate: 1/25, with mean cost £10 (SD:£50), Physiotherapy appointment rate: 1/25, with mean cost £6 (SD:£23), Occupational therapy appointment rate: 3/25, with mean cost £1 (SD:£4), Speech and language therapy appointment rate: 2/25, with mean cost £4 (SD:£16), Psychologist appointment rate: 0/25, with mean cost £0 (SD:£0), Dietitian appointment rate: 0/25, with mean cost £0 (SD:£0), Other outpatient appointments rate: 14/25, with mean cost £140 (SD:£210).

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
Pack Page 84				**Outpatient appointments resource use (usual care arm):** Stroke rehab appointment rate: 2/25, with mean cost £20 (SD:£69), Physiotherapy appointment rate: 4/25, with mean cost £20 (SD:£56), Occupational therapy appointment rate: 3/25, with mean cost £3 (SD:£9), Speech and language therapy appointment rate: 2/25, with mean cost £7 (SD:£30), Psychologist appointment rate: 0/25, with mean cost £0 (SD:£0), Dietitian appointment rate: 0/25, with mean cost £0 (SD:£0), Other outpatient appointments rate: 13/25, with mean cost £196 (SD:£393). **Community-based service use (intervention arm):**

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
Pack Page 85				GP contacts rate: 17/24, with mean cost £92, (SD:£79), GP nurse contacts rate: 11/25, with mean cost £22, (SD:£44), Physiotherapy contacts rate: 3/25, with mean cost £6, (SD:£23), Speech and language therapy contacts rate: 3/24, with mean cost £25, (SD:£82), Occupational therapy at home contacts rate: 1/25, with mean cost £5, (SD:£25), Repeat prescriptions from GP rate: 16/23, with mean cost £5, (SD:£7), Other community-based appointments rate: 2/21, with mean cost £25, (SD:£77). **Community-based service use (usual care arm):** GP contacts rate: 18/24, with mean cost £72, (SD:£83),

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				GP nurse contacts rate: 16/25, with mean cost £26, (SD:£40), Physiotherapy contacts rate: 2/25, with mean cost £19, (SD:£78), Speech and language therapy contacts rate: 3/25, with mean cost £94, (SD:£308), Occupational therapy at home contacts rate: 2/25, with mean cost £7, (SD:£27), Repeat prescriptions from GP rate: 18/24, with mean cost £5, (SD:£5), Other community-based appointments rate: 1/24, with mean cost £28, (SD:£143). **Personal social services (intervention arm):** Home care worker contacts rate: 0/25, with mean costs £0, (SD:£0), Social worker contacts (hours): 2/25 with mean cost £28, (SD:£127), Food at home services (meals), 0/25 with mean cost £0, (SD:£0).

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				Personal social services (usual care arm): Home care worker contacts rate: 2/24, with mean costs £11, (SD:£41), Social worker contacts (hours): 3/25 with mean cost £24, (SD:£72), Food at home services (meals), 1/25 with mean cost £4, (SD:£21).
(Tymoszuk et al., 2021) Pan-UK N=5,338 completing survey after removal of missing data. Mean age: 46, SD: 16.6.	**Various, inclusive of receptive and participatory arts** Spanned participatory arts activities including crafts, literature, dance, and music. Receptive activities included	Adults engaging in broadly defined and inclusive arts activities in the UK.	General health (SF-36) Physical Activity (Physical Activity Scale) Depression (CES-D) Wellbeing (Mental Health Continuum Short Form 14-item scale) Loneliness (UCLA Loneliness Short Form scale) Social Connectedness (Social Connectedness Revised 15-item scale)	A positive association between arts engagement and wellbeing was found and was consistent across both measurement approaches. Overall, participatory, and receptive arts engagement scores were positively associated with wellbeing, with marginally larger effect size for receptive arts score before adjustment for health and fitness variables and social circumstances in particular. Using the UCLA loneliness scale and the threshold of six or more for loneliness cases (n = 2,448, 45.86%), no consistent association between arts engagement and loneliness was

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
	theatre, art exhibitions and literary events.			found for both summative arts activities scores and art clusters. A somewhat consistently positive association between arts engagement and social connectedness across both measurement approaches was identified. Using summative arts engagement scores, only receptive arts engagement was consistently positively associated with social connectedness. Relationships between arts and general health were not reported in the analysis.
Bosco et al., 2019 England, UK N=267 older people living in care homes	**Various participatory arts** Professionally-led artistic programmes including virtual art galleries, visits to arts venues, digital	Older care home residents with and without dementia	For residents, the outcomes of interest were: community inclusion, improved mental health, improved mobility, improved cognition, and decreased social isolation For care home personnel and activity co-ordinators the outcomes were: improved skills in caring for older people	The analysis yielded an SROI of £1.20 for every £1 of expenditure. The sensitivity analysis revealed that when we consider a displacement rate of 15% for all the outcomes of all participating stakeholders, the Imagine study is unlikely to report a ratio that is less than £1.02 for every £1.00 invested. 'Decreased social isolation' was operationalised as *the number of older* people attending more than one workshop and for at least two quarters. The financial proxy used was the unit cost of the

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
	technologies, theatre productions, and live streamed classic piano recitals. The programmes ran over 12 months in 17 care homes		and increased confidence in using arts interventions	attendance to a local authority day care (seven attendances): £59 per client attendance (Unit Costs of Health and Social Care). Workshops were attended by 181 people for at least two quarters and the monetary equivalent was estimated as £50,256.44. 'Improved mental health' was operationalised as *the number of older people* attending more than one activity promoting enjoyment through creative stimulation and for at least two quarters. The financial proxy adopted was six sessions of Singing for the Brain – a widely-used community singing intervention for people with dementia and their carers: £111.24 per client, based on 6 sessions, £18.54 per session (personal communications with the Alzheimer's Society). A total of 156 individuals achieved this outcome and the financial equivalent estimated was £11,666.71. The criterion for 'improved mobility' was attending at least one form of art activity involving physical activity (e.g. engaging with

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
Pack Page 90				marionettes in a puppetry workshop). The financial proxy identified was the session of physiotherapy, valued at £240.00 per client (based on a package of 4 sessions). The impact generated was £16,941.96 (from 105 instances). 'Greater community inclusion' was judged as attending at least one community event. The financial proxy used for community inclusion was the cost associated with one attendance to the local authority day care: £59 per client (Unit Costs of Health and Social Care). The impact generated by the outcome was £2,935.26 (from 74 individuals). The indicator adopted for 'Improved cognition' was attendance on at least one creative workshop. The financial proxy used was cognitive stimulation therapy: £105.00 per client (based on a package of 7 sessions, £15 per session, two sessions each week). (Cognitive Stimulation Therapy (CST): Summary of evidence on cost-effectiveness. A paper by Comas-Herrera and Knapp. The impact

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				generated was £11,859.37 (from 168 individuals)
Glasgow Centre for Population Health, 2015 Scotland, UK N ~800 children	**Music** Big Noise Govanhill is based on the El Sistema model. It consists of singing and musicianship for younger children, and instrumental and orchestral tuition for children in Primary 3 and above, ran over 12 month periods.	Children 6 months to 9 years' old.	Measures of benefit were derived from logic models, evidence from the literature, and discussion, to inform a cost-benefit analysis (CBA) of Big Noise Govanhill. Outcomes evaluated were Improved employment, Improved engagement with education, Increased social skills, Stronger social support mechanisms, Reduced expenditure on social work support, Increased health and wellbeing, Improved health outcomes, and Impact on health and premature death. All outcomes were forecast (i.e. predicted impact of the intervention) and monetary values were identified using a	The CBA results indicate that the project delivers more social benefit than resources used, from a social perspective at baseline scenario, yielding an overall net present value (NPV) of £28.91 million. Testing the timescale for the appraisal period demonstrated that NPV remains positive (range 9.18 to 89.37). Sensitivity analysis of the costs and benefits indicated that the assumptions underlying participation rates had the most influence upon project NPV. At each time horizon considered, and for all scenarios analysed, the net present value of Big Noise Govanhill remained positive, indicating that the project has the potential to increase net worth for society over its lifetime.

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
	Instrumental and orchestral tuition for adults is in early stages and not included in the analysis		benefits transfer approach. Detailed sensitivity analyses tested assumptions by making changes to e.g. time horizons, health and wellbeing atrophy, costs etc.	
Wilnrow & Edwards, 2018 Wales, UK N = 282	**Music** Codi'r To is based on the El Sistema method. It includes playing in a samba band and a brass band, music and movement sessions using the principles of Dalcroze Eurhythmics, and musicianship sessions.	School children of different ages	SROI looks at a range of stakeholders who are involved in the programme or affected by the results. 'Financial proxies' put a potential value on the outcomes identified as material to the stakeholders. For the purposes of this report only outcomes contributing to the health and wellbeing for the target population are described. *Pupils who participate* Increased confidence (parent reported, £238 per child)	Over a three-year period, Codi'r To generated social value across a range of £4.49 to £8.95 for every pound invested. Using the best assumptions from our research, for every £1 invested, a base case social value of £6.69 is created Of the total social value return, 48% went to the pupils, 51% to the family members, 0.2% to the wider school, and 0.8% to the community. Sensitivity analyses adjusted deadweight and attribution discount percentages to test the assumptions of the social value generated. Regarding children feeling more confident, changing the number of pupils in the study, the deadweight, or the attribution did not materially

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
Pack Page 93			Improved behaviour elsewhere / school (parent reported, £132 per child) *Their family members* Improved behaviour at home (parent reported, £711 per family) *The wider school* Improved behaviour elsewhere / school (parent reported, £149 per classroom) Decreased SDQ scores (£419 per school)	change the SROI ratio (range between £6,51 to £6,80 per £1 invested).
S3 Solutions, 2021 Ireland, UK Findings from small samples	**Various, including Visual arts, craft and design; Media; and Theatre/ performance**	Children and teenagers aged 6 to 18 living with long-term medical conditions	*Children and young people* Reduced isolation (parent reported, €153, or €307.50 depending on programme) Improved wellbeing (parent reported, €35, €104, or €626 depending on programme)	The Helium Arts Creative Health Hub returned 1.98 times the initial investment in the outcomes that it delivered for its stakeholders. The Helium Arts Creative Health Hub over the two-year period 2019-20 generated a social value of €1: €1.98. This is based on a Total

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
extrapolated to N=2,348 children and young people and 323 other stakeholders Pack Page 94	Helium Arts Creative Health Hub offer weekly workshops, seasonal camps, and remote programmes in hospitals, community venues, or at home		Improved capacity to cope with their condition (parent reported, €58, or €348 depending on programme) *Families* Stronger family unit (resilience and relationships) (parent reported, average value reported) *Volunteers* Improved mental health (volunteer reported, €35) *Health Sector* Improved collaboration across arts, culture, health, and community sectors (health professional reported, €30,000) *Patient Support Groups*	Present Value of €671,593.45 created against the input of €340,000. The sensitivity analysis indicated that, when some of the values were decreased, the SROI ratio did not fall below 1:1.70. Cumulatively the Creative Health Hub participants accrued in excess of €434,208 of social value accounting for over 64% of the total value calculated. The benefits to the Health Sector of the collaboration with other Government Departments through the Helium Arts Creative Health Hub were highlighted and valued at 4% of the total SROI value.

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
			Reduced costs (qualitative data, €250)	
Kara & Sheikh, 2022 England, UK N=128 children, extrapolated to 10,400 children who took part in Artis sessions over one academic year	**Various performing arts, including Music; Theatre/ Performance; and Dance/ Movement** The Artis programme provides weekly arts sessions in the classroom for children aged 4 to 11	Children aged 4 to 11	Mental health of children (teacher-reported change in Strengths and Difficulties Questionnaire (SDQ) scores pre- and post-programme) Lifetime outcomes are calculated by converting SDQ scores to Value Added scores, and linking these to 7 key outcomes between the ages of 11 and 60: reduced truancy, reduced exclusion, reduced crime, reduced smoking, reduced depression, improved employment, and improved wages	The monetary average lifetime benefit per child of the Artis programme is estimated to be up to £2,300. This benefit accrues to individuals from higher lifetime earnings, and to the government from increased tax revenue and lower spending on public services related to crime, depression, truancy and exclusion. There is also a marginal gain to society due to reduced smoking The cost of putting a child through one academic year of the weekly Artis programme is calculated as £72. This suggests that for every £1 invested in the Artis programme, there is a collective £32 gain to the child, government, and society. Sensitivity analysis suggests that more than 97% of these benefits would need to fade out over time before the benefits of the Artis programme are outweighed by its costs. A first comparison of before and after SDQ scores for all 128 pupils in the study showed a

Study characteristics	Arts Modality and programme definition	Target population	Outcomes assessed (and measurement tool)	Results
				small fall in SDQ scores (improvement in difficulties) from 7.8 to 7.3 although this difference was not statistically significant. The average SDQ score for the 34 children who presented with higher difficulties at the start of the programme fell sharply from 14.4 to 10.9. About 60% of the total benefit from the arts programme accrues to the children enrolled on it.

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Delyth Jewell MS
Chair
Culture, Communications, Welsh Language,
Sport and International Relations Committee

4 February 2026

Dear Delyth,

Thank you for your letter about funding for Wrexham AFC. We are replying jointly because the issues you raised relate to both the sport and economy portfolios.

Regarding funding, the allocation made in March 2021 used capital that became available after the UK Government issued late COVID-related funding to the Welsh Government. The £25 million awarded to Wrexham County Borough Council (WCBC) was set aside to support the Wrexham Gateway project over several financial years. The project is a major regeneration scheme, aimed at transforming the area around Wrexham General railway station and the Mold Road corridor. It is being delivered through a partnership involving the Welsh Government, Wrexham County Borough Council (WCBC), Wrexham Glyndŵr University (WGU), Transport for Wales (TfW) and Wrexham AFC, and is designed to create a new transport hub, commercial office space, a new Kop stand at the Racecourse Ground, and improved public, cultural spaces. The project aims to improve the entrance to the city, fostering closer links between the railway station, the stadium, and the city centre, and aims to attract significant new jobs and investment to North Wales. WCBC is responsible for managing the funding, while decisions on how it is spent are made by the Wrexham Gateway Partnership, which includes the Welsh Government, WCBC, Wrexham University and Transport for Wales. This £25 million formed only part of a much larger planned public investment in the Gateway project, and both the overall cost and the funding gap have increased significantly since then.

In relation to supporting viable projects, it is important to note that Wrexham AFC's proposal focuses on expanding the Stok Cae Ras (Racecourse Ground) to increase capacity and generate more revenue for the club. The funding allocated by the Wrexham Gateway Partnership is intended to deliver wider stadium improvements needed to meet UEFA standards for hosting competitive international football - work that goes beyond the club's own requirements. The aim of bringing international football back to North Wales predates the club's current ownership, and without the owners' major financial contribution this

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

ambition would not be achievable. The start of construction on the Kop Stand is a clear sign that the delivery phase of the wider project is now underway.

In relation to assurance, the Welsh Government is an active partner in the Wrexham Gateway project. The Welsh Government is fully involved in decisions about capital spend and receives regular updates from WCBC on the overall budget position.

As requested, we have enclosed the advice provided by officials and the Outline Business Case (OBC). Please note that the OBC is now five years old. While the case for public investment remains strong due to the funding gap, the details of the project - its scope, cost and timetable - have changed over time.

I hope this clarifies the reasoning behind this specific intervention. However, my officials would also be happy to deliver a technical briefing presentation on the Wrexham Gateway to the CCWLSIR Committee if that would be helpful.

Lastly, with regard to investment into sport, in total, over the course of this Senedd term, the Welsh Government has provided Sport Wales with £59 million of capital funding to enhance both community and elite sports facilities throughout the country. Since 2021-22 the Welsh Government has increased the annual capital allocation to Sport Wales from £3 million per annum to £11 million per annum in 2026-27 and, in this financial year, we provided an additional £5 million to save the Urdd's Llangrannog swimming pool, boost investment in women's facilities and invest in a variety of sports projects across Wales. In our final Budget for 2026-27, we have provided a revenue allocation of £23.368 million to Sport Wales.

Yours sincerely,

Rebecca Evans.

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Jack Sargeant.

Jack Sargeant AS/MS
Minister for Culture, Skills and Social Partnership
Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol

Wrexham Gateway Project - Grant to Wrexham County Borough Council

ADVICE

1 Coronavirus Context

Consideration has been given to the implementation of the project described in this MA, in light of the current Coronavirus Pandemic.

2 Background

2.1 Welsh Government has, since 2018 been engaged in a formal collaboration with Wrexham County Borough Council (WCBC) and Wrexham Glyndŵr University (WGU) to develop the Wrexham Gateway Project (the Project). Allied to this Wrexham Gateway Partnership (the Partnership) are Transport for Wales (TfW) and Wrexham AFC. Please note that MA/KS/3203/19 provided advice which agreed to the formation of the Partnership.

2.2 The Project is focussed physically on a plot of land which encompasses Wrexham General Station, the Racecourse Ground and adjacent land owned by WGU, together with plots currently occupied by the Royal Mail, the Scouts and Guides Associations and Jewson. Finally, there are two sites on which Countrywide Stores and Dickens Garage were located. These properties were acquired by Welsh Government in 2019 and 2020 respectively (MA/KS/1192/19 & MA/KS/0409/20 apply) and are currently being demolished.

2.3 An Outline Business Case (OBC) is attached to support this MA, which describes the formation of the Partnership and the development of the Project as a response to a number of key strategic ambitions in Wrexham.

2.4 A plan of the project area is available here for context, together with a link to the OBC and the Project Masterplan, for reference. The OBC provides further links to a suite of documents, which have informed the Partnership over the course of its development of the Project.

See:
Annex 1 – Wrexham Gateway Project Masterplan Area
Wrexham Gateway Project – Outline Business Case
Annex 2 – Wrexham Station Gateway – Masterplan Proposals

2.5 It is necessary to state that the OBC which has been drafted in response to the funding opportunity at the end of the 2020/21 financial year, whilst well advanced, is not wholly complete at the time of this advice. The economic case in particular is based on an Initial Findings Report, rather than a full Economic Impact Assessment. Risks arising from this and mitigations to address those risks are presented in the OBC and under title 5 below.

2.6 The OBC though is based on a Project plan which has been developed and refined by the Partnership over the past two years and which is consistent

with a number of Welsh Government strategic plans, not least the Wales Transport Strategy, which is due to be announced imminently.

2.7 Wavehill had been commissioned by the WCBC to undertake an Economic Impact Assessment on behalf of the Partnership. At the time of drafting both the OBC and this MA, some initial findings had been reported. The stage of development of the Project and the likelihood that changes will be incorporated as it is implemented, suggest that the economic case will evolve over time.

2.8 These strategic ambitions which now drive the Partnership include:

- the development of a 21st Century public transport service which connected communities across and beyond Wrexham in a manner which served to meet Climate Change and Wellbeing of Future Generations objectives;
- addressing the issue of connectivity across Wrexham in support of WCBC's Town Centre Strategy and the plans being developed by Welsh Government to upgrade junctions along the A483;
- restoring the Racecourse Ground to a standard to host multi-code international sporting fixtures, plus regionally significant cultural and music events, and;
- implementing WGU's Campus 2025 Vision to double the student population and providing the necessary infrastructure to facilitate this.

2.9 The rationale for delineating the Project site as it is now defined within the Project Masterplan is that it encompasses an area which currently hinders travel by any form into and across Wrexham.

2.10 Mold Road itself narrows from a duel carriageway to a rail bridge which requires signalisation to control traffic in alternate directions. Buses are unable to access Wrexham General Station, where parking for private vehicles is limited, thereby discouraging use of rail travel. Active travel routes across the site are limited and have been retro-fitted to aging infrastructure, making them non-user-friendly.

2.11 Equally, the site has the potential to become a local and regional public transport hub, which encourages reduced travel by private vehicles and which facilitates connectivity across the town by virtue of its integration into a network of active travel routes.

2.12 The other dominating factor on the Mold Road is the Racecourse Ground, the oldest international stadium in the world (1877), which is still in use as a football ground. Its disused Kop Stand limits its deployment as a cross-code international stadium. It is a long held ambition of the local authority and community to return the ground to a state where major and minor cross-code international sporting events, plus music and cultural events can be welcomed.

2.13 The Project Masterplan describes a coherent series of development, each component of which contributes directly to the achievement of the Partnership's ambitions, or supports the ambitions as an enabling works. The primary features are described as:

- development of a 5,000 seater stand at the Racecourse, raising the capacity to meet international standards;
- construction of parking facilities to support rail use at Wrexham General Station;
- construction of a hotel on the junction between Crispin Lane and Mold Road;
- creation of a public transport interchange at Wrexham General Station, to support rail use;
- provision of 228 to 328 houses close to Wrexham General Station;
- development of 16,000 sq.ft. of office accommodation, small scale retail units and community facilities in close proximity to Wrexham General Station.
- Development of a Conference Centre within the fabric of the redeveloped Kop Stand.
- Potential realignment of the Crispin Lane junction with Mold Road.

2.14 The Masterplan has been challenged and refined by London & Continental Railways Ltd (LCR), and Farrells Architects, which were engaged by the Partnership due to its expertise in rail-side development.

2.15 The strategic alignment of the Project with other initiatives in the town and surrounding area is particularly strong. The "North Wales Regional Plan" and "Wrexham Town Centre Masterplan" both describe core ambitions to deliver improved connectivity, via a "modal shift" that encourages the use of public transport through the development of a road / rail hub at Wrexham General Station and which delivers pedestrian friendly routes and spaces.

2.16 Wrexham General Station is a vital link within the developing North Wales Metro, the aim of which is to "deliver the North Wales Metro Vision to provide a transformational step-change in public transport to support economic growth and climate emergency." (TfW).

2.17 There is a strong emphasis in local strategies on changing the perception of the town as a visitor destination. The redevelopment of the Kop Stand is described as the focal point of that ambition. The objective is to create a first class stadium for North Wales, capable of hosting international association football, rugby union and rugby league fixtures, music and other cultural outdoor events, establishing it as a Regional Centre of Excellence.

2.18 The ambition to redevelop the Kop Stand predates the acquisition of Wrexham AFC by actors Ryan Reynolds and Rob McElhenney. This acquisition has already improved the perception of the club globally and the owners have spoken publically of their intention to promote women's football

and community projects. Talks are underway between the Partnership and the Football Club to ascertain how the redevelopment will now be delivered.

2.19 The housing and office / commercial elements are critical aspects of the project in two respects:

- The first is that whilst there is an acknowledgement that COVID-19 may change working practices and office use indefinitely, there is an opportunity to create office hubs close to the station and to address a paucity of modern office space in Wrexham. It is expected that TfW will take up an anchor tenancy in the office space created, as officials and TfW have been engaged for some time to define the requirements that TfW has for its presence in the North. The Betsi Cadwaladr University Health Board (BCUHB) has similarly articulated its interest in both office accommodation and a community healthcare facility as it reviews its primary care service in North East Wales.

- The second is that whilst the housing units created will be a valuable addition to the project (and again BCUHB has expressed an interest in supporting the development through a Registered Social Landlord to meet demand from healthcare workers), the change of land use to residential plots serves a critical role in improving the functionality of the public transport interchange by removing heavy goods vehicles from area adjacent to the station.

2.20 The proposed development of a Conference Centre within the Kop Stand at the Racecourse Ground was supported by a report by The Right Solution in 2019. The Partnership intends to revisit the options for the Stand in light of any changes emerging within the Conference Market, as a result of the COVID-19 Pandemic.

2.21 The Partnership has also noted that if Wrexham is to benefit fully from the proposed improvements to the sequence of junctions on the A483 which serve the town, the restrictive Mold Road crossing of the rail lines should also be addressed. It is possible for the Partnership to extend the Project boundary to include this bridge, if resources allow.

Financial and Commercial Considerations

2.22 The review by LCR has presented the Partnership with a number of key considerations, in terms of the total project costs; public support necessary for the project to proceed; the scale of the overall development and phasing of the works to be undertaken.

2.23 LCR assessed the two leading design options presented by Farrells Architects and applied contrasting methodology to the funding models with a view to establishing how the public sector reduces the burden on the public purse. The total estimated expenditure is forecasted at £105million, with £15million of this deemed to be within the remit of WGU, as it relates solely to the construction of student accommodation.

2.24 The balance of £90million delivers the Masterplan in its entirety. It is clear that much of the Project falls within the remit of the public sector. The public transport interchange, public realm works, road realignments and active travel infrastructure, to include a footbridge over the rail lines, if the Mold Road bridge cannot be widened, will all be publically funded.

2.25 Site acquisition and land preparation will similarly have to be undertaken by the public sector as the market is unlikely to respond to the development opportunity until it is clear that the Masterplan can be fully implemented. Additionally, there are aspects which will require gap funding. The Kop Stand redevelopment is a local ambition to bring international association football, rugby union and rugby league back to Wrexham. Even with the new owners in place at Wrexham AFC, it is not expected that the club will justify such an investment.

2.26 There is however, ample scope for private investment in the project, with between £45million and £55million expected to come from the private sector. Current estimates suggest a funding package of:

Welsh Government Grant to WCBC	£35,000,000*
Mersey Dee Alliance Funding from UK Government.	£20,000,000**
WCBC Borrowing.	Unknown – to provide short / medium term funding.
WGU Receipts from Land Disposal and Borrowing.	£15,000,000
Private Sector Investment	£45,000,000 - £55,000,000

* The ask from WCBC at this time is £25m. The maximum potential gap funding request for Welsh Government is £35million, dependent upon the finalisation of the OBC and the manner of project development. Further advice will follow on any subsequent WG funding sought, noting that this is not anticipated to be required until 2023/24.

** This to be confirmed. WCBC is committed to its inclusion in the MDA Fiscal Stimulus Package. There is uncertainty over this element at the time of submission of this MA. If unsuccessful, there is the alternative option of utilising the Levelling Up Fund, given Wrexham's inclusion as a Category 1 area. Failure to secure funding from either source will necessitate additional borrowing by WCBC to support the project. It is noted that the total package outlined here exceeds the total project costs, but cash flow demands will dictate that the public sector funds will be required to deliver enabling works, before private investment will become a factor. Amendments in the Collaboration Agreement will address the distribution of any surpluses arising from the Project.

2.27 The contrasting models proposed by LCR describe a basic funding gap of between £34million and £45million, with a further finance requirement to deliver enabling works in advance of a capital receipt.

2.28 It is intended that WCBC will act as a fund holder on behalf of the Partnership, with administration of the Project being undertaken by a dedicated officer and key decisions on expenditure being taken by an executive committee of the Partnership. The terms of reference for the Partnership will be redefined to provide for this function.

3 Wrexham County Borough Council Funding Request

3.1 WCBC has requested funding of £25million at this stage from Welsh Government, with the support of the Partnership. The Partnership has expressed a preference for the full £35million gap funding to be made available, but officials propose that the funding is limited to the request from WCBC, pending further consideration of the economic case.

3.2 A £25million grant is an opportunity to progress a scheme which is ready to go. It allows the project to commence immediately and at pace. There will be an expectation that further Welsh Government support will be required to complete the gap funding, but this is not anticipated until 2023/24 and will be subject of further advice. However, whilst budgets beyond 2021/22 are still to be agreed it is proposed that this will be prioritised within the E&T MEG allocation in the year needed based on typical budget allocations. Should this position change then further advice would be submitted. It should be noted that whether or not to provide any further support will be a matter for a future Administration.

3.3 There also is some risk associated with the model, arising from a future revenue demand should the head leases be necessary to support private investment. Adaptations to the model may be incorporated to reduce this risk, should further funding become available, or cost savings be found, or private sector interest exceed expectations.

3.4 WCBC has identified the following areas of expenditure which would be met by the its funding released through the grant:

- Site acquisition and associated costs.
- Site relocation costs.
- Any site improvement works i.e. de-contamination costs, ecology mitigation costs.
- Utilities and services costs.
- CPO requires proof of funds as well as reason for acquisition i.e. masterplan.
- Infrastructure improvements to assist in de-risking the overall scheme.
- Site improvements (such as Racecourse Kop end).
- Viability gap funding for say provision of affordable housing to aid Planning Policy requirements.
- Multi-storey car park provision.
- Short term works to manage sites.
- Public realm works.
- Due diligence costs.
- Underwriting investment by WCBC taking on head leases of assets.

4 Funding Structure

4.1 Alternatives have been considered to provide funding to the Project within the 2020/21 budget, without impact on future financial years:

- Loan finance has been ruled out, due to WCBC being unable to amend its Capital Requirement via a Council Resolution before the financial year end.
- Grant aid is preferred, but this needs to be provided in respect of defrayed costs by WCBC in the current financial year in accordance with government budgeting and accounting rules.

4.2 The intention is to grant aid WCBC for eligible capital works undertaken under its Housing Programme (Housing Revenue Account) to date in 2020/21, with a clause in the offer stating that the funding released must be committed to the Project and utilised in accordance with the direction of the Partnership. This option satisfies the Welsh Government requirement to score the expenditure in 2020/21, whilst enabling WCBC to carry capital forward for expenditure on the project.

4.3 Clauses in the grant offer would facilitate the claw back of funds in the event that the funds, for whatever reason, were not defrayed on the Project within an agreed timeframe.

5 Risk and Mitigations

5.1 It is acknowledged from the outset that there will be a further call for funds to deliver the project in full. The minimum funding gap projected is £35million and by 2023/24, it is expected that £10million of funding will be sought by WCBC on behalf of the Partnership, to bridge that gap completely. However, officials propose that the funding is limited to the initial request from WCBC, pending further consideration of the economic case.

5.2 There are a number of inherent risks in a project of this scale and nature. Cost inflation is a standard concern and given the complexity of the Project in terms of site acquisition and preparation and the diversity of the various proposed developments, there is some inevitability that the cost will increase and with it the funding gap.

5.3 There are options to deal with both of these issues and in many ways, the scale and multiplicity of the Project offers opportunities to phase individual aspects over an extended timeframe, or even to withdraw certain aspects. The Project is expected to take up to 10-15 years in total, particularly if the relocation of current land users proves to be difficult.

5.4 Should costs inflate and the ambition remains to deliver the Project in full and within a defined period, a call for further funding may be considered within context of the budget priorities at the time. The Partnership will have to phase its works to reflect the funds confirmed at any given time.

5.5 The reality is that if funding proves to be limited, it will be focussed on the east (station) side of the Project area first. The public transport interchange is of greater strategic value to the Partnership (and to Welsh Government) and could be delivered by purposeful use of the £25million. The east side offers the commercial options for private investment, with the housing and commercial aspects all sited there. Factoring in the student accommodation on the west side, which WGU will take forward to meet its own strategic ambitions, it is expected that £70million+ of the Project value could be delivered – assuming that a revised Economic Impact Assessment supports the case.

5.6 In a similar way, should VFM considerations prove to be an insurmountable hurdle as the delivery plans emerge, the Partnership and more pertinently, Welsh Government and WCBC will likely conclude that the Project has a fundamental flaw and that it cannot be delivered as scoped. Options about the delivery of a reduced scheme then remain open, but subject to the same tests.

5.7 Consideration has also been given to the risk of the grant to WCBC being utilised for purposes other than that of delivering the Project. The use of the funds, carried forward by WCBC, will be determined by the Executive Committee of the Partnership, with representation from the three member organisations. Ultimately, the grant conditions will enable Welsh Government to reclaim any funds deemed not to have been defrayed on the Project.

6 Options and Analysis

Option 1 – Do nothing (not recommended).

6.1 The requirement for Welsh Government funding to deliver the Wrexham Gateway Project is unambiguous – without it, the Project cannot be delivered. In the absence of agreement to commit the grant as detailed in this MA, it is likely that the Partnership will opt to continue with it preparations for an outline planning consent for the Project site. This will require expected funding of up to £1million, which would be the subject of a new application to Ministers in 2021/22.

6.2 In the UK Government Spending Review 2020, the Welsh Government receive an increase in its capital budget of just £60m between 2020-21 and 2021-22. In addition, Wales did not receive any extra capital in the March Budget. As such, the availability of additional capital in 2021-22 is limited. Given the constraints on the capital budget going forwards, It is expected therefore that any physical works will have to be postponed until a funding opportunity arises.

6.3 The application to be made through the Mersey Dee Alliance will not be sufficient to underpin the Project and even if this funding is awarded, it will require careful consideration to identify and prioritise those aspects of the Project which could be delivered.

6.4 The Project has the potential to be immensely high profile. The new owners of Wrexham AFC share a reported 40million social media follows. This option would represent a missed opportunity to portray a vibrant and confident Wrexham and Wales globally.

6.5 There is a sense of expectation in Wrexham that progress will now be made with the Project. Welsh Government acquisition of properties on the site and their current demolition has inevitably generated interest in the emerging plan.

Option 2 – approve the grant as detailed in this MA

6.6 The Partnership describes the Project as an opportunity to deliver transformational change to Wrexham. The public transport interchange will provide the basis for the promotion of a Metro system which connects communities with work places and affords commuters and visitors with a climate change friendly option to travel.

6.7 The dilapidation of the Kop Stand at the Racecourse Ground is seen as a real symbol of the contrasting fortunes of Wrexham (football club and town), in comparison to its counterparts in South Wales. The Project and Wrexham AFC's new owners provide the opportunity to create and promote a focal point for sport, music and culture in the North.

6.8 In its entirety, the Project covers many areas of priority for Welsh Government and the community in Wrexham. Housing, healthcare, climate change, public transport, employment, sport and leisure are captured within this one site.

6.9 Approval of the grant will provide the firm foundation that the Partnership requires to implement its plan.

It is recommended that Option 2 is agreed.

2019

(1) THE WELSH MINISTERS

(2) WREXHAM COUNTY BOROUGH COUNCIL

(3) WREXHAM GLYNDWR UNIVERSITY

STRICTLY PRIVATE AND CONFIDENTIAL

COLLABORATION AGREEMENT REGARDING THE WREXHAM GATEWAY PARTNERSHIP

1 Scott Place
2 Hardman Street
Manchester
M3 3AA

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THIS AGREEMENT is dated 2019 and made between:

(1) **THE WELSH MINISTERS** of Cathays Park, Cardiff CF10 3NQ (the "**Government**");

(2) **WREXHAM COUNTY BOROUGH COUNCIL** of The Guildhall, Wrexham LL11 1AY ("**Council**"); and

(3) **WREXHAM GLYNDWR UNIVERSITY** of Mold Road, Wrexham LL11 2AW ("**WGU**").

(together known as the **"Parties"** and individually as the **"Party"**).

BACKGROUND:

(A) The Parties wish to:

a. provide a co-ordinated and managed approach to bring forward the redevelopment of the areas of Wrexham General Station and other parts of central Wrexham in an integrated way in accordance with the Vision;

b. enable agreement to be reached on key aspects of the project including scope, funding, timing, consultation, consenting and delivery;

c. ensure that all project partners are engaged, coordinate their input and work together to deliver agreed objectives.

(B) The Parties agree that the provisions contained in this Agreement are intended to provide a framework for the Parties to work together to deliver the aims set out in paragraph (A).

(C) The Council enters into this Agreement pursuant to section 2 of the Local Government Act 2000, which provides a power for the Council to do anything to achieve the promotion or improvement of the social, economic, and environmental wellbeing of the area and section 111 of the Local Government Act 1972, which provides a power for the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of its functions.

(D) The Government enters into this Agreement pursuant to section 60 of the Government of Wales Act 2006, which provides powers for the Government to do anything to achieve the promotion or improvement of the social, economic, and environmental wellbeing of Wales.

(E) WGU enters into this Agreement pursuant to the powers conferred upon it as a higher education corporation by section 125 of the Education Reform Act 1988, assigning responsibilities to the Governing Body to determine the educational character and mission of the University and for oversight of its activities, to include resources and assets. WGU shall be conducted in accordance with the provisions of Education Acts and regulations made by the Secretary of State for Wales, Welsh Ministers or the Privy Council.

(F) This Agreement is not intended to be binding between the Parties, in the terms set out in clause 2.

1. **Interpretation**

1.1 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.

1.2 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.

1.3 References to clauses and Schedules are to the clauses and Schedules of this Agreement and references to paragraphs are to paragraphs of the Schedules.

1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.5 A reference to any Party shall include that Party's employees, representatives and permitted assigns.

1.6 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.8 A reference to writing or written includes fax and e-mail.

1.9 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.10 Any reference to this Agreement terminating shall, where the context requires, include a reference to this Agreement terminating by expiry.

1.11 **Definitions**

Agreement	means this agreement;
Data Protection Legislation	means (before 25 May 2018) the Data Protection Act 1998 and (from 25 May 2018) the General Data Protection Regulation (Regulation (EU) 2016/679) and the Data Protection Act 2018;
Delivery Programme	means the programme of works and other activities and planning designed to deliver the Vision;
WMGP Steering Group	means the steering group established under this Agreement, the governance details for which are set out in Schedule 3;
PCR 2015	means the Public Contracts Regulations 2015;
Project	means an approved Proposal;
Proposal(s)	means a works opportunity to deliver elements of, or otherwise which fall within, promote or facilitate the Vision; and

Vision	means the overarching scope, area and principles for delivery/development set out in Schedule 1.

IT IS AGREED

2. **Non-binding Nature of Agreement**

2.1 Subject to clause 2.2, the Parties agree that this Agreement and its provisions are not intended in any way to create a binding or enforceable agreement between them, or otherwise to create any binding relationship as to the future form or development of the area within the scope of the Delivery Programme or other binding obligations between the Parties.

2.2 Notwithstanding the general principle stated in clause 2.2, the provisions of this clause 2, clause 17 (Freedom of Information) and clause 22 (Law and Jurisdiction) shall be enforceable.

3. **Commencement and Duration**

3.1 This Agreement shall commence on the date when it is signed by all the Parties and shall continue until the earlier of any of the following events:

(a) unless terminated earlier in accordance with this Agreement;

(b) until 1 April 2024 (or such later date as the Parties may agree in writing) when it shall terminate automatically without notice.

4. **The Vision**

The Parties intend to collaborate to deliver the Vision. The Parties recognise that not all Parties will, or will need to, collaborate on each and every Project, depending on the nature and circumstances of each Project.

5. **The Delivery Programme**

5.1 The Parties will as soon as reasonably practicable establish a Delivery Programme that provides structure to the delivery of the Vision (recognising that certain projects that fall within the Vision have already been delivered and in some instances identified but not yet delivered).

5.2 The Parties shall review and develop the Delivery Programme for approval in accordance with Schedule 3 (Governance) at least annually or at such other times as the Parties consider appropriate.

5.3 The Delivery Programme shall include (but not be limited to):

(a) commentary on how each Proposal contributes to the delivery of the Vision;

(b) a timeline for Proposals to be brought forward for approval as Projects.

6. **Proposal Approval Procedure**

The Parties shall consider each Proposal to deliver the Vision as set out in Schedule 2 (Proposal Approval Process).

7. **Governance**

The Parties shall comply with the governance arrangements as set out in Schedule 3 (Governance).

8. **The Parties' Commitments**

8.1 Each Party shall:

(a) support delivery of the Vision in accordance with this Agreement;

(b) provide full and timely consultation on investment and planning decisions pertaining to Proposals and Projects that are applicable to it; and

(c) consider (in its absolute discretion) each Project for investment (including but not limited to grant funding/loans/equity investment/entering into contracts for works and/or services) and support (including but not limited to acquisitions/disposals and/or leases of land) to ensure delivery of the Vision.

8.2 Each Party may:

(a) submit, either alone or jointly with other private and/or public sector organisations, applications for funding from third parties to support the realisation of the Vision (having regard to clause 8.3);

(b) agree additional specific obligations (as required and evidenced by each Project and approved in accordance with the internal governance requirements of that Party); and

(c) seek to support the delivery of the Delivery Programme and any Project in respect of which that Party has agreed to undertake obligations, in accordance with its powers and (in respect of the Government and the Council) statutory functions, and available resources wherever possible.

8.3 The Parties shall work together to identify funding sources (whether third party or otherwise in each case) and promote Proposals into viable Projects where possible.

9. **Collaborative Working**

9.1 The Parties agree that the activities under this Agreement shall be performed in:

(a) good faith;

(b) accordance with the law;

(c) a good and workmanlike manner; and

(d) accordance with good industry practice.

9.2 The Parties may decide to disclose (subject to procurement, data protection and confidentiality restrictions) to each other all relevant information, data, documents, reports and opinions with respect to the work carried out as part of the collaboration.

9.3 The Parties agree to:

(a) take on, manage and account to each other for the performance of their respective roles and responsibilities;

(b) each deploy appropriate resources to the collaboration (having regard to the principles in clause 19 (Cost of Supporting the Vision)) and no Party shall be expected to complete a disproportionate amount of the work involved.

10. **Engagement with Third Parties**

10.1 The Parties acknowledge that the delivery of the Vision will involve negotiations and interactions with various third parties. The Parties shall, at the outset of each Delivery Programme, identify appropriate third parties and decide how best to engage with them in order to enter into appropriate contractual arrangements or other agreements to facilitate the delivery of that Delivery Programme. The Parties shall at all times act in good faith towards one another when dealing with other third parties.

11. **Branding, Marketing and Publicity**

11.1 The Parties agree to:

(a) brand and market the Vision; and

(b) draft a communications strategy in order to support the branding and marketing of the Vision.

11.2 Any branding or intellectual property rights developed in the Vision through the collaboration shall be owned exclusively by the Government. The Government licenses all such rights to the other Parties ("**Licensees**") free of charge and on a non-exclusive, worldwide basis (a) to such extent as is necessary to enable the Licensees to support the Project during the life time of this Agreement and (b) without restriction thereafter.

11.3 The prior written consent of all Parties is necessary before any press announcements or publications are made relating to the collaboration or the Vision.

12. **Variation**

12.1 No variation of this Agreement shall be effective unless it is signed by all the Parties (or their authorised representatives).

13. **Procurement**

The Parties recognise that the Government and the Council are contracting authorities for the purposes of the PCR 2015 and WGU may be a contracting authority), and the Utilities Contracts Regulations 2016. The Government, the Council, and WGU shall ensure that any procurements are conducted in accordance with their constitutions and, as required, the PCR 2015 or the Utilities Contracts Regulations 2016.

14. **Dispute Resolution Procedure**

If any dispute arises out of, or in connection with this Agreement, the Parties shall follow the

dispute resolution procedure set out at Schedule 4 (Dispute Resolution Procedure).

15. **Termination**

15.1 Any Party may terminate this Agreement with immediate effect by giving written notice to the other Parties with each Party being responsible for its own costs.

16. **Data Sharing**

The Parties shall comply with their obligations in the Data Protection Legislation.

17. **Freedom of Information**

17.1 The Parties acknowledge that the Freedom of Information Act 2000 ("**FOIA**") applies to the Council and the Government (each an "**FOIA Party**" for the purposes of this clause 17 (Freedom of information) where that the FOIA Party has obligations and responsibilities under FOIA to disclose, on written request, recorded information held by it).

17.2 Although reasonable endeavours will be used to hold confidential any information provided as part of the collaboration, if required, the FOIA Party may have to disclose information in response to a request, unless the FOIA Party decides that one of the statutory exemptions under FOIA applies.

17.3 The decision as to which information will be disclosed by the FOIA Party is reserved to that FOIA Party, notwithstanding any consultation with the other Parties.

17.4 Each of the other Parties accepts that the release of certain information pursuant to this clause 17 (Freedom of Information) may be prejudicial to its commercial interests and as such, to assist the FOIA Party with any responses to requests made under FOIA, each of the other Parties shall mark as confidential any information which is commercially confidential in nature, though the FOIA Party shall still be the final arbiter as to whether any documents are disclosable.

17.5 The Parties accept that the obligations under FOIA may apply to activities on which the Government and the Council work with each and all of the other Parties as part of the collaboration.

17.6 In certain circumstances, and in accordance with the Code of Practice issued under section 45 of FOIA, the FOIA Party may consider it appropriate to ask the other Parties for their views as to the release of any information before a decision on how to respond to a request is made. In dealing with requests for information under FOIA, the FOIA Party must comply with a strict timetable and the FOIA Party would, therefore, expect a timely response to any consultation within two working days.

18. **Statutory Functions**

18.1 Nothing in this Agreement shall be construed as a fetter, restriction or oblige any of the Parties to do or omit to do anything which in each case:

(a) is incompatible with the lawful exercise of its powers; or

(b) is incompatible with the lawful discharge of its functions; or

(c) divests it of its statutory powers; or

(d) obliges it not to exercise its powers,

and in every instance where there is an inconsistency or conflict between the Government and the Council statutory functions (whether powers or duties) and the provisions of this Agreement, the Government, the Council, and WGU shall not be obliged to comply with the terms of this Agreement.

19. **Cost of Supporting the Vision**

19.1 The Parties will agree their respective contributions to the costs of support for each Delivery Programme on an as and when basis when determining and agreeing the detail of each Delivery Programme and the Parties' respective commitments thereunder.

19.2 The Government shall bear the cost of the activities of the Chair and the secretariat administration in respect of the WMGP Steering Group.

20. **Entire Agreement**

20.1 This Agreement constitutes the entire agreement between the Parties and supersedes and extinguishes all previous drafts, agreements, arrangements and understandings between them, whether written or oral, relating to its subject matter.

20.2 The Parties may not rely on other documents, oral agreements or representations as to the operation of the collaboration unless such obligations are covered in the agreement.

20.3 Each Party agrees that it shall have no remedies in respect of any representation or warranty (whether made innocently or negligently) that is not set out in this Agreement. No Party shall have any claim for innocent or negligent misrepresentation based on any statement in this Agreement.

21. **No Partnership**

Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership between the Parties, or authorise any Party to make or enter into any commitments for or on behalf of the other Parties, except to the extent that such commitments are set out in the Agreement and relate exclusively to the collaborative work undertaken by the Parties under this Agreement.

22. **Governing Law and Jurisdiction**

22.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

22.2 Each Party irrevocably agrees that, subject to clause 14 (Dispute Resolution Procedure), the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

23. **Third Party Rights**

A person or entity which is not a Party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties Act) 1999 to enforce any term of this Agreement.

24. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

SCHEDULE 1

The Vision

1. For the purposes of this Agreement, the scope of the area to which the Vision applies is central Wrexham, including Wrexham General Station, the area around Wrexham General Hospital and transport routes in and out of the area:

2. The key principles of the Vision are to (i) provide vibrant regeneration to the area, (ii) provide improved access to the site and (iii) generally improve infrastructure in the area: There are a number of strands in support of this Vision:

   "The Wrexham Gateway Partnership aims to deliver a modern public transport interchange in support of the redevelopment of the Mold Road Gateway into Wrexham. The partnership aims to create a hub to support investment in business, academic, housing and sporting infrastructure, together with a valuable public space linking these to the town centre".

SCHEDULE 2

Project Approval Process

1. This Schedule sets out how the Parties will work together in order to agree how Proposals that accord with the Vision, will be approved. For the avoidance of doubt:

   a. the Party that is leading and promoting the Proposal shall have regard to the other Parties in the context and framework of this Agreement; and

   b. if a Proposal is approved under this Agreement then the Parties will continue to collaborate in connection with that Proposal under the terms of this Agreement (and such other terms that may be agreed relating to the Proposal by the participating Parties as the Proposal develops into a Project); and

   c. if a Proposal is not approved under this Agreement then the Parties shall not be obliged to continue to collaborate in connection with that Proposal under the terms of this Agreement.

2. The Parties intend that Proposals will be brought forward for consideration in accordance with the Delivery Programme (if and to the extent that the Parties have specified any process for the same in the Delivery Programme).

3. The Parties expect as a minimum that any Proposal that is submitted for approval shall contain at least the following detail (where applicable):

   (a) a description of the proposed development and forward commitments, land remediation and servicing, environmental improvements, infrastructure investment;

   (b) a description of the contract structure and documents which will need to be executed in order to deliver the Proposal (e.g. financing, property documentation, other contracts);

   (c) a description of each Party's contribution and their obligations relating to the Proposal (recognising that not all Parties will be engaged in all Proposals);

   (d) business case viability/funding modelling for the purposes, among other things, of supporting any funding requirements;

   (e) state aid/procurement compliance certification (where relevant).

4. The Parties acknowledge that each Proposal shall:

   (a) be supported by evidence of a rationale and need for the development;

   (b) be supported by evidence in respect of the matters asserted in the Proposal;

   (c) have robust management and delivery arrangements;

   (d) constitute value for money;

   (e) be financially sustainable and viable (having regard to the principle of promoting funder

viable Projects in clause 8.3 (The Parties' Commitments); and

(f) demonstrate compliance with necessary regulations and legal requirements.

5. The Parties recognise that they may each be required to follow their own internal governance arrangements before being able to provide their approval. Each Party shall, in respect of each Proposal, once submitted, notify the others of any such governance requirements as soon as it is able to do so.

SCHEDULE 3

Governance

The Parties agree to collaborate through a steering group (to be known as "The Wrexham Metro Gateway Partnership (or "WMGP") Steering Group", and shall adopt the following governance framework in respect of the WMGP Steering Group:

1. WMGP Steering Group Members

    a. Each Party shall nominate 2 representatives as their appointee members. The Government may nominate a representative from Transport for Wales.

    b. Each appointee may appoint an alternate to attend specific meetings of the WMGP Steering Group. Such alternate shall have appropriate experience, knowledge and authority pertaining to the matters to be discussed at such meetings.

2. Chair and Secretariat

    a. One of the Government-nominated representatives shall be designated as the Chair for the WMGP Steering Group.

    b. The Chair shall have no casting vote within the governance of the WMGP Steering Group.

    c. The Government Chair shall also provide the secretariat. The secretariat function shall include:

        i. the setting up of meetings and hiring of venues;
        ii. all notifications to Parties and WMGP Steering Group members;
        iii. preparing the agenda and minutes for each meeting,

        and such other secretarial functions as are appropriate to the proper functioning of the WMGP Steering Group.

3. Agenda and Minutes

    a. The secretariat shall circulate the agenda for each meeting not later than 14 days before the date of the meeting, together with copies of all supporting documentation relating to the agenda items.

    b. The secretariat shall circulate a first draft of each set of meeting minutes within 2 working days following the date of the meeting. Each attending member (or attending alternate) shall notify any errata to the secretariat within 5 days of receipt and the secretariat will issue a final set of minutes within 10 working days of the meeting.

4. Meetings

The WMGP Steering Group will initially meet quarterly (the first such meeting to be in March 2018).

5. Governance

a. In accordance with the main provisions of this Agreement, the key activities of the WMGP Steering Group are:

i. to report progress and endorse decisions within the agreed governance structures of the members' respective organisations;
ii. agree outputs and timing on Proposals and their development into Projects in line with the Vision;
iii. review submitted Proposals;
iv. ensuring the integration of each Project into wider Vision;
v. receipt of regular updates on the progress of Projects;
vi. monitoring of funding and funding contributions in connection with each Project.

b. The WMGP Steering Group may establish sub-groups where this is considered appropriate in connection with a specific Proposal or Project and will facilitate the progress of the same.

c. The WMGP Steering Group is NOT a decision-making body. However, any actions it may take in respect of a matter shall require a unanimous decision of all members attending the meeting at which such matter is discussed.

SCHEDULE 4

Dispute Resolution Procedure

1. If any dispute arises out of, or in connection with this Collaboration Agreement, the Parties shall follow the procedure set out below.

2. The initiating Party shall give to the other Parties written notice of the dispute, setting out its nature and full particulars, together with relevant supporting documents. On receipt of this written notice, the other Parties shall attempt in good faith to resolve the dispute.

3. If the Parties are unable to resolve the dispute within 30 days of receipt of the written notice as detailed in (1) above, the Parties shall attempt to settle the dispute by reference of the dispute to the chief executives of each of the Parties.

4. If the Parties are unable to resolve the dispute within 30 days of reference of the dispute to the chief executives of each of the Parties, then the Parties may undertake such measures to resolve the dispute as are lawfully available to them.

SIGNATURE PAGE

SIGNED by [NAME]	)
under the authority of	)
the Minister for Economy and Transport	)
one of	)
THE WELSH MINISTERS	)
	…….
	Authorised Signatory

SIGNED by [NAME]	)
duly authorised to sign	)
for and on behalf of	)
WREXHAM COUNTY BOROUGH COUNCIL	)
	…….
	Authorised Signatory

SIGNED by [NAME]	)
duly authorised to sign	)
for and on behalf of	)
WREXHAM GLYNDWR UNIVERSITY	)
	…….
	Authorised Signatory

Draft

North Wales Regeneration Plan

2018-2035

Final Draft

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VISION

The North Wales Regeneration Strategy – A Transformational Vision

This Strategy sets out a shared vision and objectives for cohesive public sector regeneration investment and activity in North Wales until 2035. Our shared vision statement is set out below :-

By 2035 North Wales will experience reduced inequality, increased employment, modernised town centres, an improved housing offer, a stronger visitor economy, a resilient rural economy, and improved health for local people.

The Strategy provides guidance on how available funding should be prioritised, and helps to align the regeneration process with other initiatives to support economic growth, including the North Wales Growth Deal. It also aims to ensure that economic opportunities are available to as many people and communities as possible across the region.

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INTRODUCTION

North Wales is defined by the six local authority areas of Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham. However, the economic geography of each is slightly different. In economic terms, North Wales is broadly split east-west, with Flintshire and Wrexham falling into East Wales, with strong links to Cheshire and Chester West – through the Mersey Dee Alliance and the other four counties falling into West Wales and the Valleys.

This split is important because it identifies the relative prosperity of the constituent parts of the region, with North East Wales performing better economically than North West Wales – hence the reason North West Wales currently has access to significant sums of money from the EU regional development fund. Having said this, the whole of North Wales is still falling behind the rest of the UK in terms of economic performance.

A North Wales Growth Vision 2017-2035 has been established which identifies key sectors that can drive and improve the economic performance of the region building upon key strengths.

As a consequence of changes in the economy the major towns across the north Wales region have also been slowly declining, manifesting itself in physical deterioration and social exclusion. This must be addressed in parallel with strategic economic interventions so as to create sustainable communities whose residents have the skills and environment so that they can access the opportunities that will change the future direction of the region. This will include ensuring that North Wales has an appropriate supply affordable and good quality housing options. The demand for housing is likely to increase significantly in future years and north Wales needs to respond to this in order to meet demand.

Regeneration is defined as the process by which we **"breathe new life into an area".** In this case, the communities of North Wales, which have suffered generations of decline and under- investment and where the lack of public sector intervention has resulted in little or no private sector interest.

It is important to recognise that after generations of slow decline, Regeneration is not a quick fix.

Regeneration is a long-term process, and there is a need to find public sector funding solutions, which provide continuity and certainty, in order to tackle the real symptoms of decline and attract private sector confidence and investment to the region.

This Regional Regeneration Plan for North Wales sets out a strategy for regional prioritisation of investment until 2035.

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REGIONAL OVERVIEW

The 6 LAs and partners in the private sector, the third sector, HE and FE, have long recognised that change is needed and that North Wales requires a significant boost if it is not to continue to fall further behind the rest of the UK.

This case for change is based on:

- the continuing deterioration of economic performance
- the continuing fiscal austerity measures and
- the recognition that doing the same things will deliver the same results and that unless the region seizes the opportunity to develop a clear focus for the economy, and prioritises actions which will deliver a step change in performance, it will continue to lag behind the rest of the UK.

However, this is very difficult to achieve when the disparities within North Wales continue to grow:

- GVA per head in Wales fell from 76% of the UK average in 2000 to 71% in 2008
- over the period 2000-2008, the UK economy grew by 50% and Wales by 42%. North Wales grew by only 36% and now has three of the worst performing counties – Anglesey, Conwy and Denbighshire – in the UK
- funding from Europe has done little to arrest the decline
- despite the advantage of large manufacturing companies such as Airbus, Toyota, Kellogg and JCB, Wrexham and Flintshire have grown by only 27% since 2000
- productivity continues to fall further behind UK levels
- levels of youth unemployment are high in North Wales, the overall rate exceeding that of the UK.

The low productivity of the North Wales economy is reflected in the pay and prosperity of its citizens. Across the region, pay lags significantly behind the UK average (Denbighshire at -18% and Gwynedd at -22% are in the bottom 10% for the whole of the UK) and, with the exception of Flintshire, pay in every county is below the Welsh average (ONS Annual Survey of Hours and Earnings 2016, http://bit.ly/2ydCFjP).

Whilst North Wales has a unique cultural and environmental heritage, providing a strong sense of community and identity, it also experiences peripherality and poor connectivity to other parts of the UK. This is then reflected in the economic challenges facing the region:

- an unbalanced economy with an over-dependence on the public sector
- few larger firms or corporates and more limited employment opportunities, low productivity and earnings
- the out-migration of younger often more qualified people
- high levels of economic inactivity.

The Welsh Index for Multiple (WIMD) deprivation is the Welsh Government's official measure of relative deprivation for small areas in Wales. It is designed to identify those small areas, known as Lower Super Output Areas (LSOAs) where there are the highest concentrations of several different types of deprivation. This recognises income and employment deprivation but also takes into

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account other factors such as environment and access to services, which are all significant factors around a region's decline.

In total, 1909 areas across Wales have been measured and ranked on the WIMD from 1 (most deprived) to 1,909 (least deprived). North Wales has a number of areas that are within the top 10% most deprived areas in Wales. These are predominantly located across the North Wales coastal and border areas. Two north Wales LSOAs are ranked as second and third most deprived in Wales (in Rhyl and Wrexham town respectively).

Applying cluster analysis methodology to this data enables the identification of those towns across north Wales that have the greatest concentration of residents living within the top 10% most deprived communities in Wales (Appendix 2). Identifying towns rather than isolated areas of deprivation provides a focus of regeneration activity to target economically appropriate locations for regeneration investment. This also means the impact of the plan can be measured more effectively.

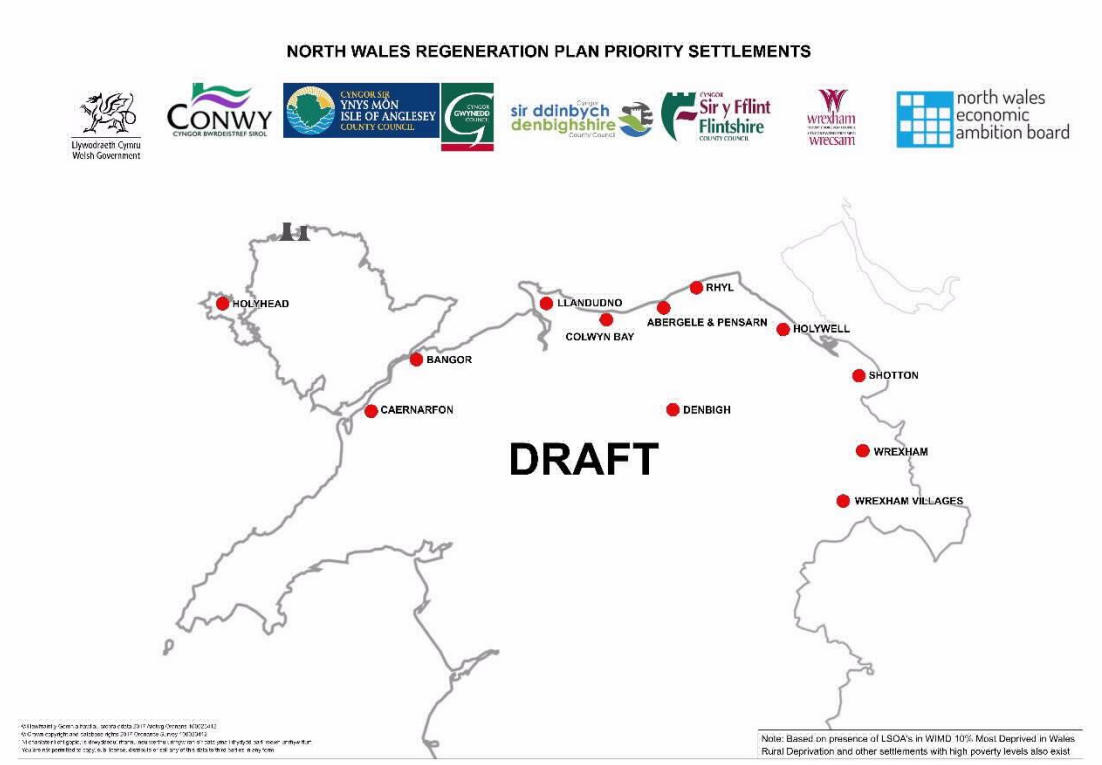
Table 1: Most deprived towns in north Wales in population order

1. Rhyl	7. Holywell
2. Wrexham town	8. Shotton
3. Bangor	9. Llandudno
4. Colwyn Bay and Llysfaen	10. Denbigh
5. Caernarfon	11. Holyhead
6. Newbridge/Cefn and Plas Madoc (Wrexham villages)	12. Abergele & Pensarn

It is important to recognise that there will be deprivation and regeneration needs outside of the 12 highest priority settlements. These needs are still important for North Wales and will require intervention over the lifetime of this Plan, using a variety of resources. The form of that deprivation can be recognised in a number of ways, rural deprivation, areas that are ranked in the 10-20% decile in the WIMD, or those areas that have high scores in individual poverty and deprivation indicators. All are critical to the wellbeing of the communities affected, but must be viewed in a regional context.

The region will actively pursue developing an appropriate approach to identifying and categorising deprivation within a rural context, potentially utilising factors such as underemployment, low pay, increased costs and restricted access to services and opportunities, during the initial stages of the implementation of this Plan.

Map 1: Map of the Areas across North Wales of highest regeneration need and the Priority Regeneration Areas for 2018-2021



REGIONAL ECONOMIC CONTEXT

The Growth Vision for the economy of North Wales was adopted by partner organisations across the region in 2016. The vision described North Wales as "a confident, cohesive region with sustainable economic growth, capitalising on the success of high value economic sectors and its connection to the economies of the Northern Powerhouse and Ireland".

The document sets out a strategy and ambition for North Wales to achieve the vision through investment in transport and infrastructure, improving skills and employment, and supporting business innovation and growth. The strategy aspires to improve the competitiveness of the region, to increase the Gross Added Value (GVA) of the regional economy and reduce the gap between the GVA of the region and the UK average, and to grow business to both create new jobs and protect existing jobs.

North Wales has subsequently been invited by UK Government to develop a Growth Bid for approval. A Growth Bid, originating from within a region, is a formal proposal for Government investment and the conferment of devolved powers. The North Wales Growth Deal bid was submitted to UK and Welsh Governments in November 2017.

The strategic outcomes of the Growth Deal bid might include: -

- Enhanced site values for strategic employment and housing sites;
- Improved readiness of strategic sites for investment;
- Improved transport access to, for example, reduce travel times to strategic employment sites;
- Increased public transport;
- Increased business investment and improved business performance;
- Improve employment levels;
- Available skills increasingly meet the needs of key sectors in the region;
- Reductions in workless-ness and benefits dependency;
- Increased average household incomes;
- Increased regional Gross Added Value (GVA);
- Increased housing supply; and
- Increased alternative and renewable energy supply production and carbon reduction.

The vision and strategy builds on the strong alliances and joint planning both within the region, through the work of the North Wales Economic Ambition Board and the cross-border partnerships such as the Mersey Dee Alliance. The latter has facilitated joint working with the Cheshire and Warrington Local Enterprise Partnership, Merseytravel, and the wider Northern Powerhouse Network. The growth bids from North Wales and the Cheshire and Warrington LEP are being developed in parallel and there is a co-dependency for their success. North Wales is also making contributions to the wider strategy of the Northern Powerhouse network, for example the nomination of prime strategic sites for business growth and inward investment. Road and rail infrastructure and connectivity, and wider transport planning, including bus routes, are central to the North Wales Growth Strategy. The Growth Track 360 plan makes the case for cross-border rail investment and is progressing through the Governmental case-making and decision-making stages. The Welsh Government's Moving North Wales Forward - Our Vision for North Wales and a North-East Wales Metro supports the region's transport objectives and cross border working transport movement.

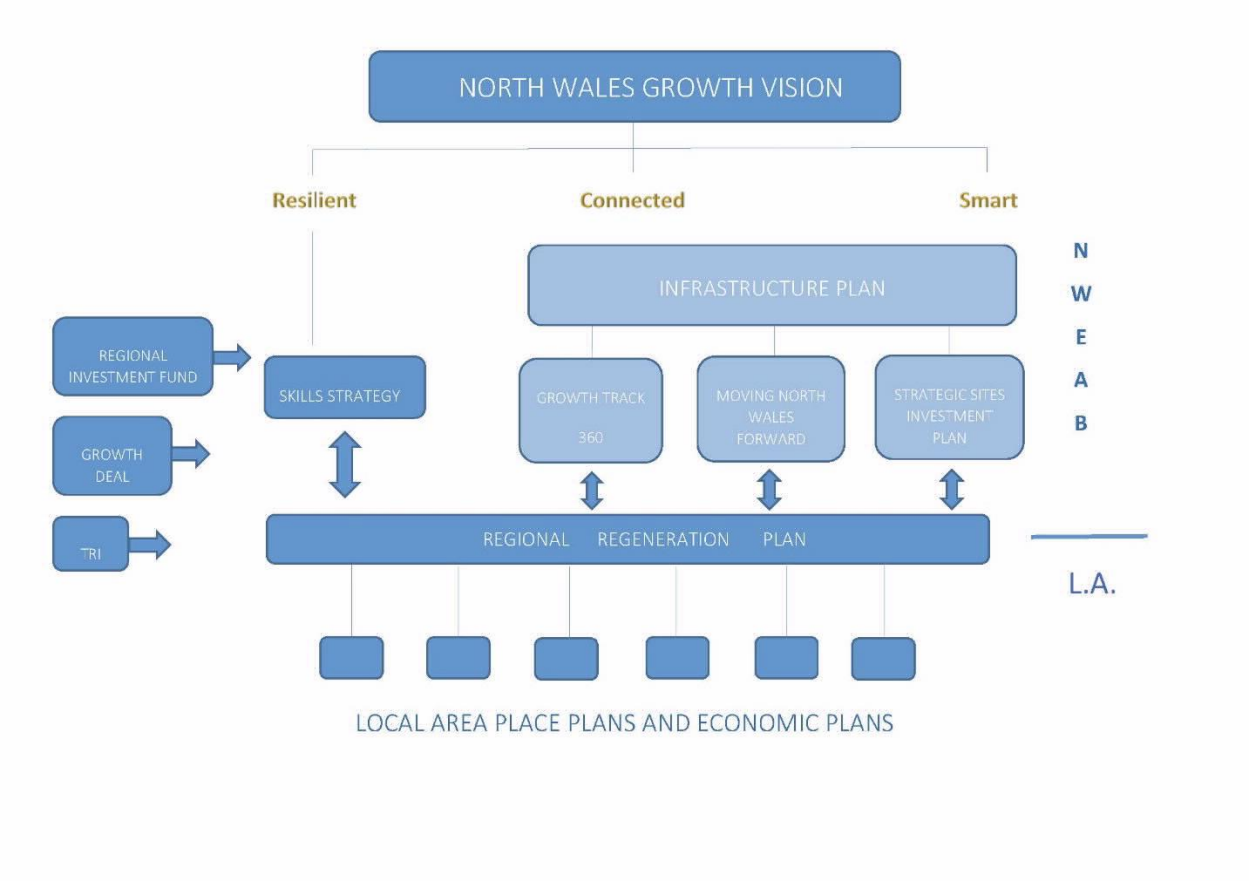
There are twelve projects currently being developed under three work streams:

1. Resilient North Wales - skills, employment and housing
2. Connected North Wales - transport infrastructure and digital connectivity
3. Smart North Wales - business growth and innovation

Detailed business cases are currently being prepared for each of these projects for submission to the UK Government.

The role of this regeneration plan is to ensure that the residents and businesses across North Wales, and in particular in those deprived communities, are able to access and benefit from the economic opportunities which will improve the regions performance. Whilst the regional skills strategy will assist people in gaining the relevant skills and expertise, it is this plan which will ensure that they have an environment within which they can nurture those skills. Ensuring that the existing housing stock is appropriate and energy efficient. Ensuring that the town centres provide appropriate services, retail, leisure and cultural offers. Ensuring that 'abandoned' premises within our communities are found viable and sustainable uses for the 21st century. Ensuring the sustained health and wellbeing of those communities and that they are inclusive. Meeting the challenges created by rural depopulation.

Diagramme 1: Economic and Regeneration Structure for north Wales



ISSUES AND CHALLENGES

Regional partnerships and negotiations around a Growth Deal for north Wales have strengthened the strategic approach to addressing regeneration challenges that exist in north Wales.

These are likely to bring significant opportunities to north Wales and it important that, working collaboratively, the benefits of these are maximised building on the strengths that already exist across the region. At the same time, it is important to identify and take steps to address those factors, which are likely to get in the way of success.

Table 3: SWOT analysis highlighting key issues, challenges and opportunities for the region

Strengths • Major employment concentrations across region. • Travel network linking north Wales communities with areas of employment • Major infrastructure development in region such as Wylfa and the Tidal Lagoon • Strong HE provision and research knowledge base • Strong cultural and heritage identity • Strong tourism offer especially in north west Wales.	Weaknesses • Travel network insufficient to enable effective access to opportunity in many communities, especially in rural north Wales • IT infrastructure insufficient • Local skills insufficient to meet future labour market demands • Housing supply insufficient for future needs and areas of poor quality housing / HMOs reduce choice and quality of life. • Town centre vitality and viability weak in many places due to changing customer behaviour • Commercial property market is weak • High percentage of public and service sector employment • Low wages in some areas. • High level of self-employment and micro-businesses • Peripherality and travel times within the region
Opportunities • Proposed Growth Deal investment and jobs creation • Investment in transport infrastructure will improve access to employment and encourage investment • Growth Deal investment in skills and employment will improve economic opportunities for individuals in deprived communities • Major strategic investments provide an opportunity to strengthen regional supply chains and the foundation economy.	Threats • Changing retail habits and impact on town centres -Internet /out of town shopping • Loss of key businesses and services for towns and villages threatening sustainability • Prevalence of second homes in the region • On-going pressures on public funding • Global and European economics creating uncertainty • Viability of rural areas and smaller communities • Loss of culture and threat to Welsh language heartlands

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OBJECTIVES

The North Wales Regeneration Strategy seeks to:

- **Reduce inequality** – by helping more people to share the benefits of future growth, with a particular focus on supporting those with the lowest household incomes to access opportunities.
- **Increase employment** – creating opportunities for employment through regeneration projects.
- **Modernise town centres** – by building on their role as centres for local economic opportunity, service provision and social inclusion. Recognising their role in the foundation economy and helping them to adapt to economic change.
- **Develop the rural economy** – helping to create sustainable rural communities through access to economic opportunities and access to services.
- **Improve the housing offer** – by ensuring that development takes place where there is demand, providing good quality housing options for existing residents, young people and for people locating to the area.
- **Strengthen the visitor economy** - through building on the tourism offer and strengths that exist in the region including the adventure and heritage tourism markets as well as providing an attractive location for major events at regionally important venues such as Parc Eirias and Wrexham Racecourse. By encouraging more visitors to north Wales and providing modern town centres, we will increase visitor footfall to our towns and spend within the local economy.
- **Improve the health of local people** – by creating places that promote physical activity, by providing quality environments and green space and by tackling poverty in our most excluded communities.

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LINKS TO OTHER STRATEGIES

The north Wales Regional Regeneration Plan takes a holistic view of regeneration and in doing so will actively contribute to other important national and regional strategies such as Welsh Government's Prosperity for All strategy and the Well-being of Future Generations Act.

Regional Regeneration Objectives	Prosperity for All	Well-Being of Future Generations Act - Goals
Reduce inequality	Directly contributes to **tackling regional inequality** by targeting those areas with most concentrated deprivation. Projects will seek to **equip local people with the right skills** to participate in the opportunities now and for the future. This delivers the **priority action area of skills and employability** and the **priority action area of mental health.**	Prioritising the most deprived communities seeks to engage the most excluded people across the region. By supporting people to enter employment or progress to better jobs this objective seeks to increase household income and that in turn will then provide access to further opportunities. This supports the goal of **a more equal Wales.**
Modernise town centres	Modern town centres will provide an appropriate environment **for businesses to drive local prosperity,** provide local employment opportunities and provide **better environments to promote the health and well-being** of those who live, work and visit our town centres. This objective will also deliver opportunities for **young people to develop their skills and make the most of their potential.** This delivers the **priority action area of skills and employability.**	Regenerating key town centres will support the goal of **a prosperous Wales**. Creating vibrant and attractive town centres will increase footfall and spend, supporting local business growth and an increase of job opportunities. Securing investment for north Wales is generally positive for the local supply chain and local businesses and applying sustainable regeneration principles will ensure that these objectives contribute fully to **a globally responsible Wales.** Engaging businesses and local people in the development of their town centre will contribute to **a cohesive community.**
Improved housing offer	Poor quality housing contributes to poor health. Addressing local housing need with the provision of appropriate, quality housing will support the delivery of **healthier communities and better environments** and directly **delivers the priority action area of housing.**	The provision of good quality accommodation will promote better health supporting the goal of **a healthier Wales.** Bringing empty properties into use or refurbishing poor quality housing will improve the housing offer across the

		region so that it is modern and energy efficient supporting the goal to achieve **a resilient Wales.**
Strengthen the visitor economy	Activities to strengthen the visitor economy will **promote and protect Wales' place in the world, promote health and well-being for everyone** and support local employment opportunities and **skills development**. This delivers the **priority action area of skills and employability.**	Increasing visitor numbers to the region will support the goal of **a prosperous Wales**. Many visitor attractions and local businesses celebrate the heritage and culture of the country supporting the development of **a Wales of vibrant culture and thriving Welsh language.**
Protect the rural economy	Taking steps to stabilise rural towns and villages will **support businesses to drive prosperity** and support the development of entrepreneurialism, **building ambition and encouraging lifelong learning**. This delivers the **priority action area of skills and employability.**	Investment in a community provides a tool to engage local stakeholders in co-production and entrepreneurial solutions. This commitment to prevent decline supports the goal of **a cohesive community.**
Improve the health of local people	Health outcomes are low in areas of deprivation with mental and physical health often a barrier for participation. Regeneration activities targeting the most concentrated areas of deprivation will promote **health and well-being for everyone** and help to **build healthier communities.** This will directly contribute to the **priority action area for mental health.**	This regeneration plan intends to deliver transformational change to benefit the most deprived communities across the region. Increased job opportunities and an increase in household income will positively affect health outcomes. Housing renewal and schemes that provide a more attractive environment and encourage activity will also contribute to the goal of **a healthier Wales.**

In order to be successful this plan must ensure that regeneration projects targeting capital investment into **Places** identify and integrate with the delivery of relevant European and Welsh Government programmes such as OPUS, Adtrac and Communities for Work that are working with **People** from our most disadvantaged communities.

Poverty and Deprivation in these communities is not a new problem. In order to make a long lasting improvement there is a need to focus on the next generation, to raise aspirations and achievement, improve living standards through raising household income as well as provide future opportunities through the creation of a vibrant local economy. This must not be done though, to the exclusion of the needs of an ageing population who are an equally important part of those communities.

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We will do this by using the 5 ways of working identified through the **Well-Being of Future Generations Act.**

Preventative	Providing quality environments and raising aspirations of our children and young people will help them to prepare for future opportunities. By considering the needs of older people, we will ensure inclusion for all ages as the demographic changes. By creating an environment for economic growth, we will safeguard future economic opportunities for local people.
Long term	Our physical regeneration projects need to consider how our communities will be changing in order to provide a robust regeneration solution and longevity. Consideration for the changing needs of local people will be built into projects in the planning stages.
Integrated	Ensure that our physical regeneration projects link wherever possible to relevant People projects through incorporating this as a requirement of each business case. Communicate future skills needs and opportunities so that mechanisms are in place to support local people in accessing these.
Collaborative	Working with colleagues across sectors and the region to share knowledge, skills and resources and ensure we get maximum benefit from collaborative working.
Involved	Engaging with the people who we want to benefit most from the programme. By engaging with our communities (particularly the most disadvantaged) on an on-going basis, we will strive to develop community ownership and resilience and improve cohesion.

The six north Wales local authorities are committed to:

Some examples of ways to integrate the **Place** and **People** priorities:

Use of apprenticeships /social benefits during construction	Creation of a physical environment which encourages activity and movement improving health and well-being
Place projects to provide a quality environment for delivery of work skills programmes and other activities i.e. parenting courses	Identify forthcoming jobs, timescales and skills. Work with education providers and programmes such as OPUS to identify and upskill local people to meet future jobs needs across the region. Monitor take up.
Work experience opportunities / guaranteed interview schemes	Local interview schemes / “skills “days for job opportunities within completed regeneration projects providing more accessible ways for people to apply for work

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NORTH WALES REGENERATION PRIORITIES: 2018-2035

12 Regeneration Areas have been identified as priorities for Regional Regeneration Investment over the period 2018-2035.

This section sets out the integrated regeneration plans for these 12 areas identifying the major economic challenges and regeneration focus for each settlement. In order to take a strategic approach, 4 geographic areas and 3 thematic proposals will be the priority over the first three years of the plan with the focus moving to other areas as the plan progresses. More detailed evidence of need and descriptions of regeneration interventions have been included for those priority areas with further development work planned for the remaining areas in order to progress those priorities in subsequent years of the plan.

As funding opportunities emerge these will be detailed along with projects in Appendix 1. It is acknowledged that these are long-term, complex aspirations and the solutions will be long-term and multi-faceted.

Priority Regeneration Area: Rhyl

Background and Rationale for Regeneration

Like many other seaside towns, Rhyl suffered from the decline in domestic holidays. As visitor numbers decreased, businesses in the town began to suffer. Former guesthouses became Homes of Multiple Occupation (HMOs) and low property values led to poor standards and conditions. Areas of the town became host to concentrations of residents with complex social needs and problems of multiple deprivation. Denbighshire County Council recognised that this problem needed specific intervention and in 2004 adopted its first Strategy for Rhyl.

Regeneration of Rhyl has continued to be a public sector priority for a number of years, with almost half of Rhyl's neighbourhoods (7 out of 16 areas, 11,021 people from total population 24,924) still in the top 10% most deprived in Wales with one area ranked as second most deprived in Wales. Good progress has been made on moving people into employment and away from benefits, particularly amongst 16-24 year olds, with claimant numbers falling more sharply in Rhyl than elsewhere and the gap between the most deprived areas (West and South West Rhyl) and the Wales and UK averages narrowing. Although a number of priority projects around housing improvement, harbour regeneration, flood defences and facility improvements have either been completed or are well underway, deprivation indicators remain stubbornly poor, particularly for income & employment with five LSOA areas that still have more than double the Wales rate of employment related benefits claimants.

Analysis of Caci Paycheck data clearly shows that Rhyl's most deprived neighbourhoods now have significantly lower household incomes than prior to the economic downturn in 2008. Whilst the national trend shows levels of household income slowly recovering to pre-crash levels this is not the case in many of the neighbourhoods in Rhyl. In 2008 average household income in Rhyl South West 1 stood at £17,836. By 2016 this had dropped by just under £4,000 per household to £13,856 against a backdrop of sustained increases in the cost of living.

The next phase of regeneration work needs to focus on moving Rhyl to the tipping point where regeneration (market failure) ends and private investment starts to take over (local economic development), thus creating a wider range of employment opportunities for which local people on lower incomes will be prepared through labour market support interventions. Whilst no measure exists to define that 'tipping point', the ethos underpinning the Rhyl Regeneration Programme is to

increase footfall to and through the town, increasing spend in the local economy, stabilising businesses and increasing jobs and income opportunities. At the same time, the Rhyl Regeneration Programme prioritises support to local people through engagement activities and employability support with a view to progressing those individuals into local opportunities in order to increase household income, improve health outcomes and reduce reliance on public sector services.

Rhyl Regeneration Programme

In 2016, Denbighshire County Council approved proposals for a next phase of cohesive regeneration activity in Rhyl to lead it towards becoming a place where people choose to live, work and visit.

The Rhyl Regeneration Programme has three inter-related strands; Place, People and Economy. Under Place there are three themes:

- Tourism and visitors;
- Living and working in Rhyl; and
- Town Centre

Progress to date

Significant progress has been made to deliver the priority projects under the Tourism and Visitor and Living and Working themes with major projects due to be completed over the course of the next two years. Denbighshire County Council, Rhyl Town Council and Welsh Government have all invested heavily in these projects that has subsequently levered private sector investment into the town moving towards the Tipping Point that the Programme is striving to achieve.

Under the **Tourism and Visitors** theme, the Waterfront project includes a refurbished theatre building with a new restaurant, a new and unique Waterpark and leisure offer alongside the existing Cinema, a Premier Inn and Travelodge and at least two new family restaurants. The waterfront itself is being significantly improved with a coherent public realm scheme, lighting and a refurbished Skytower providing a fresh and exciting seafront experience for visitors and local people. It is anticipated that around 900 000 visitors will be drawn to the waterfront once these attractions are open. The town centre is located close to the waterfront and shows potential for drawing these visitors in subject to getting the right offer in place.

There has also been investment secured under the **Living and Working** theme. Welsh Government have led the development of an innovative Housing Scheme in the West Rhyl area (Gerddi Heulwen) which involved investment of more than £16M into the demolition of poor quality, redundant HMOs to be replaced with quality, affordable mixed tenure accommodation centred around a pleasant shared garden area. Nearly £1M has been secured to date from Warm Wales to deliver energy efficiency improvements in private sector accommodation tackling fuel poverty and striving to contribute to an increase in household incomes. Partnership investment with Registered Social Landlords and the Town Council has also supported the delivery of a much-needed campaign to improve local, regional and national perceptions of Rhyl as a good place to live, work and visit.

Next steps

The third theme of the Rhyl Regeneration programme focussed on improving the **town centre** has yet to be progressed. Recent data, visual observation and conversations with businesses indicates that Rhyl Town Centre is increasingly unfit for purpose. There has been a continued decline in the comparison offer and a consistent increase in the percentage of properties that are vacant over the past 10 years rising from 7% to 21% currently. Whilst the national trend of decline has stabilised over the last four years, Rhyl's decline has continued. It is a coastal town with a gravitational draw area limited by the sea and in conflict with a number of its direct but smaller neighbours. It is essential therefore to consider the re-configuration of the town in order to diversify and improve

its offer to reconnect with local people and visitors to the new waterfront tourism and leisure facilities under construction.

Conversations in January 2018 with 65+ Town Centre retailers confirm that:

- Christmas was quieter in 2017 than the previous 2 years
- Businesses are feeling a significant drop in footfall
- The top end of the High Street closest to the waterfront is "Dead" from a retail footfall perspective
- Although it is .."Good to see the work around the outskirts going on – it's like a doughnut with no centre!"

Securing beneficial public and private sector investment, attracting more economically active residents, overcoming Rhyl's poor reputation and nurturing business confidence / growth are key concepts behind an emerging Town Centre Master Plan which will provide the coherent long term physical regeneration framework for the town centre. With links to wider activities for addressing social issues and tackling poverty and support for local businesses to explore the viability of introducing a Business Improvement District the Master Plan focusses on delivery of the following objectives:

- Establish a vibrant and balanced mix of uses
- Improve ease of access to the town centre
- Improve pedestrian flows around the town centre
- Create a desirable town centre ambience

A number of key concept ideas tackling fundamental highways & access, environmental, residential, retail / commercial problems have been identified and provide focus for a stakeholder engagement campaign scheduled to begin in February 2018. Initial projects envisaged for the period 2018-2022 in order to begin the delivery of the Masterplan and achieve transformational change will include:

Retail and Commercial Improvements to the High Street, attracting footfall to a vibrant, modern high street area:

- Acquisition / redevelopment of key anchor buildings within the High Street to provide improved commercial and residential space;
- Grants and loans to acquire, reconfigure and renovate key town centre properties for commercial and residential purposes in the town centre in order to consolidate the offer, improve retail effectiveness and reduce town centre vacancies;
- Completion of Phase 1 of the Queens Market redevelopment proposals to acquire and remodel a significant block of commercial property located between the Waterfront and the high street;
- Development of an entrepreneurs hub, providing shared office space for business start-ups, aimed at bringing young entrepreneurial business people onto the high street
- Links to the emerging activities of a Business Improvement District initiative

Improvements to the residential offer available in the town centre to increase higher spending footfall and attract a wider mix of people to the area:

- Development of a Living over the Shop initiative to make use of vacant upper floors;
- Renovation of key residential streets to build on the impact of the Gerddi Heulwen housing scheme led by Welsh Government (i.e Edward Henry Street);

Public Realm improvements to create a vibrant and safe environment which will attract and retain residents and visitors for longer and encourage investment in retail, commercial and residential offers:

- Development of a public realm strategy with links to emerging Business Improvement District priorities
- Improvements to the public realm including greening and the creation of public space
- Animation of spaces within the town centre in order to draw people in

Focus on enforcement to develop a sense of pride and community ownership in the area and ensure that all sectors are delivering a commitment to Rhyl:

- Greater enforcement activity and campaigns;

Longer-term projects are likely to include:

Improvements to Highways and access including:

- Improved signage to assist people to navigate around the town and to the various attractions;
- Improved highways and streetscape between the waterfront and High Street to encourage footfall into the town centre;
- Remodelling of the road systems to ensure that the traffic systems reflect modern highways and access requirements for Rhyl taking into account the increase in road users and changes to journey purposes over the last 30 years, providing an easier and more efficient travel experience;
- Adjustment of the parking offer to reflect the changing needs of the area's visitors;
- Improvements to cycle and pedestrian access throughout the town in order to connect with outlying neighbourhoods and the excellent cycle and pedestrian routes on the seafront that currently don't extend into the town centre.

Priority Regeneration Area: Wrexham Town

Purpose

To regenerate the town centre to achieve the objectives identified in the Town Centre Masterplan which was adopted in April 2016. This is a planning led tool which is a framework for decision making for regeneration in the town centre. The overall vision is a new revitalised town centre and its surrounding neighbourhoods through the delivery of new and improved homes, the creation of businesses and jobs with a diverse offer of independent quality retail, leisure uses such as family restaurants, arts and cultural attractions, and all in a quality public realm providing an environment that is identifiable as Wrexham.

The aims behind the vision are:

- To improve the economic, social, environmental, and cultural well-being of Wrexham County Borough
- To support and retain young people in the town and surrounding communities
- To address worklessness and economic inactivity
- To support and
- Enable private sector investment in the town to boost economic growth and employment performance.

The following are the key objectives to be delivered through our long term regeneration plan:

- Improve the town centre identity, and change the use and functionality, to improve the economic performance increase the footfall and vibrancy of the area;

- Improve the visitor experience;
- Improve the accessibility into and around the town;
- Improve the evening economy;
- Provide opportunities for town centre living by generating a significant supply of new homes to meet local and regional need;
- Improve the standard of existing homes , quality of life amongst residents and desirability of the area;
- Accommodate the needs of a growing population; and
- Make the town centre greener with improved streetscape.

The objectives will be delivered by establishing the town centre as a thriving destination by encouraging a wider diversity of uses, this will be achieved by the following:

- Building on its strong sub-regional position as a major shopping destination, diversifying the offer and developing complementary leisure, cultural and arts attractions in an attractive environment;
- Develop an attractive and distinctive environment with high quality buildings, streets and spaces to enhance the character of the town and support the town centre strategies for retail, visitors and attracting residential development;
- Ensuring high quality access to and through the town centre by a range of modes, prioritising walking, cycling and public transport, but maintaining high quality road access to the centre;
- Making Wrexham town centre a great place to live with a wide variety of new homes attractive to a diverse range of people with supporting social infrastructure for offices and vacant office space to make a positive contribution to the role and function of the town centre as a place with a wide and diverse range of attractions; and
- Improving the quality of the public realm to improve places for people to meet, use and enjoy underpins the delivery of improvement in the quality of retail, visitor, housing and office provision.

In order to achieve the overall aims and objectives a regeneration plan has been produced to support the implementation of the masterplan which demonstrates short to long term schemes and projects taking into account the local challenges and opportunities.

The following long term schemes identified below form part of the wider context to explore various funding programmes to lever in investment and provide the appropriate conditions to enable growth in terms of regeneration in the town centre and surrounding areas. They also contribute to the following Themes within the Masterplan:

An Accessible Town:

- In order to address the need for improved accessibility into the town there is an identified scheme to Modernise transport infrastructure in order to enable growth, through the development of various larger schemes for accessibility into the town, such as the implementation of phased works, to improve the junctions on the A483 in order to address congestion issues currently acting as a barrier in terms of accessibility into the town. Support a modal shift of transport to help deliver growth by supporting development that encourages the use of public transport via Wrexham General Station for a transport hub in order to provide better connectivity with the Bus station and improve links and connectivity to the town.
- In addition to the larger scale infrastructure proposals there is a need to develop a network of attractive pedestrian friendly routes and spaces to improve the connectivity

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both into and across the town centre helping to bind various parts of the town together in particular on the main corridor into the town centre.

A Place to Visit:

- In order to change the perception of the town as a tourist attraction and visitor destination that the town has a limited range of attractions in order to attract an increased number of visitors to the area there is a need to improve on the number and quality of strategic large scale events, the regeneration of the Wrexham Racecourse ground would be a major contributor to this and would improve the overall perception of the area, given its prime location along the main corridor into the town centre. The objective is to create a first class stadium capable of hosting international sporting events, music and other cultural outdoor events establishing it as a Regional Centre of Excellence. In conjunction with this there is ongoing consideration to maximise the development opportunities afforded on the adjacent parcel of land for commercial or mixed use development. This would not only generate a significant increase in footfall in but also enhance and strengthen the connectivity into the town.

A place to Shop / A place to Live

- As retail trends are changing there is a need to widen the scope of offer and split larger units into smaller units to provide mixed use development in appropriate locations incorporating evening economy uses such as restaurants, leisure, pubs and hotels and small-scale, local need retail. Homes above retail premises can provide opportunities to increase the vibrancy of the town centre and support the evening economy.

The following schemes are identified in our Regeneration plan deliverable in the shorter term under the following masterplan themes:

Is Attractive and Distinctive:

- To celebrate the local character and diversity that reflects the local area, architecture, materials and culture, various schemes have been identified to maximise the opportunities presented by Wrexham's Heritage and conservation areas. Significant parts of the Town Centre fall within conservation areas, which offer a unique environment and visitor attraction. Progress to deliver and then extend the THI Heritage led programme will preserve, conserve and enhance the town centre, bringing back into use derelict and vacant buildings providing residential accommodation and splitting larger retail premises into smaller units. Progress to deliver and then extend a THI scheme is being made, which incorporates a traditional construction skills training package to support a programme to produce employability outcomes.

A Place to Work:

- In February 2017, the Welsh Government announced £1 million funding to develop a new business hub in Wrexham. The Scheme which has recently been renamed 'Town Square' in recognition of its presence within Wrexham Town Centre, develops incubator units which brings together entrepreneurs in a shared environment, to enable ideas and develop collectively. As well as providing good quality business accommodation within Wrexham Town Centre the scheme can also support businesses with advice, workshops, and support with developing international trade and networking opportunities.

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As 'Town Square' continues to develop there is an expectation of increased demand for 'growth' accommodation to enable businesses that have been developed to continue to expand within Wrexham Town Centre. This relies on the availability of good quality, sustainable accommodation that suits the needs of businesses and opportunities that outgrow the hub. In collaboration with the Town Centre Regeneration Funding, the use of Targeted Regeneration Investment funding will enable additional accommodation to be acquired and developed to satisfy this anticipated demand. This will provide a longer term legacy which will benefit the economic wellbeing of not only the town centre but the wider region by providing more opportunities for new and existing businesses to develop and flourish.

A Place to Live:

- To address the identified need for town centre accommodation there are identified projects such as HARPS schemes in the town centre to convert unused floor space above shops into habitable homes.
- There is potential to support the existing town centre acquisition scheme with additional funding from the TRI programme to enable some large properties to be supported to provide long term benefits for the town centre.
  Due to the nature of some of the properties in the town centre, there is likely to be significant costs associated with redeveloping the properties for residential, commercial or mixed use which would typically be difficult to recover through a normal loan scheme. This could potentially include addressing any potential issues such as asbestos, creating new disability access to all parts of the building and fire proofing. The use of grant element alongside the Town Centre Acquisition Fund would enable these issues to be addressed.
  This will support economic development by providing opportunities for local contractors including apprenticeships and trainee opportunities as part of the redevelopment of the properties and land, as well as providing further opportunities for people to live, work and access services in their own right. This provides Social benefits and outcomes by providing access to good quality residential and mixed use properties. Due to the type of properties being developed these will be in perpetuity and therefore provide a long term benefit.
  Properties could also be developed as Local Economic Hubs to support the economic regeneration of communities across the County Borough. These could operate in partnership with other similar schemes across the region and be similar to other hubs including ICE which has recently come to Wrexham. This model could also be utilised to promote tourism and businesses associated to this sector by creating Tourism Hubs alongside other sectors of the economy.
- A housing scheme has been identified located on Regent Street on the main arterial route into the town centre, on a derelict site which would allow for 25 units which vary in size. This project would contribute to an increase in the footfall enhancing the overall vibrancy of the area and maximise the linkage and connectivity into the town centre.
- A building has been identified for refurbishment in the town centre which was originally designed for a women's refuge but this facility moved some time and since the buildings has been used as a facility for people with learning difficulties, so there is opportunity for conversion to deliver specialist bespoke housing to meet the needs of the disability service with individuals with complex needs who require the specialist

housing within the communities of their origin. This would also meet the growing waiting list figures which currently has 34 active applications with at least 10 further applications in the process of completion.

- Traditionally known as Housing Renewal, there are opportunities to improve the quality of housing supply with the development of a Private Sector Property improvement scheme. The aim is to target gateway / arterial routes to improve the overall perception of these areas in conjunction with other schemes in order to support the overall aims and objectives for regeneration; this will strengthen connectivity and improve the linkages into and around the town centre.

A Place to Shop / Attractive and Distinctive:

- As part of the vision in the Masterplan and our Tourism Destination Management Plan, to create a visitor quarter in the town centre, a scheme has been identified, following an extensive commercial study, to regenerate the two indoor markets on Henblas Street. This will ensure better utilisation of the space, in order to enhance the offer within the markets and attract relevant and sustainable traders to reinstate Wrexham as a traditional market town and a visitor destination. This could also maximise opportunities for a night time economy in the surrounding area and within the market itself. In terms of branding this would also contribute to reinstating Wrexham as a traditional market town.
- Through our Public realm study it has been identified that there are improvements required both into and throughout the town including improved streetscape, development of lighting works and improved signage from key hubs linking into the town centre. A priority opportunity site for this is Henblas Square which is currently being developed as a mixed use site with retail and leisure, and given its close proximity to TY Pawb and Eagles Meadow shopping centre this is a good time to invest in streetscape improvements, such as trees, lighting, paving and street furniture. This would enhance the overall perception of the area and support our objective to create a café/cultural space in order to retain and manage the footfall in this area by creating a vibrant dwell space with a sense of enclosure.

A Place to Visit:

- Wrexham County Borough has invested significantly in tourism in recent years which has resulted in an increase in day and overnight visitors to the area. To meet this increase in demand there is an identified need for additional suitable coach parking areas in close proximity to the town centre. Attractions such as St Giles Church, Racecourse Ground and Ty Pawb will show that the need for suitable coach parking continues to increase. The Targeted Regeneration Investment funding would enable the acquisition of appropriate land for development as a coach park. Visitors would continue to be dropped off at their destinations but a designated parking site would ensure a safe and secure area where coaches can be parked for a longer period of time. This scheme would support the economic development of the town centre by making it more accessible for day and overnight coach trips, and ensure that visitors on coach trips are able to enjoy the attractions of the area for a longer period of time.

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Priority Regeneration Area: Bangor

Bangor is the oldest city in Wales, and as a city and a sub-regional centre for North Wales, Bangor has a distinct character and is marked by a profound sense of civic pride amongst its resident, studying and working populace. It is a place, which possesses a significant number of attributes, both modern and old, but is also faced with significant challenges in terms of its future prosperity and vitality.

Based on the 2011 census, the city has a population of 16,658, including university students. The total estimate number of students has since increased (10,766 based on University's figures for 2014/5) and therefore the estimate of the population of Bangor during term time is 20,244.
The Bangor City Partnership was established in early 2016, which brings together a wide range of key partners seeking to collaborate and work collectively to drive an agreed strategy for the City of Bangor. The Partnership includes representatives from Bangor City Council, Gwynedd Council, Welsh Government, Bangor University, Pontio, Betsi Cadwaladr Health Board, Strategic Housing Partnership, Grwp Llandrillo Menai, and the private sector (through the Bangor Business Improvement District).

Following the establishment of the Bangor City Partnership, further work was carried in preparing a regeneration strategy for the city. This Strategy and vision is predicated on exploiting Bangor's primary role as the sub regional centre for Gwynedd and Anglesey, recognising its inherent strengths and latent potential, and eradicating the negatives that have beset this City over the last decade and more. If fully realised, then Bangor can become the Greatest of Welsh Cities; offering the whole ambit of attributes and amenities that makes any City Great; but gilded with a sense of Welsh and Celtic Heritage.

The Strategy has three interdependent themes, none of which can fully achieve their outcomes alone. It is a holistic approach, both on a strategy level and thematic level.

1. Development and Environment

Underpinned by four sub themes:

- Development
- Built Environment
- Public Realm
- Transport and Pedestrian Access

In recent years, Bangor City centre has experienced significant decline and an erosion of its function as a sub-regional retail centre. The main retail core runs along the High Street being over a mile in length. Bangor has maintained a high percentage of vacancy rates when compared to the Welsh average. With 'Retailing in Wales' largest towns and cities' January 2018 identifying an overall decline in across Wales from 16% in 2013 to 14.5% in 2017, Bangor has maintained over 20% retail vacancy over the same time with 2017 showing a reduction to 19.4%.

Bangor has seen an increase of 8% from 2013 in leisure vacancy up to 13.6% with the Welsh average at 8.7 last year.The city needs to consolidate the primary commercial area and improve the retail and leisure experiences; and secure alternative uses for vacant buildings in the city centre. This will be achieved by improvements to the High Street though the Property Renovation and Investment Scheme; and improving the vitality of the city centre through Strengthening Key Urban Access and Linkages.

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The Partnership will seek to develop additional activities focusing on addressing the issue of poor building fabric within the retail area and public Realm works. Further investment in developing the Pier, further development of the Cultural Quarter the redevelopment of the University's Campus on Deiniol Road and its transformation into a Science and Technology Quarter. This will be underpinned by a number of initiatives to enhance the overall aesthetic of the city, the provision of citizen friendly green spaces and the rationalisation of transport and pedestrian access.

Activities will be developed and implemented in collaboration with the business community, thus building on the work of the Town Centre Partnership and subsequent establishment of the Business Improvement District in Bangor City centre.

2. Economy and Promotion

Underpinned by three sub themes:

- Business Support
- Marketing and Promotion
- Events

Projects will include reversing the decline in the professional sector and regenerating the city through reutilisation spaces above shops, a grant and advisory support services for retailers and businesses within Bangor, a rebranding and repositioning of the City, and initiatives to encourage private sector investment.

3. Housing Health and Wellbeing

Underpinned by two sub themes:

- Homes
- Health and Wellbeing

Over the last 5 years, the city has also seen significant changes in the provision and quality of student accommodation developed by Bangor University. Over many decades, one key impact of the presence of the University was the multiplicity of student housing stock – with 1,160 Houses in Multiple Occupation (HMO) in Bangor which represents some 21% of the city's total housing stock. A gradual decline in the fabric of many of the older properties, coupled with the emergence of new student accommodation, has resulted in a number of empty properties and / or low quality housing around the heart of the city.

In addition, there are currently 1,528 houses owned by social landlords in Bangor (approximately 25% of the total housing stock). The main Registered Social Landlords (RSLs) are Cartrefi Cymunedol Gwynedd (CCG), North Wales Housing, and Cynefin. The RSL's have a key role, not only to provide housing to an appropriate standard, but also through engagement and the delivery of a range of ancillary and support services.

Project activities will have a significant focus on revitalising and growing housing stock within the City, tackling negative issues around HMOs, improving intermediate housing supply and working with Registered Social Landlords and Private Sector to return Properties back to a standard where young people in particular would wish to live, and will will be complemented by appropriate initiatives to support more sustainable and healthy living conditions, and access to health and wellbeing services and support.

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The proposed Bangor Integrated Health, Family and Well-being Centre involves the development of a multi-agency facility to incorporate primary care, community, family health and therapy services and appropriate housing development within the city centre. This proposal is being led by Cartrefi Cymunedol Gwynedd and Betsi Cadwaladr University Health Board and will encompass a range of wellbeing initiatives, creating a vibrant one-stop facility that promotes social wellness through social prescribing activities as well as more traditional health services.

As detailed elsewhere in the Regional Regeneration Plan (Section 3, Appendix 2) high levels of social deprivation exist in the Maesgeirchen area of the city. Proposals are also being developed in respect of the Glancegin Integrated Family Centre which would provide support and access to key services that currently do not exist. In addition to providing support to the families in terms of improving the life chances of the children on the estate, a purpose built centre will be able to provide facilities to assist those outside of the employment market to become work ready.

A further project is the development of an Integrated Homelessness Facility. This Project is in early development under leadership of Cartrefi Cymunedol Gwynedd, Betsi Cadwaladr University Health Board and a local mental health charity

In addressing identified housing needs of Bangor City, activities will be integrated with the proposed Thematic Housing Programme.

As part of the TRI Programme, robust arrangements will be established for the delivery of the Bangor City Centre Regeneration Plan. This will include the establishment of a programme office to manage and co-ordinate the delivery of activities.

Priority Regeneration Area: Colwyn Bay and Llysfaen

Colwyn Bay has been a focus of regeneration programmes since 2009 having been characterised by high levels of deprivation in four neighbourhoods. An extensive, and holistic regeneration investment programme has been undertaken including community/neighbourhood development, health and wellbeing programmes, waterfront improvements and coastal defence works, development of a regional events arena, housing renewal, Townscape Heritage initiative, and more recently key bespoke office development. These have attracted new visitors to the town and started to improve its image. However, two neighbourhoods still remain in the bottom 10% of the WIMD, representing 12% of the town's population, and a further 7 wards are ranked within the lowest 10% to 50%, with stubbornly poor indicators for Income, Employment, Housing and Education. This is then combined with persistent high vacancy rates within the town centre and no change in footfall levels there.

The wellbeing of Colwyn Bay is critical to the proper functioning and future prosperity of the wider community of the Bay of Colwyn, at 33,000 the second largest town within North Wales, and the Central North Wales growth hub, recognised in the 2008 Wales Spatial Plan. It's central location along the coast and strong connectivity means that its residents and businesses can play a significant role in contributing to the North Wales Growth Vision.

Whilst to date the regeneration programme has witnessed significant progress in 3 of the 4 drivers, as identified in the Colwyn Masterplan 2010, namely, Parc Eirias, Waterfront and Housing Renewal, progress in the town centre has been limited.

The annual town centre benchmarking exercise undertaken by 'People and Places' confirms that the vacancy rate within the town centre remains at 17% (June 2017), and whilst footfall on the waterfront and in Parc Eirias has increased there has been little noticeable change in the town centre, nor improvement in movement across the town. The Bay View Centre remains the focal point. The quality, and size of premises, lack of convenience retailing, combined with low footfall and concerns about the town centre's traffic management remain the key barriers to investment.
The next phase of the Colwyn Bay Regeneration Programme, 2018 -21 will retain it's holistic approach combining physical regeneration with community development and a focus on economic and health wellbeing. A key priority will be investment in the town centre itself, continuing to create an environment that can facilitate private and public sector investment that maximise the town's strategic location and connectivity as a destination, service and commercial centre. This will ensure a:

> ***"….vibrant town centre destination for shopping, business and commerce, services, culture, entertainment and leisure through the enhancement of its vitality, viability and attractiveness……."*** *(Conwy LDP Strategic Objective 6 and Colwyn Masterplan 2010)*

This will not be done at the expense of continuing investment to complete strategies for the other three drivers, so that improvements seen over recent years are not lost:

- **Parc Eirias** – continued investment as an events destination and state of the art health and wellbeing centre in collaboration with Betsi Cadwalader University Health Board and Social Services. Redevelopment of the neighbouring Colwyn Civic Centre.
- **Waterfront** – implementation of Phase 2b and the Old Colwyn promenade improvements – North Wales Critical Infrastructure Project, together with the creation of a shortened pier.
- **Housing Renewal** – implementation of the phase of renewal overlapping with the town centre, specifically seeing renewal of residential accommodation in Bay View Road and above commercial property in Abergele Road.

A refreshed Bay Life Regeneration Board – the coordinating body of the regeneration programme – with reinforced roles for the Bay of Colwyn Town Council and Business Improvement District in particular will drive forward the programme under a branding **"Creative Colwyn".** This will highlight the opportunities presented by Colwyn Bay whilst also developing the wider cultural offer of arts, heritage and leisure. The BID and IMAGINE project, supported by HLF, will be key contributors to this.

Alongside investment strategies for Parc Eirias and the Waterfront a **Town Centre Investment Plan** is being finalised, teasing out and reviewing key proposals from the original Colwyn masterplan. This will be focussed on three themes:
Identification: branding, signage, orientation, gateway anchor points, ensuring a consistency and understanding of the town centre and its environs. Key indicators: visitor numbers, footfall and investment enquiries.
Integration: This will focus on improving linkages between currently disparate parts of the town centre. Initial focus will be on those links from Abergele Road to the core town centre; ensuring that the new Coed Pella development is fully integrated; from the Bay View Centre to the station and Station Road; parking provision and its accessibility; and traffic movement, so that it permeates the town centre. It is also critical to improve the connectivity of the town centre with surrounding areas particularly the Waterfront - via Station Square, Parc Eirias – along Abergele Road, and the 'business quarter' to the west. Key indicator: footfall
Animation: that is of the streets and open spaces, so as to create a welcoming business and leisure environment. This will be done by a combination of improved and consistent public realm/streetscape and investment in properties around them to create sustainable futures for

them, be it business, leisure, services or residential. Key initiatives behind this particular theme will be:

- Commercial Property Investment scheme – as a successor to the Townscape Heritage Initiative but looking at a wider area and a mix of grant and loan to the private sector.
- A Key Sites and Properties Investment Scheme with CCBC taking the lead where market failure is evident. An initial property is 7 Abergele Road, but focus will also be on others such as the Imperial Buildings, Market Hall, Bay View Road, etc. Using a combination of funding to create sustainable future investments.
- An integrated marketing and business support programme for prospective investors, between CCBC, BID, Business Wales and Coleg Llandrillo.
- Integrating and animating spaces and linkages both within the town centre and to surrounding areas. Initial focus on Abergele/Conway Road, and Station Road before tackling St Pauls Gardens, and Ivy Street. The HLF supported IMAGINE project will play an integral part in this to assist in developing solutions and also ensuring 'community ownership'
- A renewed vision for Station Square, to include the station, its forecourt, linkages to the waterfront; the Market Hall site, Imperial Buildings, and 'station steps' so that it becomes a true focal point for the town centre. This will require a multi-agency approach given the complicated land ownership pattern.
- A renewed Market and events offer for the town centre which is compatible and complimentary to Parc Eirias and the Waterfront.
- To redevelop Douglas Road as a community hub with enterprise and training opportunities, potentially incorporating a family centre
- Housing renewal in the Abergele Road and Bay View Road areas in coordination with the commercial property investment scheme.
- Tourism Academy related investments such as student accommodation

Key indicators of success will be reduced vacancy rates, new business investments, increased employment levels within the town centre, residential units created, numbers and size of markets/events, business survival rates, visitor and footfall figures.
As has been the case since 2009 the Regeneration Board will be supported by the Bay Life Officer group who will ensure proper and timely delivery of projects using CCBC programme and project management frameworks, and adherence to funding requirements.

Priority Regeneration Area: Caernarfon

Caernarfon is an iconic tourist destination of national and international standing. The town has arguably some of the best heritage, cultural and natural assets in Wales, yet during the second half of the 20th Century it suffered a gradual decline in its economic fortunes. This has resulted in some parts of Caernarfon developing high deprivation levels characterised by high unemployment, low wages, poor housing and health and contributed to the increasing run-down appearance of the town, reducing its attractiveness and confidence to residents, visitors and investors alike.

In response, the town is the subject of an extensive and ongoing developing programme of investment designed to further enhance its status as an iconic and "must see" destination in Wales. A new approach is being developed which builds on the area's undoubted strengths in celebrating differences, and marketing its unique identity and being culturally relevant. The

programme is unique in how it has and will utilise Caernarfon's exceptional cultural and historical assets that is the Welsh speaking capital of Wales; World Heritage Castle and historic environs; strong indigenous creative arts/industry; gateway to Snowdonia; harbour town with unique and historical waterfront; linking of key attractions such as the Welsh Highland Railway and Wales Coastal Path.

The Caernarfon Waterfront Initiative currently forms part of the Tourism Attractor Destination Programme (TAD) led by Visit Wales, Welsh Government. A pan-wales multi-million pound iconic tourism investment programme supporting ten strategic regionally prioritised projects that will raise the quality and perception of destinations in Wales.
During the period of the Regional Regeneration Plan, it is envisaged that further investment will be secured to underpin the new regeneration approach developed for the town.

Priority Regeneration Area: Newbridge/Cefn and Plas Madoc (Wrexham villages)

Regeneration of the High Street in Cefn Mawr has received support from HLF through a THI scheme, which closed this year. Further regeneration to progress Cefn Mawr's role as a tourism centre, linking to the WHS destination and increasing the visitor experience and dwell time on the High Street. This will support employment opportunities within the businesses now operating here as a result of the THI. The emerging masterplan will further support the linkage between Cefn Mawr and the WHS encouraging people to not only visit the area but create a dwell space.

Regeneration activity can support access to services and employment for the neighbouring community of Plas Madoc. The Housing renewal scheme will be beneficial for private properties in the area that now fall behind the standards reached in the social housing stock. There is currently and estate remodelling underway which will act as a vehicle to raise the profile of Plas Madoc and the estate re-modelling agenda within WCBC. This is critical to the success of the regeneration of Plas Madoc and the creation of a sustainable community will be the inclusion of non-physical projects. This will be the framework to encourage and lever in future investment into the area by demonstrating the opportunities for regeneration.

Priority Regeneration Area: Holywell

Holywell is a small rural town with a population of around 8,500. There are significant pockets of deprivation round the town.

The high street area in Holywell comprises around 113 retail units. Holywell has seen two rounds of Townscape Heritage Initiative funding and the quality of the built form is very high with conservation area status and a number of listed buildings. The public realm, though, is very dated and very poor quality. The town centre is pedestrianised which is reducing potential customers. Footfall in the town is reported as very low. Although vacancy levels are low compared to national figures they are high in a Flintshire context.

The regeneration priorities for the town are:

- Review and develop options to improve access to the town centre, including for vehicles.
- Town centre property interventions to reduce the retail footprint and generate new activity.
- Housing development including social and affordable rent housing.
- Enhance the visitor economy through links to wider infrastructure.
- Improvements to the street environment.

Priority Regeneration Area: Shotton (Deeside)

Deeside has a population of around 54,000 people. It is a major hub for employment and economic growth potential in both the North Wales and Mersey Dee context with a particular focus on manufacturing. The high street areas in Deeside comprise around 215 retail units extending over far too great an area to be sustainable.

The built environment in Deeside is poor along the main coast road, creating a weak first impression. There are large clusters of private housing in need of modernisation and the street environment is dominated by traffic, an outdated public realm and many poor quality shop fronts. Although retail vacancy levels are relatively low there remains an over-provision of retail units. Traffic is an increasing problem in Deeside with local movements through the urban area to areas of employment heavily congested. Despite the economic opportunities in Deeside there are significant pockets of deprivation in Shotton and Connah's Quay.

The Deeside Plan, developed in early 2017 sets out the priorities for economic development in Deeside:

1. Economic growth
2. Transport
3. Housing
4. Skills and employment
5. Environment

Delivery against these will come from a mixture of strategic interventions from the North Wales Growth Deal as well as more localised regeneration projects including:

- Continuation of the housing renewal area programme to improve the housing stock.
- Housing development including social and affordable rent housing.
- Improvements to the local transport infrastructure to improve access to employment and services.
- Town Centre property interventions to reduce the retail footprint and generate new activity.
- Opening up access to the river Dee.
- Improvement to the street environment.

Priority Regeneration Area: Llandudno

Llandudno has a population of 15,266 and has developed as a regional, and nationally significant tourism resort. As an integral part of the Central North Wales Growth Hub identified in the Wales Spatial Plan 2008 it is also significant as a regional retail and service centre.

Despite the apparent success of the resort town two LSOAs demonstrate low levels of income, employment and educational attainment. Tudno being within the 10% most deprived LSOAs within Wales. Changes within the tourism industry resulting in the closure of some hotels and B&Bs has also led to conversions of properties to the private rented sector as small flats or Houses in Multiple Occupation, bringing with it a transient population.

In recent years Communities First programmes have worked within these communities making substantial in roads to improve the circumstances. The Conwy Economic Growth Strategy 2017 - 27 recognises, as a key issue, the need to raise income levels and create full time employment in

the tourism/leisure sector. Whilst benefit from all five ambitions within the strategy key to Llandudno's future is the development of the winter tourism offer.

Working closely with key landowners, Mostyn Estates, significant tourism/leisure, hospitality, retail and commercial investments have been made in recent years with others proposed. The continued success of the town as a nationally significant resort is dependent upon continued exemplary destination and investment management coupled with supporting and skilling the community to be able to access the opportunities that that brings. Regeneration investment will therefore be focussed upon people outcomes.

Priority Regeneration Area: Denbigh

Amongst the 10% most deprived communities in Wales, the town of Denbigh lost its main employer (the North Wales Hospital) over two decades ago and the site has never been returned to productive use. Securing private sector investment in both this site and the town centre itself has proved elusive for many years.

The town centre exhibits signs of decline including increased vacancy rates, significantly reduced footfall and spend and derelict prominent historic buildings in the town centre. There is a limited range of popular independent shops and services but the town's night time offer has contracted significantly in recent years despite national trends that suggest it should be expanding.

Denbigh is in a period of adjustment and turbulence, needing support to accelerate its move towards being a speciality town where the anchor tends to be a strong tourism offer. The town has a very high number of historic buildings including the spectacular Denbigh castle, but lacks a good accommodation base that would help anchor visitor spend in the town centre.

There is wider prospect of new customers for town centre businesses from potential development of new homes on land allocated for residential developments around Denbigh, but with mixed perceptions of parking in the town (Denbighshire Town Centre Parking & Traffic Management Study 2015) access improvements will be critical to exploiting these new markets. A significant unmet need for affordable homes in the area also provides potential opportunity for providing new uses for derelict and under-utilised town centre properties, with added potential to increase town centre footfall and the longer term vitality of the town centre where investment can be secured. Failing to address the range of issues highlighted will lead to a decline in local employment opportunity and local access to goods and services.

Priority Regeneration Area: Holyhead

Despite its strategic role as an international ferry port, Holyhead has suffered from poverty, unemployment, and deprivation for many decades, and many residents are being adversely impacted by welfare reform. Large scale job losses took place in 2009-10 with two of the town's three main employers effectively closing down, reversing previous job gains. Of all North Wales towns, Holyhead ranks second after Rhyl in the percentage of population in income deprivation (27%) and working age people on employment related benefits (17%).

The current Holyhead regeneration strategy was launched in 2014 with the vision that :- *Holyhead has taken full advantage of the opportunities it has to become a dynamic and sustainable place to live, work, visit, and invest.*

The key aims in the Strategy are :-

1. Improve the supply, choice, and standard of homes, and quality of place
2. Capitalise on major investments to secure new jobs for local people
3. Reduce poverty by maximising local benefit from new developments
4. Integrated and innovative working leading to positive long-term transformation

The VVP Programme 2014-17 saw overall capital investment of £32m in the town, including new social housing, housing improvements, town centre improvements and business support, a new primary school, new Flying Start centre, and new and improved facilities for the community. The process of regeneration clearly remains unfinished and will need to continue for several decades. The primary need is to boost local employment.

Key needs and opportunities for capital investment include : a multi-use/ cruise ship berth, harbour infrastructure works, and the redevelopment and suitable re-use of large vacant buildings and closed school sites.

Priority Regeneration Area: Abergele & Pensarn

Abergele/Pensarn with a population of 10,700 is identified in the Conwy Local Development Plan 2007 -22 as a key growth area in the NE of the County with over 800 housing units allocated towards the south east and west of the town. However, the settlement area includes the most deprived LSOA in the County of Conwy in Pensarn, demonstrating high levels of income, housing, employment and educational attainment deprivation.

The apparent general vitality of the community is contrasting with the issues in Pensarn and the town centre which is now demonstrating a 17% vacancy rate with the recent loss of its last bank. The town is vulnerable to stronger competing centres within the region, and whilst its proximity to the A55 may seem to be a benefit, being at a junction of routes means that it does generate issues with the town's infrastructure specifically traffic and congestion that is impacting on its attractiveness and appeal for investment. The need for accessible and integrated services is a key issue going forward with over a third of households being over the pensionable age and almost a quarter in the Pentre Mawr ward having the greatest number of dependent children.

As a consequence of these pressures/issues in 2016 a Place Plan for the community was developed to respond to future growth and delivering change that works towards meeting its environmental, economic and social goals. The Plan also recognises the local community's assets and needs as inspiration for creating good, functional places that promote people's health, happiness and well-being.

An adopted Place Plan is now in existence to provide strategic direction with a vision that is based on "*Between coast and hills, Abergele is known as a town centre community that has a heart and is memorable for a diversity of activities taking place as well as base to explore from*." Supported by a 15-year action plan a number of "Big Ideas" and "Quick Wins" have been identified which include a community hub, an arts and culture venue, active health trails, local enterprise support, infrastructure improvements, Pensarn housing area and Pensarn promenade.

Governance and management has also been established with the Place Plan Programme Board now directing actions across thematic areas such as housing, health and well-being, access and infrastructure, business, tourism and jobs and culture and heritage with a community forum representing the wider views of local organisations and residents. Abergele and Pensarn therefore

has the delivery infrastructure in place to respond to strategic opportunities such as the Targeted Regeneration Investment programme.

Thematic Priorities

Thematic Priority 1 - Housing

1.1 Empty Properties Housing Programme

The need for a specific programme to address the challenges and opportunities opposed by empty buildings has been highlighted as a need in North Wales, where there are an estimated 6,000 long-term empty properties. The need to reduce the number of empty homes is a key housing policy aim of the Welsh Government.

Empty houses and flats represent a wasted resource and an opportunity to increase housing supply at a time of significant housing shortage. A combination of repayable loans, grants and pro-active liaison with property owners, together with enforcement work by Local Authorities in appropriate cases, will enable more empty properties to be brought back into occupation.

The closure of facilities such as chapels, courts and banks is having a detrimental impact on several smaller towns in the region, and these buildings are often suitable for conversion to residential, business or community uses, or as multi-use centres. Buildings, such as churches, are often challenging and expensive to refurbish (e.g. due to being listed) and, without public subsidy or support, may remain disused for years. As with empty homes, the support required will involve a combination of grants and repayable finance, together with other measures, such as appropriate enforcement.

Investment under this theme will be prioritised in the most deprived towns, or those where the number or type of empty buildings creates particular problems, but will also help to address specific needs and opportunities in other settlements where a strong case can be made.

Although in most cases, empty property owners are liable for the payment of Council Tax after the property has been empty for 6 months or more, empty properties make no other positive contribution to the neighbourhood in which they are located, and can help to make an area appear neglected. Empty properties can also impact negatively on the value of adjoining properties and make them less attractive to potential purchasers.

The Welsh Government-funded interest free loan scheme has made a positive contribution to returning empty properties to occupation, but the number of properties benefiting from the scheme remains a small percentage of the total number of empty properties.

The Social Housing Register and Local Housing Market for each county in North Wales indicates the scale of the current need, and it is clearly logical for a significant part of this need to be met from the existing stock by bringing empty properties back into occupation.

An offer of appropriately targeted grants would enable:

- first time buyers to purchase empty properties which may have been outside their reach previously (due to mortgage retentions or issues of insufficient equity), and will also contribute to improvements in the condition of the private sector housing stock
- Authorities to target problematic empty dwellings where offers of loan assistance have not been taken up, or where owners' circumstances have made them ineligible for the scheme
- The potential to create work for local contractors with consequential benefit to the local supply chain

An Empty Property Scheme will need to be supported by an assessment process, allowing grant funding levels to vary from property to property, to ensure that as many properties as possible are included, with the remaining costs being met from owner's contributions or from other funding sources.

Recent legislation by central Government has contributed to making the private rented sector more difficult to access for low income households than it has been previously. Grants could be linked to nomination rights to assist with meeting social housing need.

Proposals in the first year focus on a joint scheme for the Bangor & Holyhead Travel to Work Area, linked to the impacts of Welfare Reform, Bangor university student accommodation issues, and the anticipated impacts of Wylfa Newydd on the local housing market.

Thematic Priority 1 - Housing

1.2 Housing Renewal

The actions within a programme of housing renewal projects aim **to support wider regeneration programmes** by **improving investor confidence** and **protecting existing investment** through work to remedy the pockets of poor quality housing and deprivation, which still exist in settlements across north Wales.

The Welsh Government Renewal Area programme that operated for many years until March 2017 was very successful. However, there remain pockets of poor quality and empty properties in and around key settlements that were not addressed through this programme of works.

It is commonly acknowledged that poor-quality housing can have a detrimental effect on the health of its occupants, and more generally on the quality of life in an area. Whilst it is primarily the responsibility of homeowners to maintain their own properties, it is recognised that some homeowners, particularly the elderly and vulnerable, do not have the necessary resources to keep their homes in good repair. Local Authorities have a duty to review and address housing standards in their area and they have a significant role to play in helping homeowners to meet this responsibility.

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO), came into effect on 18th July 2002, repealed and replaced Part I of the Housing Grants, Construction and Regeneration Act 1996. The RRO permits Local Authorities in England and Wales to offer measures to help residents with the repair, adaptation and improvement of their homes, to target resources in accordance with local priorities and to set qualifying conditions, criteria and financial limits which must be satisfied if financial assistance is to be considered.
It therefore provides an opportunity to contribute further towards the Government's overall strategies which aim to tackle poverty and social exclusion, health inequalities and neighbourhood decline. Under the terms of Regulatory Reform, Councils must also align their housing policies with wider national strategic objectives.

The key objectives of the Housing Renewal proposal are:

- To improve the quality of life for residents by targeting homes in the poorest condition
- To support the continuation of an affordable housing market alongside a fuller choice of dwellings
- To restore and replace derelict property through enforcement and compulsory purchase where necessary
- To bring back underused or derelict sites
  To improve the environment through increasing the amount of green space in the vicinity

An Area Based Housing Renewal approach has proven to be an effective means of renovating areas of poor quality housing and of preserving communities. A number of initiatives can be undertaken which include the provision of grant aid in the form of group repair schemes, conversion grants, commercial grants and energy efficiency measures linked to funding from

energy providers. Additionally a certain amount of environmental improvement work can be undertaken within the areas at include the establishment of low maintenance landscaped areas, improved access to a community car parks, common access paths and boundary walls.

These schemes can provide leverage for additional funding for energy efficiency measures and private sector contributions.

Work carried out might include improvements to the external parts of buildings that include the following elements:

- roofs
- chimneys
- windows and doors
- external walls
- gutters
- pointing and rendering

The need for a Housing renewal scheme within Priority Regeneration Areas has been highlighted as a need across north Wales with a focus on Town Centre Living including HARPS/LOTS.
This thematic priority not only responds to the recognised housing need across the region but also provides a purpose for some of the empty space above retail properties in town centres which is no longer required.

The provision of a range of suitable accommodation in and near town centres will also support the region's regeneration aspirations for some areas by attracting a more diverse mix of people to live in the town centre providing an additional source of footfall and spend within the local economy.

Types of schemes include:

Conversion - Homes above Retail Premises (HARPS) - Financial assistance towards the cost of converting under used space within commercial premises for residential use, within a town or village centre and any other strategic scheme decided by the Council.

Commercial Grant - To enable existing commercial premises in line with domestic dwellings to be improved to group repair standard.

Loan Schemes - Wrexham County Borough Council currently benefits from funding provided by the Welsh Government to support both improvements to private sector homes and to bring empty properties back into use, through the provision of loans. The purpose of the loans is to provide a sustainable and long term model to drive up standards of residential accommodation within the County Borough.

These schemes, subject to availability and eligibility operate alongside other initiatives such as Renewal Area, Townscape Heritage Imitative and Energy Efficiency (ECO & Nest) to ensure properties gain maximum benefit from this added investment within the housing stock. The nature and coverage of the loans varies depending on the scheme with some covering specific areas and others available across the County Borough.

Empty Houses into Homes - The loan scheme was developed to address the issue of long term empty properties across Wales.

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Private Sector Improvement Loans - A loan scheme to renovate a dwelling to a reasonable standard, free from any serious hazards (as a minimum).

Houseproud - If there are no external sources of funding available to home owners this Council run scheme ensures that any home improvement, repairs and adaptation works to properties can be carried out with total peace of mind. Houseproud offers a safe, easy way to get those essential jobs done professionally and with the minimum of fuss, with the sole aim to help residents to live safely and independently in their own homes by paying for the works directly themselves.

Priority areas for Year 1 of the Targeted Regeneration Funding Programme would include South West Wrexham, the North Central Colwyn Bay area and Rhyl Town Centre with the potential to improve circa 130 properties over a 12 month period.

Further development work would be undertaken during Year 1 to develop further schemes for years 2 & 3 which will include projects in Flintshire, Wrexham, Conwy and Denbighshire.

Thematic Priority 2 - Important Buildings

Background

Smaller town centres across the UK face challenging economic conditions which threaten their vitality and viability. Changing customer patterns of behaviour are impacting on some of their traditional roles; in particular retail and service provision. The scale of high street retail has been reducing over time as customers opt for greater reliance upon a smaller number of larger retail centres and as online retailing grows in dominance. Traditional high street services such as banking have also been withdrawn from many towns as customers increasing rely upon telephone and online alternatives.

The built form of town centres reflects their traditional pattern of use and is often difficult and expensive to adapt to new purposes. The loss of retail and service functions can lead to a vicious cycle of increased vacancy rates, less investment in property maintenance, a less attractive town centre environment, reduced footfall and worsening trading conditions for remaining businesses.

It is therefore vitally important that the public sector intervenes to support the vitality and viability of the town centres. Despite their changing functions, they remain important centres for employment, access to services and social interaction and play a vital role especially for the more vulnerable in society.

Priority purpose

The work undertaken under this priority will enable the public sector to intervene where key buildings in town centres become vacant or where conversion to alternative functions would safeguard their viability in the long term. The priority will support carefully targeted acquisition and/or renovation of important buildings in town centres; important due to their heritage, profile, location or scale.

Priority benefits

In safeguarding important buildings the work undertaken under this priority will:

- help to restore confidence in town centres;
- contribute to breaking the cycle of decline in town centres;
- safeguard important heritage assets;

- create employment opportunities.

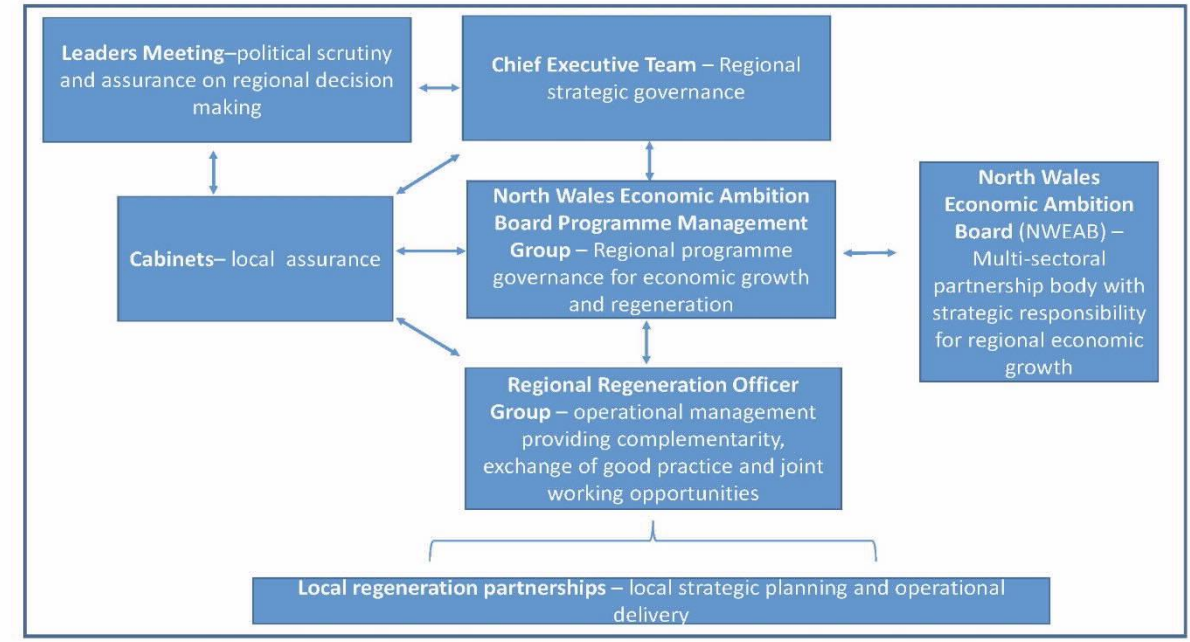
It is recognised that there is work to be done regionally to develop a strategic approach to this issue. It is anticipated that some support from the Targeted Regeneration Investment Programme will be sought to support the development of a cohesive plan which would then inform future project applications in Years 2 and 3.

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GOVERNANCE ARRANGEMENTS

Governance Arrangements for the North Wales Regeneration Plan are set out in Table 2 below:

Table 2: Governance structure for the North Wales Regeneration Plan



A **Regional Regeneration Officer Group** has been established with representatives from each of the six Local Authorities which an expertise in Regeneration and is chaired by a member of the North Wales Economic Ambition Board Programme Management Group (PMG). This group are responsible for:

- Agreement of operational arrangements for delivery of the Regional Regeneration plan and any thematic projects;
- Monitoring progress of thematic and area projects against financial and output targets from any relevant regional funding streams and proposing remedial action as appropriate; and
- Developing proposals for prioritisation for any future funding.

This group report progress to the North Wales Economic Ambition Board PMG on a regular basis.

The **North Wales Economic Ambition Board Programme Management Group** (PMG) involves Senior Officers from each of the six Local Authorities with the remit for Economic Growth and Regeneration and is chaired by a member of the Chief Executive Team (CET). This group are responsible for:

- Strategic development and delivery of the Growth Deal bid for North Wales;
- Strategic management and monitoring of the Regional Regeneration Plan and any relevant regional funding packages; and
- Endorsing recommendations for proposals for projects for future regeneration funding in line with the Regional Regeneration Plan.
- This group report progress to their relevant Cabinet groups, the Chief Executive Team, the Leader's group and the cross-sectoral North Wales Economic Ambition Board regularly.

The local regeneration partnerships and management arrangements draw partners from a range of organisations, some within the governance structures and others within individual project development to ensure that skills, expertise and resources are maximised to deliver the best solution for each local area.

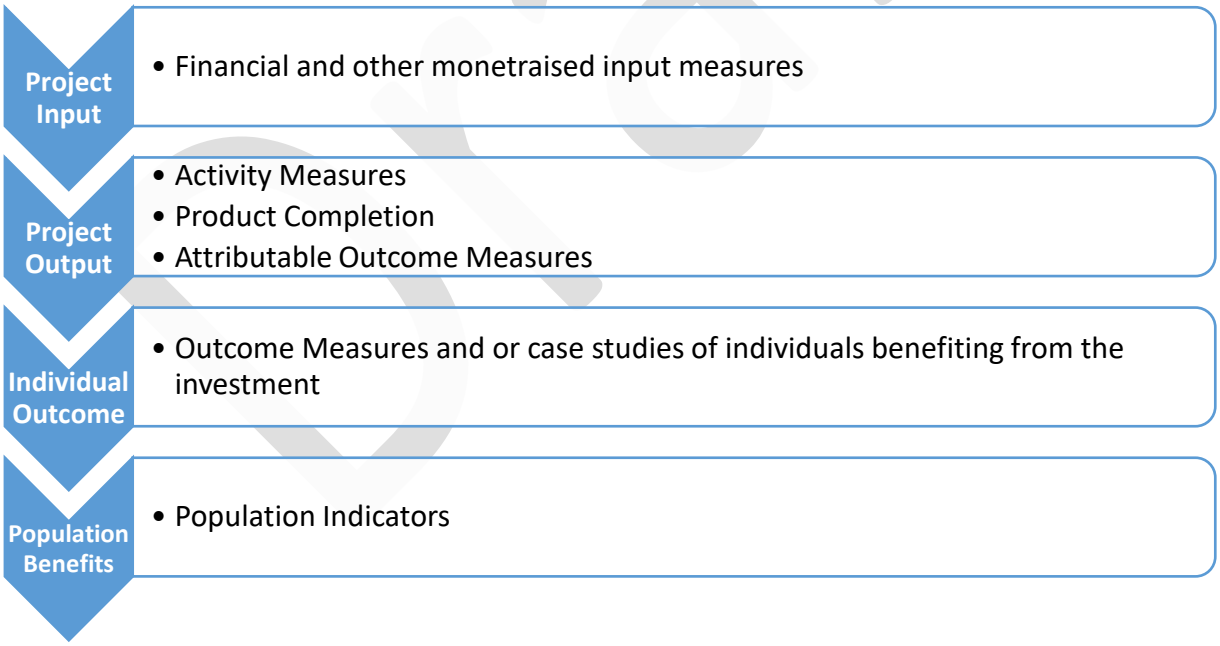
MONITORING

The North Wales Regeneration Plan sets out priorities and aspirations for the region until 2035. Success of the plan will be dependent on delivery of regeneration interventions amidst the wider national economic priorities and global context.

The North Wales Regional Regeneration Officer's group will meet regularly and will undertake a monitoring role to ensure that:

- Priorities within the Regional Regeneration plan are up to date and take into account regional and local developments;
- Applications for regional funding opportunities are prioritised in line with the priorities set out within the Regional Regeneration plan;
- Projects invited to go forward for regional funding opportunities are developed in line with agreed financial and output profiles and timescales and remedial steps are agreed if applications are not likely to meet funders expectations in order to safeguard the funding for the region;
- Projects approved within any regional funding programmes are delivered in line with agreed financial and output profiles and where issues occur, ensure that steps are taken to support the project or where appropriate safeguard the funds;
- Opportunities to maximise efficiencies through joint working are identified.

Evaluation model



An evaluation framework has been developed drawing on the guidance of the HM Treasury Magenta Book. At a project level, financial input will be measured along with measures of activity and those outcomes directly attributable to the project.

Two further levels will be examined from a programme perspective. Case studies will be collected from discussion with those members of the community who have benefited from the investments

and regeneration activities. These will provide a broader 'human story' to complement the statistical analysis.

Finally, these regeneration activities are considered as a key component of the region's wider economic strategy. It will therefore be important to baseline and track a set of population level indicators. These population level indicators have double purpose. They represent the benefits that it is anticipated that regeneration activities will produce. The current baselines represent the evidence of need on which the project planning is based. This baseline information is included within Appendix 2.

Population Indicators

For each of our prioritised areas we will report on the following data on an annual basis:

1. Household Incomes
    a. In town
    b. In deprived area
2. Number of Employments (in town)
3. Number of Businesses (in town)
4. WIMD Income indicator (in deprived area)
5. WIMD Employment Indicator (in deprived area)

Individual regeneration projects will establish relevant outputs and targets that will be monitored and reported at an individual project board level.

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COMMUNICATION

Communication will be managed at both a regional level with the development of a programme level communication strategy and then as an integral part of each project.

All communication activity will be in line with the expectations set out in the Welsh Language Standards.

The Communication Strategy will identify the key communication aims, objectives and measurable outcomes along with the key messages for communication.

Key messages will be developed to ensure that key stakeholders and communities across the region understand:

- The 6 north Wales Local Authorities are working collaboratively in the best interest of the region;
- Resources will be used thoughtfully to bring about the biggest impact;
- Failure to address the challenges in our most deprived communities will have an impact on services across the region (including the demand on health services and police);
- North Wales has many strengths and opportunities and is a good place to live, work and visit;
- North Wales is a good place to invest;
- This is a long-term commitment.

Support from Welsh Government and other funders will be communicated at a regional and project level.

A stakeholder analysis will be undertaken to inform the development of an engagement strategy for the Regeneration Strategy. This will identify communication and engagement messages for key stakeholders which will include:

- Welsh Government;
- AM/MP;
- Local members / Cabinet members;
- Public Service Boards incorporating health, emergency services and education;
- Communities;
- Existing Businesses; and
- Investors.

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Appendices

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Appendix 1 - Emerging Proposals

This section of the document is intended to be reviewed and updated on a regular basis both as opportunities emerge and as the Plan progresses and will set out the rationale and detail for project proposals to each funding opportunity.

Proposals will be drawn from those identified within the Regional Regeneration Plan and will be prioritised based on relevance and fit to the criteria of each funding opportunity.

Current Funding Opportunities:

1.1 - Welsh Government's Targeted Regeneration Investment Programme –2018-21

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APPENDIX 1.1

EMERGING PROPOSALS – WELSH GOVERNMENT'S TARGETED REGENERATION INVESTMENT PROGRAMME (2018-21)

The Targeted Regeneration Initiative (TRI) programme is a new Welsh Government (WG) programme of regeneration investment commencing in 2018.

This section specifically relates to priorities and projects which may be supported through this funding programme. The wider regeneration context for these projects is set out in the Regional Regeneration Plan.

This section is intended to be reviewed and amended on a regular basis as proposals evolve, project applications are developed and approved and as longer-term aspirations become more defined. This regional approach to applying for Welsh Government Regeneration Investment is also new and it is anticipated that the processes and approach will be reviewed and refined as the regional partnership matures.

The Welsh Government is looking to support projects that promote economic regeneration - creating jobs, enhancing skills and employability, and creating the right environment for businesses to grow and thrive – with focus on individuals and areas most in need to ensure prosperity is spread to all parts of Wales.

The aim of the Targeted Regeneration Investment programme is to facilitate the development of, and support for, regionally-significant regeneration investment proposals in defined Regeneration Areas designated on the basis of socio-economic data.

There is a notional grant allocation of £22 million over the three-year period 2018-2021 for Targeted Regeneration projects. The North Wales Regeneration Plan provides the strategic prioritisation for projects from the region.

Priority Regeneration Areas 2018-2021

12 settlement areas have been identified as regeneration priorities within the North Wales Regeneration Plan. These have been selected based on evidence of high levels of concentrated multiple deprivation as measured through the Welsh Index of Multiple Deprivation (2014). Table 3 below provides further details.

Of these, the four most populated areas have been identified as Priority Regeneration Areas for 2018-2021 for the purposes of investment through the TRI Programme. These are set out in Map 2 below.

It is recognised that there is not sufficient resource available through the TRI programme to deliver all the regeneration activities that are required across the region. In targeting these four Priority Regeneration Areas during 2018-2021, there is the potential to reach 62% of the people of North Wales living in the 10% most deprived areas across the region. This prioritisation will maximise the benefit of limited resources and provide the greatest impact.

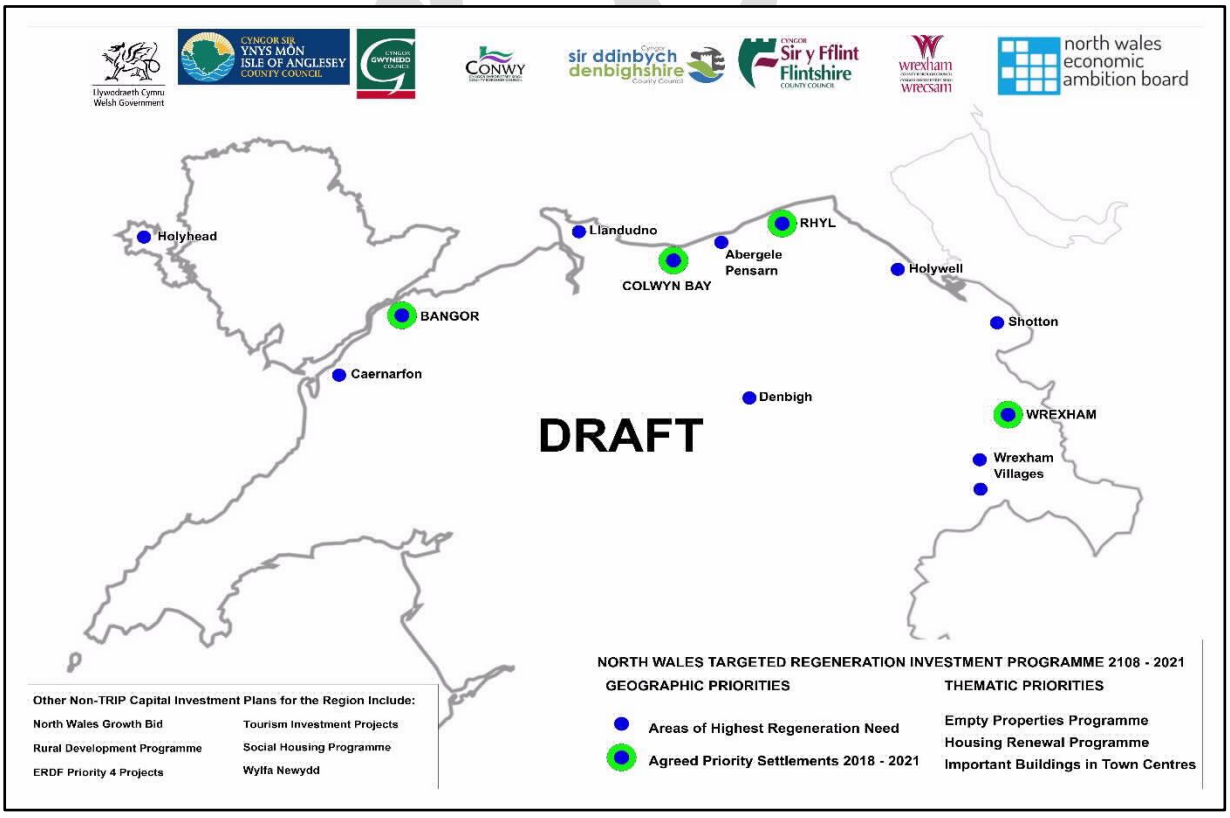
Discussion around these priority areas also recognised that investment at this stage would be beneficial for each town not only because of the concentrated levels of deprivation evidenced in the areas but also because of the benefits that investment would bring to each of them on their regeneration journey.

The Regional Regeneration Plan will provide a flexible basis for prioritising regeneration interventions across the region. Priority Regeneration Areas will change as regeneration aspirations in these first four priority settlements are realised and the focus will move to the other priority towns. As updated data becomes available, this will also inform future prioritisation.

Table 3: Most deprived towns in north Wales in population order with four selected as Priority Regeneration Areas for the purposes of the TRI programme

1. Rhyl	7. Holywell
2. Wrexham town	8. Shotton
3. Bangor	9. Llandudno
4. Colwyn Bay and Llysfaen	10. Denbigh
5. Caernarfon	11. Holyhead
6. Newbridge/Cefn and Plas Madoc (Wrexham villages)	12. Abergele & Pensarn

Map 2: Map of the Areas across North Wales of highest regeneration need and the Priority Regeneration Areas for 2018-2021



Targeted Regeneration Investment Programme – Priority Projects
The four Priority Regeneration Areas, have all identified significant regeneration needs around town centre regeneration.

Housing Renewal is a regional regeneration investment priority with very specific requirements emerging in North West Wales around the proposed new power station.

All six local authorities identified a more recent but significant regeneration challenge threatening the economic stability of smaller towns across the region. The withdrawal of key businesses from key locations is having a substantial impact on the prosperity of those towns.

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Emerging Proposals taken from the Regional Regeneration Plan relevant to the TRI Programme criteria	
Thematic Proposals	
Housing **1.1 Empty Properties Programme in North West Wales**	**Yrs**
The need for a specific programme to address the challenges and opportunities posed by empty buildings has been highlighted as a need in North West Wales. Empty houses and flats represent a wasted resource and an opportunity to provide a home. A combination of repayable loans, grants, and pro-active work by local authority officers will enable many empty properties to be re-occupied. This theme will help to tackle the problem of privately rented residential properties being in a poor condition, and will support first-time-buyers to take on empty homes in need of improvement.	Short-term – Yr 1 Medium term 1-3
Housing **1.2 Housing Renewal Programme – North East Wales**	
Improve the quality of housing supply with the development of a Private Sector Property improvement scheme. This scheme is traditionally known as Housing Renewal.	Short-term – Yr 1 Medium term 1-3
Thematic Proposal – Important Buildings	
This recognises the devastating impact that the loss of major businesses within key buildings in a town can have on the look and feel of that economic centre and thus the prosperity of the area. This proposal would provide a Grant/Loan scheme to help small towns adapt buildings to changing economic circumstances.	Short-term – Yr 1 Medium term 1-3
Priority Regeneration Areas – Town Centre Regeneration	
Rhyl	
Rhyl Town Centre Gateway schemes 1 & 2 - External and internal renovation of the upper stories of key properties at prominent entry points into Rhyl High Street to provide much needed quality residential accommodation, provide modern commercial	Short-term – Yr 1 Medium term 1-3

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premises on the ground floor and stimulate further private investment nearby. The project also proposes that one of these vacant commercial units be used to provide accommodation for an 'entrepreneurial' hub supported by a range of local stakeholders which would serve as a launch pad for small digital entrepreneurial businesses, aiming to increase digital programming and creative entrepreneurial activity within Rhyl. By providing relevant space and wraparound support the project will target untapped potential in the area and raise aspirations / achievement of younger people, linking them to business opportunities locally and further afield.	
West Rhyl Regeneration Area - Final Phase - Completion of the final phase of delivery of the West Rhyl Regeneration Area Supplementary Planning Guidance. This is an innovative partnership project replacing poor quality housing which no longer meets the current housing needs (many Houses of Multiple Occupation) with quality, mixed tenure, affordable housing. The first phase has successfully remodelled a poor quality housing area to create a successful mixed tenure community. This project in partnership with Pennaf Housing Group and Tir Prince Raceway involves the redevelopment and renovation of properties which were not addressed in the earlier phases and will increase levels of available quality accommodation needed to support town centre living.	Medium term 1-3
Contemporary living accommodation and shared retail space / enterprise arcade - Acquisition and renovation of key building on Rhyl high street to provide modern contemporary residential living space on upper floors and shared retail space on ground floor. The shared retail space element will enable multiple small independent retailers to inhabit a high-street property as a stepping stone to taking on an individual premises in future. The project would support local online / start up retailers to test their business concept in 'bricks & mortar' form with reduced risk, offering a business support service to occupants of the space. It is envisaged that around 5 businesses will share the ground floor retail space with provision for the day to day management and development of new tenants. In-house support would also be made available to existing independent retailers in Rhyl Town Centre and could include a full start-up service, retail skills training, mentoring and support. This could extend to promoting retail as a viable self-employment opportunity and mentoring people who are keen to develop a retail business.	Medium term -1-3 Long-term - 4-6
Wrexham	
Coach parking - Additional suitable coach parking areas in close proximity to the town centre, for drop offs in the town centre. The site would need to be secure for all day parking facility.	1-3

Business Grow On units - In February 2017, the Welsh Government announced £1 million funding to develop a new business hub in Wrexham. The Scheme which has recently been renamed 'Town Square' in recognition of its presence within Wrexham Town Centre, develops incubator units which brings together entrepreneurs in a shared environment, to enable ideas and develop collectively. As well as providing good quality business accommodation within Wrexham Town Centre the scheme can also support businesses with advice, workshops, and support with developing international trade and networking opportunities. The Business Grow on Space is a project developed to meet increased demand for 'growth' accommodation to enable businesses that have been developed to continue to expand within Wrexham Town Centre. This relies on the availability of good quality, sustainable accommodation that suits the needs of businesses and opportunities that outgrow the hub. In collaboration with the Town Centre Regeneration Funding, the use of Targeted Regeneration Investment funding will enable additional accommodation to be acquired and developed to satisfy this anticipated demand. This will provide a longer term legacy which will benefit the economic wellbeing of not only the town centre but the wider region by providing more opportunities for new and existing businesses to develop and flourish.	1-3
Markets - Undertake works on a scheme developed from a previous study undertaken to regenerate the two indoor markets to enable better utilisation of the space, in order to enhance the offer within the markets and attract relevant and sustainable traders to reinstate Wrexham as a traditional market town and enhance the markets as a visitor destination.	1-3 4+
Town Centre Empty Properties Back into Use - There are several prominent buildings within the core of Wrexham Town Centre that have been vacant for a few years. A combination of repayable loan and grant funding will enable the acquisition and refurbishment of a number of properties bring new life to key prominent buildings within Wrexham Town Centre. Potential Long term sustainable uses being considered include development of a Tourism Hub incorporating a Tourist Information Centre, business grow on space (as above) and accommodation for local social enterprises, community facilities and good quality housing above retail units as above, in order to meet the need of the area based on suitability and demand etc. The buildings would be selected based on a number of factors such as ideal location within the town centre, the type of building, possibly heritage or iconic in some way.	1-3
Bridge Street mixed use regeneration site - This is a brownfield site adjacent to the town centre which is a key development site proposed for Mixed use regeneration. The proposed development will comprise of 100 flats, 6 commercial units & A3 restaurants and convenience stores. Funding is required for site remediation to enable development and funding to underpin residential development for private rented sector schemes or commercial.	1-3

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Bangor	
Property and Renovation Investment - A suite of support measures (inc grants and loans) to target vacant, underutilised or unsightly properties within the commercial city centre.	1-3
Glancegin Integrated Family Centre, Maesgeirchen, Bangor - Provision of a fully integrated family centre. The centre would provide extra support and care in an area of high social deprivation. In addition to providing support to the families in terms of improving the life chances of the children on the estate, the centre will be able to provide facilities to assist those outside of the employment market to become work ready.	
Integrated health, family and well-being Centre - Development of a multi-agency and integrated health, family and well-being Centre. Proposal will include primary care, community, family health and therapy services and appropriate housing development within an integrated site. The project will also encompass a range of wellbeing initiatives, creating a vibrant one-stop facility that promotes social wellness through social prescribing activities as well as more traditional health services. The project addresses the Five Ways of Working highlighted in the Wellbeing of Future Generations Act. The project will also provide a robust and sustainable location for services that are currently vulnerable, and introduce innovative new ways of working through increased opportunities for training, which in turn will improve recruitment and retention.	1-3
Bangor City Centre : Programme Management - Project Manager to manage and co-ordinate activities within the Bangor City Centre Regeneration Plan. Project Manager will also include project development support for Year 2 and 3 projects and management of programme risks.	
Strengthening Key Urban Access and Linkages - Proposals to develop strategic links between key areas of the city centre (inc University's proposed Science and Technology Quarter) and enhancement of urban environment.	1-3
Integrated Homelessness and Multiagency Facility - Proposed facility to establish a joint housing and multi services provision for homeless clients in Bangor. The development will have a multi-agency focus to provide coordinated support to this hard to reach client group and include homeless housing provision through local housing association. The centre will engage with its clients to provide facilities to improve their physical and mental wellbeing and engage them in skills development and engagement activities. It is envisioned that the centre will offer the necessary support to integrate them into the community.	1-3

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Colwyn Bay and Llysfaen	
Commercial Property Investment Scheme - The aim of this project is to improve the general appearance, vitality and sustainability of Colwyn Bay for residents, visitors and businesses. This will be achieved by offering grant/loan assistance to property owners for projects that improve the quality and sustainability of commercial premises within the town centre area. This will: 1. enhance the physical built environment of the town centre 2. address problems associated with the poor condition, inappropriate interventions and under-use of prominent or historic buildings 3. provide high quality commercial spaces within buildings that are capable of supporting business and employment opportunities 4. improve accommodation above premises to encourage full occupation of upper floors and reduce transience of residency 5. offer a financial incentive to owners to carry out appropriate and high quality repairs and improve the general condition of their properties 6. support the construction industry and local companies, tradesmen and students	1-3
Key Sites and Properties Investment Scheme- This project is part of an integrated investment programme to improve the general appearance, vitality and sustainability of Colwyn Bay town centre to the benefit of residents, visitors and businesses alike. The aim is to target key privately owned properties within the town centre, which are currently largely unoccupied and falling into disrepair, and ensure that they are brought back into sustainable use to the benefit of the town's economic wellbeing. This will be achieved by working with property owners to develop sustainable business plans for properties and supporting their improvement/renovation and conversion by way of a combination of grant and loan assistance. This will bring forward improvements to a small number of properties which would normally fall outside of the Property Investment Scheme.	2-5
Integrated and Animated Spaces • Creation of sustainable business, community and residential spaces • Improved traffic management • Improved and animated spaces and linkages both within the town centre and to surrounding areas. • Station Square Zone – to include the station, its forecourt, linkages to the waterfront, Market Hall, Imperial Buildings, and 'station steps' • Douglas Road Zone	1-3

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Waterfront - Completion of the final two stages of the Colwyn Waterfront regeneration programme is critical to both coastal defence and the town's regeneration programme. Completion of phases 1 & 2a, development of Porth Eirias and resolution of the Victoria Pier issue has brought substantial change and benefit to the town in terms of both visitor and resident amenity. It has also triggered significant private sector investment and new business ventures.	2-4
Proposal / Project – Long-term	
Thematic Proposals – Not determined at this stage	
Regeneration of the Racecourse Ground in Wrexham as a regional centre of excellence by creating a first class stadium capable of hosting international sporting events, music and cultural outdoor events. Also to maximise the development opportunity afforded on the adjacent parcel of land for commercial or mixed use development.	4-7

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PROJECT OUTPUTS

***-** This is an indicative projection of outputs based on the emerging proposals. At this stage of the project identification stage it is only possible to include very broad estimates which will be subject to change if taken forward for further development. Therefore, all Local Authorities reserve the right to amend the data in this table.

		Thematic Proposals		
		Empty Properties Housing Programme	Housing Renewal Programme	Important Bbuildings
TRI 1	Gross jobs created	14	2	
TRI 2	Number of Jobs accommodated (enabled through regeneration investment)	23	2	
TRI 3	Number of jobs created in the construction sector as a result of Welsh Government regeneration investment.	55	67	
TRI 4	Total number of traineeships on the project.	30	12	
TRI 5	Number of traineeship leavers progressing to further learning (at a higher level) or employment (incl. employment with the contractor)	11	3	
TRI 6	Investment induced (£M)	2m	2	
TRI 7	Enterprises accommodated	10		
TRI 8	Hectares of Land developed	4		
TRI 9	Non-residential Premises created or refurbished (sqm)	1500		
TRI 10	Non-residential Premises created or refurbished (number)	10		
TRI 11	Number of additional market housing units (Built or ready for Occupation - as a direct result of regeneration support)	18		
TRI 12	Number of Additional Social housing units delivered (Built or ready for Occupation - as a direct result of regeneration support)	0		
TRI 13	Number of Additional Intermediate housing units delivered (Built or ready for Occupation - as a direct result of regeneration support)	16		
TRI 14	Number of households helped towards securing improvement in the energy performance of their homes	30	65	
TRI 15	Number of empty homes brought back into use	20	3	
TRI 16	Number of non-residential units brought back into use	8		
TRI 17	Estimated Reduction in CO2 Equivalent Emissions	2500		
TRI 18	Number completing employment related courses or gaining employment related qualification	30		
TRI 19	Number of SMEs based in Wales successful in securing contracts/sub contracts	26		
TRI 20	Value of contracts/sub contracts awarded to SMEs based in Wales (£M)	3.5		
	Residential Properties Renovated		85	

Outputs – Regional priority Areas – Town centres

		Rhyl Town Centre				Wrexham Town Centre					Bangor City Centre						Colwyn Bay and Llysfaen				Total
		Rhyl TC Gateway 1	Rhyl TC Gateway 2	West Rhyl Regeneration Area - Final Phase	Rhyl TC Contemporary Accommodation	Markets - Phase 1	Coach Parking	Town Centre Empty properties	Business Grow on Space	Bridge Street	Property Renovation and Investment	Glancegin Integtaed Family Centre,	Integrated Health, Family and Well-being Centre	Programme Management	Strengthening Key Urban Access and Linkages	Integrated Homelessness and Multiagency Facility	Commercial Property Renovation and Investment	Key Property Investments	Intergrating and Animating Spaces	Waterfront	
TRI 1	Gross jobs created		20					10		tbc	21	12	6		tbc	tbc	14	1	tbc	tbc	100
TRI 2	Number of Jobs accommodated (enabled through regeneration investment)	3			7	20		20	15	tbc	48	27	120		30	tbc	17	40	tbc	tbc	372
TRI 3	Number of jobs created in the construction sector as a result of Welsh Government regeneration investment.	2			2	20		8	2	tbc	tbc	tbc	tbc		tbc	tbc	0	0	tbc	tbc	156
TRI 4	Total number of traineeships on the project.	2		10	2	tbc		2	tbc	tbc	tbc	tbc	12		tbc	tbc	0	0	tbc	tbc	70
TRI 5	Number of traineeship leavers progressing to further learning (at a higher level) or employment (incl. employment with the contractor)										tbc	tbc	tbc		tbc	tbc	0	0	tbc	tbc	14
TRI 6	Investment induced (£M)			3.7M		0.3m			0.3m	0.15m	1.5m	1.5m	5m	tbc	20m	tbc	9.7M	6M	1M	32M	2
TRI 7	Enterprises accommodated		27		5	4		4		tbc	15	4	2		4	2-4	9	5	0	3	92
TRI 8	Hectares of Land developed									tbc	0	0.8	0.2		0.8	tbc	0	0	1	4.6	11.4
TRI 9	Non-residential Premises created or refurbished (sqm)	90			140	tbc		641		tbc	tbc	tbc	tbc		tbc	tbc	tbc	tbc	0	150	2521
TRI 10	Non-residential Premises created or refurbished (number)	1	1		72	tbc		1		tbc	48	325	tbc		3	tbc	14	5	0	4	484
TRI 11	Number of additional market housing units (Built or ready for Occupation - as a direct result of regeneration support)	3	5		4					tbc	tbc	tbc	tbc		0	0	7	18	0	0	55
TRI 12	Number of Additional Social housing units delivered (Built or ready for Occupation - as a direct result of regeneration support)			26						tbc	tbc	tbc	tbc		0	tbc	0	0	0	0	26
TRI 13	Number of Additional Intermediate housing units delivered (Built or ready for Occupation - as a direct result of regeneration support)									tbc	tbc	tbc	tbc		0	tbc	0	0	0	0	16
TRI 14	Number of households helped towards securing improvement in the energy performance of their homes	3			4						tbc	tbc	0		0	0	0	0	0	0	102
TRI 15	Number of empty homes brought back into use	3		4	4						tbc	tbc	0		0	0	tbc	0	10 indirect	0	34
TRI 16	Number of non-residential units brought back into use		1		1	2		1	1		8	tbc	0		0	tbc	14	5	20 indirect	0	41
TRI 17	Estimated Reduction in CO2 Equivalent Emissions										tbc	tbc	0		0	0	tbc	tbc		0	2500
TRI 18	Number completing employment related courses or gaining employment related qualification		25		10						tbc	tbc	tbc		tbc	tbc	0	0	tbc	tbc	65
TRI 19	Number of SMEs based in Wales successful in securing contracts/sub contracts	5			5	2	tbc	7	tbc	tbc	tbc	tbc	tbc		tbc	tbc	14	4	3	4	70
TRI 20	Value of contracts/sub contracts awarded to SMEs based in Wales (£M)	0.35	tbc	tbc	0.7	0.4m	tbc	0.5m	tbc	tbc	tbc	tbc	tbc		tbc	tbc	1.552m	4.8m	1.74m	4m	4.55
	Residential Properties Renovated																				85

DELIVERY PLAN – AN EARLY INDICATION OF FINANCIAL IMPLICATIONS OF EMERGING PROPOSALS

There is a notional allocation of £22M for eligible north Wales projects through the Targeted Regeneration Investment Programme with a £3M notional allocation for 2018/19.

The following table provides an early indication of indicative costs for emerging projects which may be eligible for TRI Programme funding and is not a decision on financial allocation.

Emerging Proposals	Indicative costs Yr 1 (£M)*	Indicative costs Yr 2/3 (£M)**	Future Years 4+	Total
Thematic Proposals				
Housing - 1.1 Empty Properties Housing programme	0.7	*2.6*		3.3
Housing - 1.2 Housing Renewal	1.5	*5.78*		7.28
Important Buildings	tbc	*tbc*		0
New themes	0			0
Thematic Proposals - Indicative Project Costs	**2.2**	*8.38*	*tbc*	10.58
Regional Priority Areas - Town Centres - Emerging Proposals & Indicative Project Costs				0
Rhyl	2.1	*3.1*		5.2
Rhyl Town Centre Gateway scheme 1 - Upper floor residential /lower commercial refurb				0
Rhyl Town Centre Gateway scheme 2 - residential/digital hub				0
West Rhyl Regeneration Area - Final Phase				0
Contemporary living accommodation and shared retail space / enterprise arcade				0
Wrexham Town	1.7	*2.8*		4.5
Markets - Phase 1				0
Coach Parking				0
Town Centre Empty Properties back into use				0
Business Grow on Space				0
Bridge Street				0
Bangor	0.025	*3.6*		3.625
Bangor City Centre Property Renovation and Investment				0
Glancegin Integrated Family Centre, Maesgeirchen, Bangor				0
Bangor City Centre : Integrated Health, Family and Well-being Centre				0
Bangor City Centre : Programme Management				0
Bangor City Centre : Strengthening Key Urban Access and Linakges				0
Integrated Homelessness and Multiagency Facility				0
Colwyn Bay and Llysfaen	0.275	*5.3*		5.575
Commercial Property Investment Scheme				0
Integrating and Animating Spaces				0
Key Property Investments				0
Colwyn Waterfront				0
New Priority Areas	0	*tbc*	tbc	0
Priority Areas - Town Centres - Indicative Costs	**4.1**	*14.8*	*tbc*	18.9
Total Indicative Costs	**6.3**	***23.18***		***29.48***

* Potential year 1 costs for proposals - subject to meeting WG eligibility, timescales and within notional allocation

**Proposals for Years 2 & 3 under development - project costs are indicative only. As above any funding awarded will be subject to meeting WG eligiblity, timescales and be within notional allocation for the region.

APPENDIX 2: DATA ANALYSIS – METHODOLGY AND RATIONALE

The following sets out the process for selecting the priority areas; the aggregation of these areas in to economic Town geographies; and an outline of the evaluation model and key indicators.

CHOOSING THE BUILDING BLOCKS

Each of the priority areas is made up of LSOA building blocks. LSOAs are the small neighbourhood geographies used in the Welsh Index of Multiple Deprivation (WIMD). The building blocks chosen are those deemed to be the most deprived because they were included within the 10% most deprived in the 2014 WIMD.

This approach yields the following building block areas:

LSOA Name (Eng)	% of the population of the most deprived areas	Town Area Name	WIMD 2014 Overall Rank(r)	WIMD 2014 Overall Decile	Tier
Rhyl West 2	30.3%	Rhyl	2	1	Tier1
Rhyl West 1			11	1	62%
Rhyl West 3			19	1	
Rhyl South West 2			20	1	
Rhyl East 3			99	1	
Rhyl South West 1			100	1	
Rhyl South East 4			182	1	
Queensway 1	17.4%	Wrexham	3	1	
Wynnstay			52	1	
Queensway 2			108	1	
Cartrefle 2			128	1	
Marchog 2	7.2%	Bangor	105	1	
Marchog 1			157	1	
Glyn (Conwy) 2	6.9%	Colwyn Bay	110	1	
Llysfaen 1			172	1	
Peblig (Caernarfon)	6.7%	Caernarfon	103	1	Tier 2
Plas Madoc	6.0%	Wrexham Villages	54	1	38%
Holywell Central	5.0%	Holywell	155	1	
Denbigh Upper/Henllan 1	4.1%	Denbigh	163	1	
Morawelon	4.1%	Holyhead	168	1	

Tudno 2	4.3%	Llandudno	113	1	
Shotton Higher 2	4.3%	Shotton	82	1	
Abergele Pensarn 2	3.2%	Abergele & Pensarn	57	1	

THE TOWN ECONOMIC AREAS

When considering projects the view has been taken the clusters of deprivation identified are each situated within a larger economic unit; the Town. In focusing on projects which regenerate the Towns identified it is felt that this will benefit the deprived communities within these Towns. This means that:

1. Projects will not be required to sit within the (of residential area) where the deprived population actually live, but rather in an economically appropriate location within the boundary of the Towns as we have defined them.

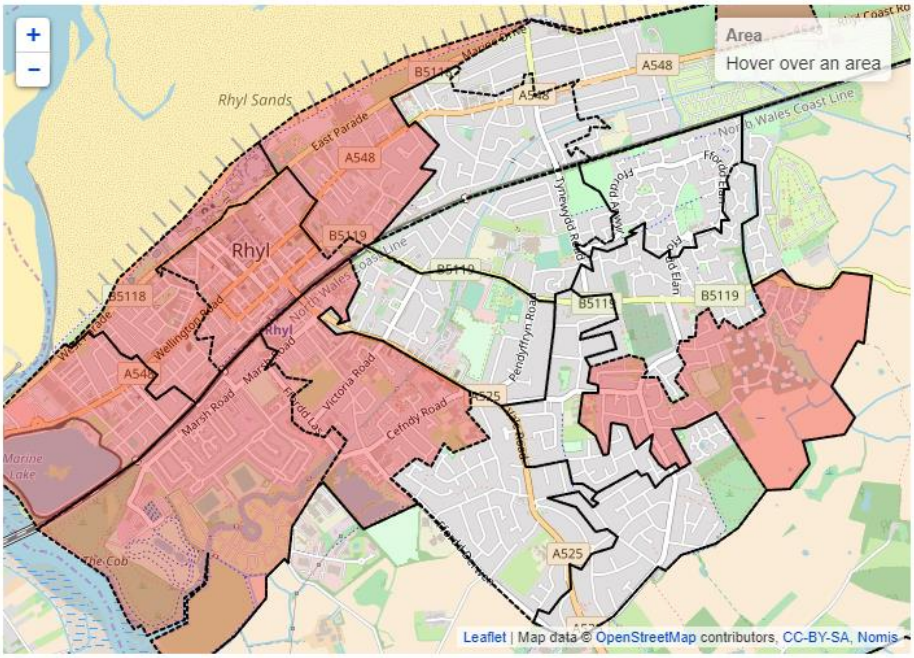
2. Secondly, in monitoring and evaluation the focus will be on monitoring the impact projects have on, the growth of businesses and employment and household income in the Town area as well as specific progress on the income, employment overall deprivation measures in the deprived areas themselves.

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APPENDIX 3 - AREA PROFILES

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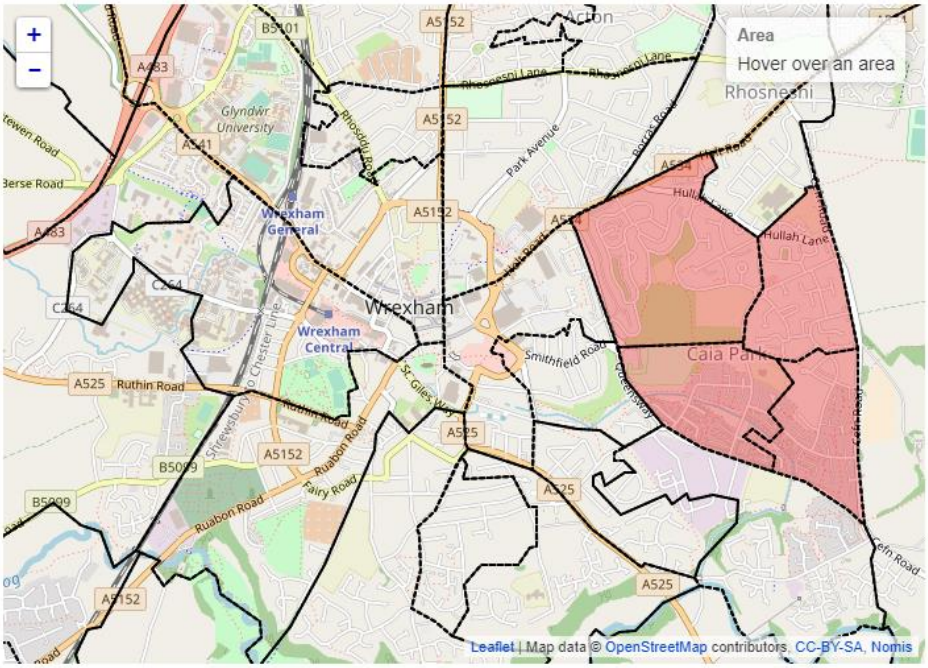
Rhyl Areas of Highest Deprivation



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 3722 2540
Number of Businesses (Town)	Denbighshire 004 Denbighshire 006 Denbighshire 017	450 195 165
Number of Employments (Town)	Denbighshire 004 Denbighshire 006 Denbighshire 017	5,000 2,500 900
WIMD Income Indicator- income deprivation (percentage of population)	Rhyl West 2 Rhyl West 3 Rhyl West 1 Rhyl South West 2 Rhyl East 3 Rhyl South West 1 Rhyl South East 4	67 50 48 46 39 38 35
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Rhyl West 2 Rhyl West 1 Rhyl East 3 Rhyl West 3 Rhyl South West 2 Rhyl South West 1 Rhyl South East 4	45 33 26 25 23 22 18

WREXHAM TOWN

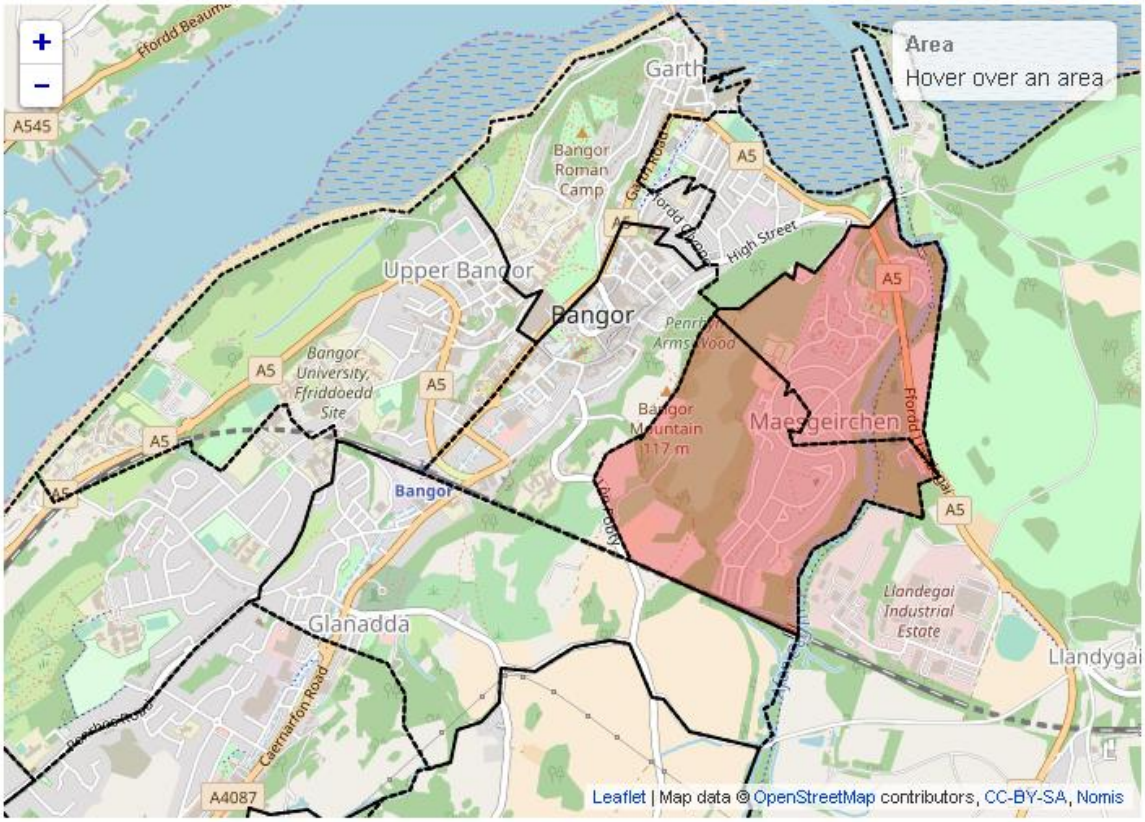
Wrexham Area of Highest Deprivation



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 7021 1480
Number of Businesses (Town)	Wrexham 007 Wrexham 008 Wrexham 009 Wrexham 010 Wrexham 011 Wrexham 012	100 495 120 65 465 285
Number of Employments (Town)	Wrexham 007 Wrexham 008 Wrexham 009 Wrexham 010 Wrexham 011 Wrexham 012	500 8,000 1,500 700 11,000 3,500
WIMD Income Indicator- income deprivation (percentage of population)	Queensway 1 Wynnstay Cartrefle 2 Queensway 2	50 38 37 36
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Queensway 1 Wynnstay Queensway 2 Cartrefle 2	24 21 18 17

BANGOR

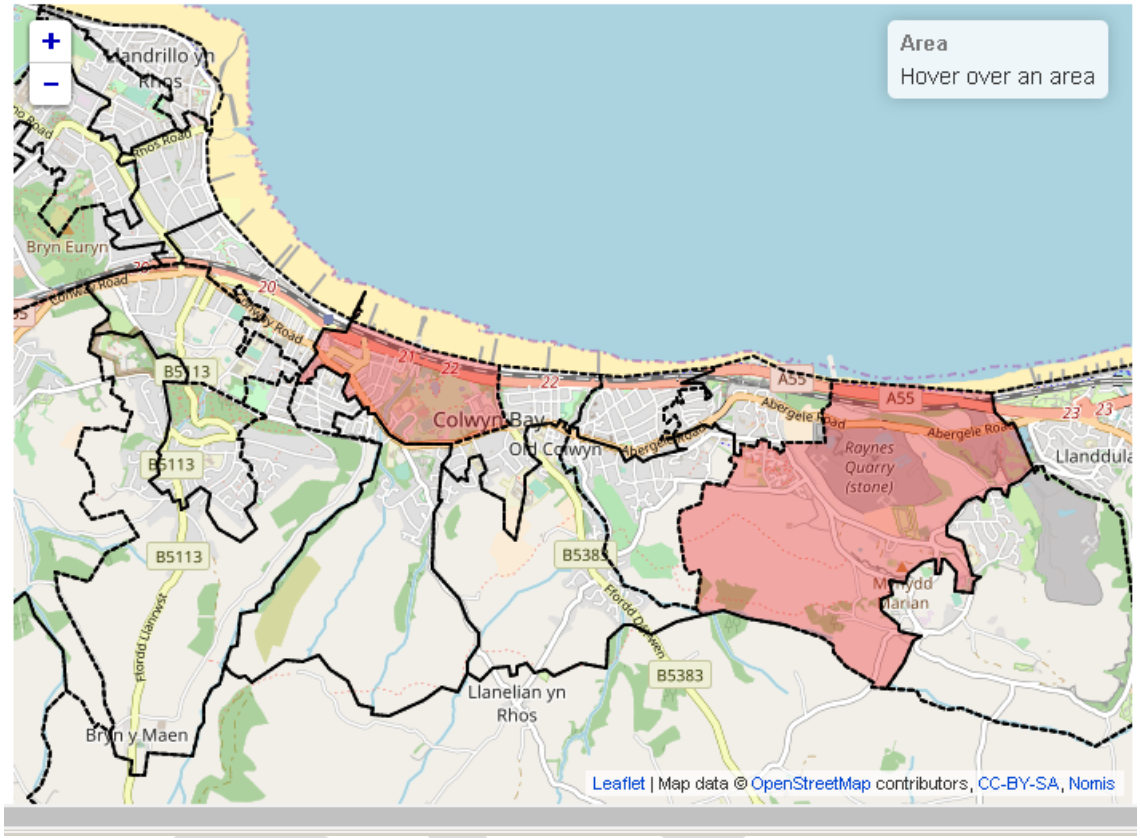
Bangor Area of Highest Deprivation



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 1991 566
Number of Businesses (Town)	Gwynedd 010 Gwynedd 011	505 430
Number of Employments (Town)	Gwynedd 0010 Gwynedd 0011	3,500 3,000
WIMD Income Indicator- income deprivation (percentage of population)	Marchog 2 Marchog 1	36 33
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Marchog 2 Marchog 1	19 13

COLWYN BAY& LLYSFAEN

Colwyn Bay Areas of Highest Deprivation

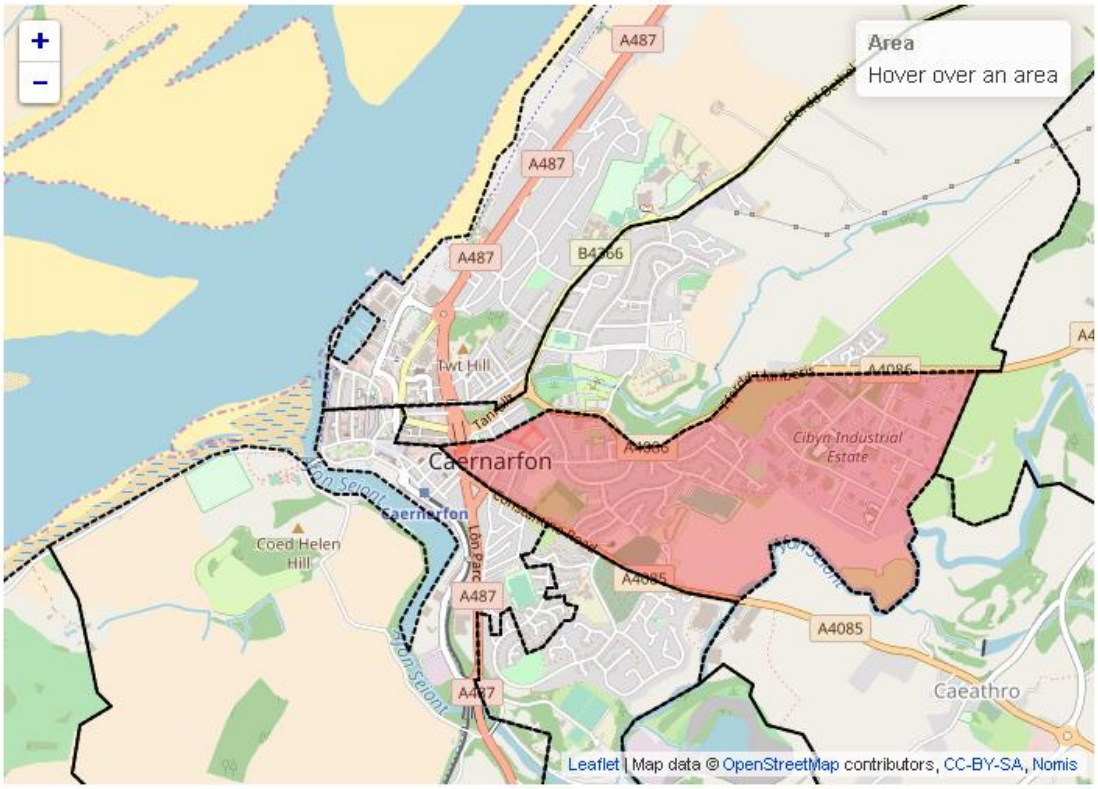


Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 3269 501
Number of Businesses (Town)	Conwy 007 Conwy 008 Conwy 009	400 250 200
Number of Employments (Town)	Conwy 007 Conwy 008 Conwy 009	5,000 2,250 1,250
WIMD Income Indicator- income deprivation (percentage of population)	Glyn (Conwy) 2 Llysfaen 1	37 37
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Glyn (Conwy) 2 Llysfaen 1	37 19

AREA PROFILES AND BASELINE INFORMATION - TIER 2 PROFILES

CAERNARFON

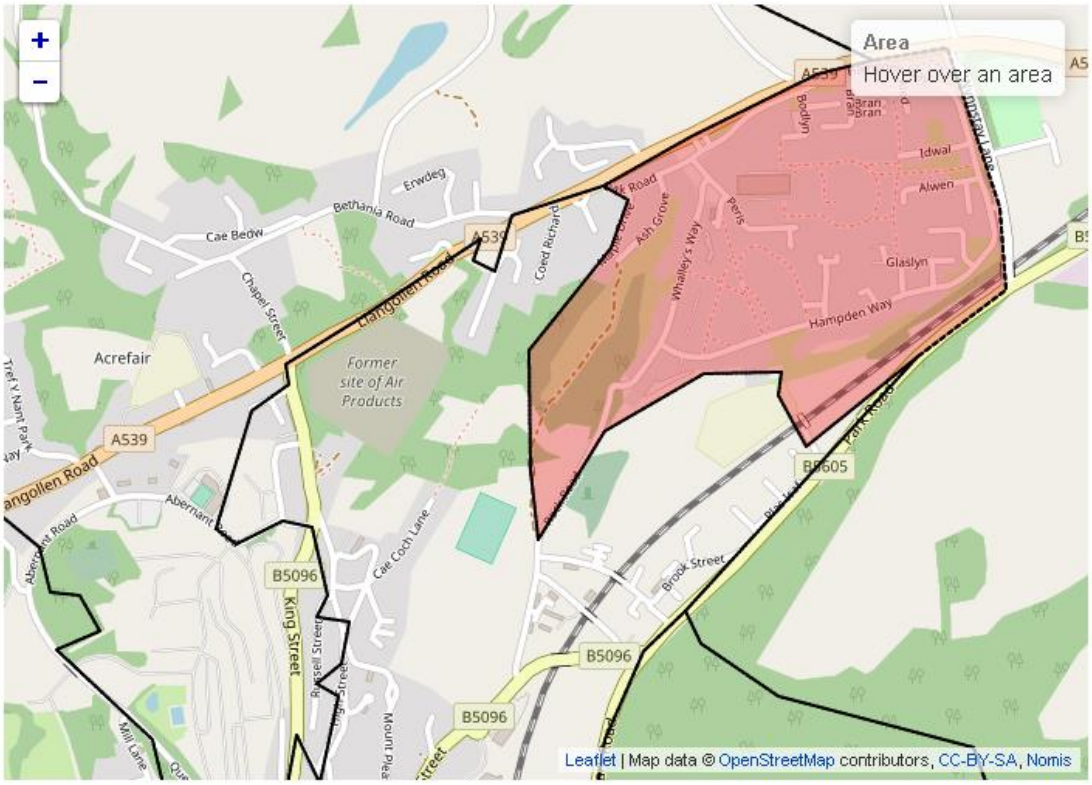
Caernarfon Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 2282 497
Number of Businesses (Town)	Gwynedd 006 Gwynedd 007	220 295
Number of Employments (Town)	Gwynedd 006 Gwynedd 007	4,500 4,000
WIMD Income Indicator- income deprivation (percentage of population)	Peblig (Caernarfon)	36
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Peblig (Caernarfon)	19

WREXHAM VILLAGES

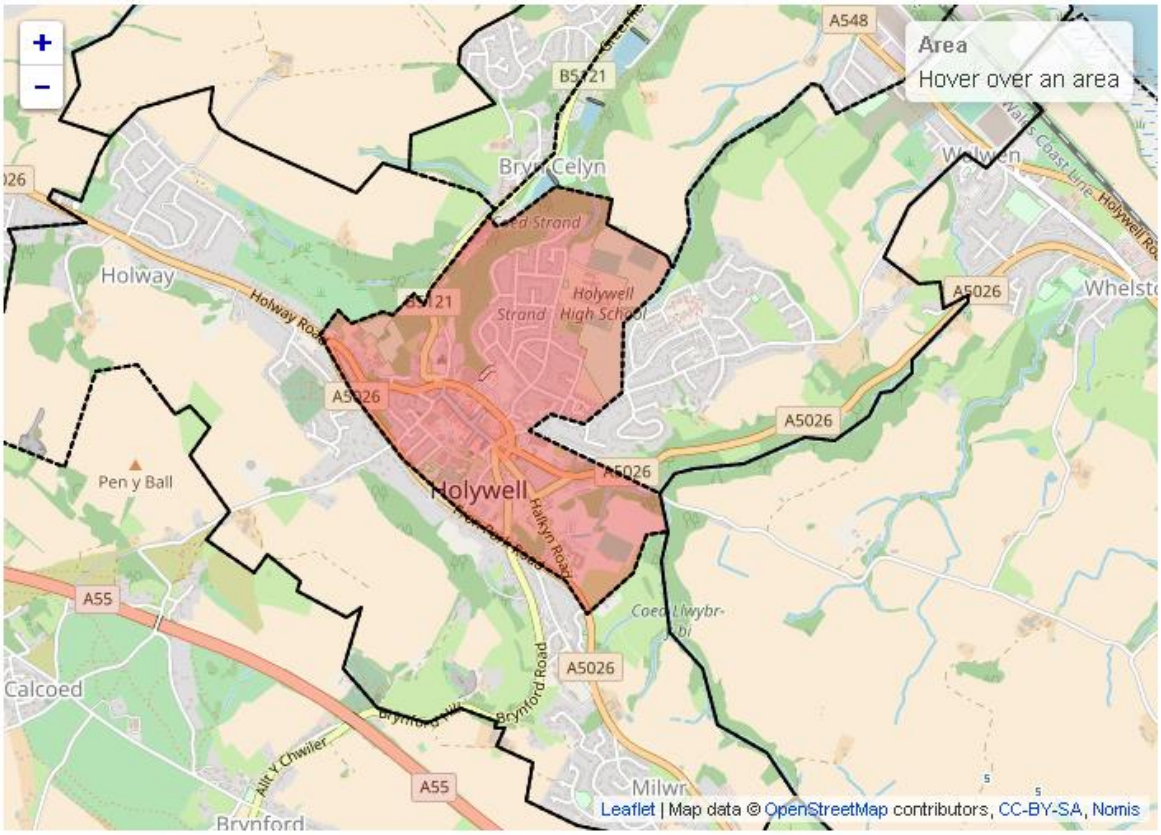
Wrexham Villages Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 950 561
Number of Businesses (Town)	Wrexham 017	150
Number of Employments (Town)	Wrexham 017	1,000
WIMD Income Indicator- income deprivation (percentage of population)	Plas Madoc	39
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Plas Madoc	20

HOLYWELL

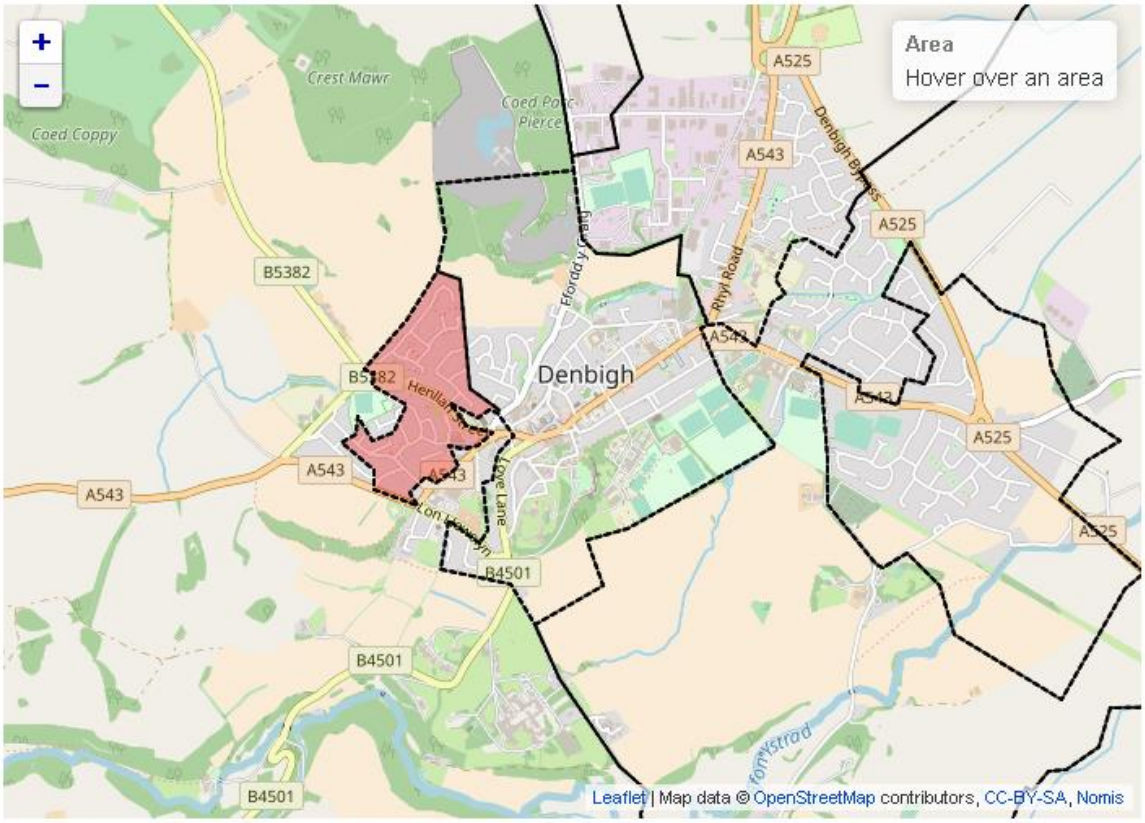
Holywell Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 2578 462
Number of Businesses (Town)	Flintshire 002 Flintshire 003	205 325
Number of Employments (Town)	Flintshire 002 Flintshire 003	2,000 3,500
WIMD Income Indicator- income deprivation (percentage of population)	Holywell Central	33
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Holywell Central	22

DENBIGH

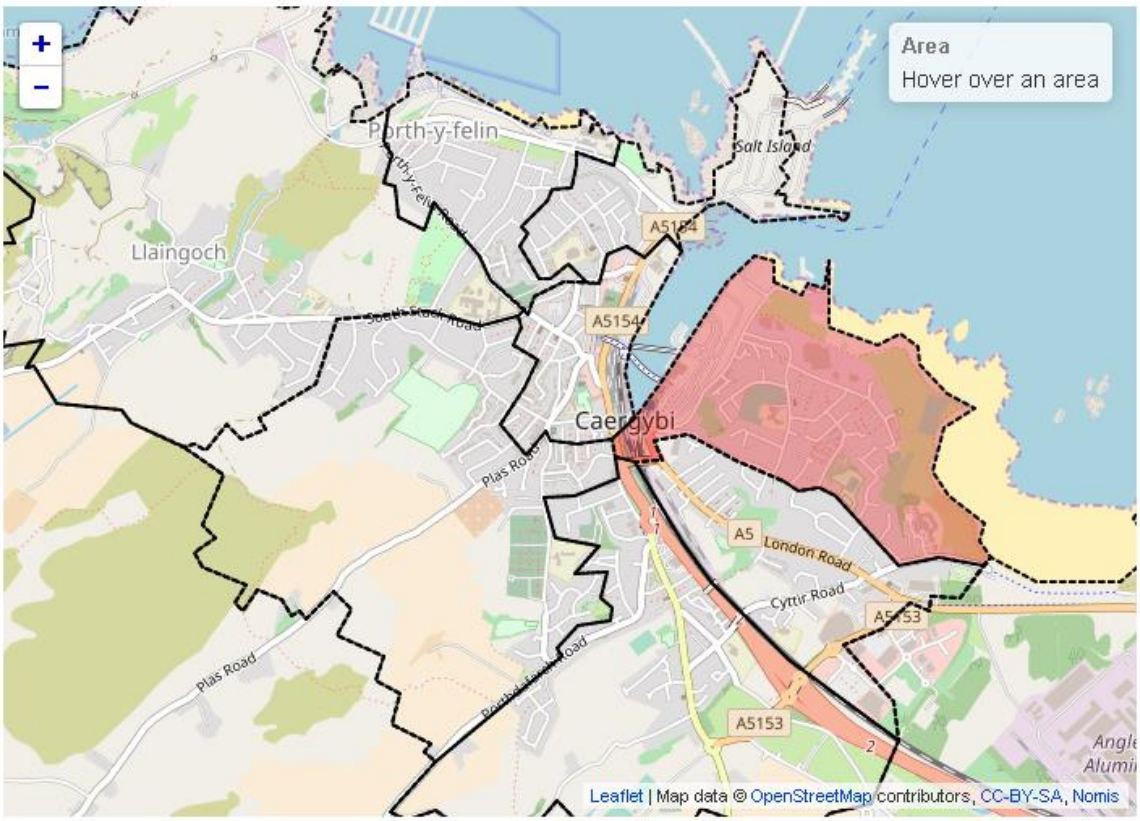
Denbigh Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 1285 369
Number of Businesses (Town)	Denbighshire 011 Denbighshire 012	185 350
Number of Employments (Town)	Denbighshire 011 Denbighshire 012	1,750 2,250
WIMD Income Indicator- income deprivation (percentage of population)	Denbigh Upper & Henllan 1	33
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Denbigh Upper & Henllan 1	19

HOLYHEAD

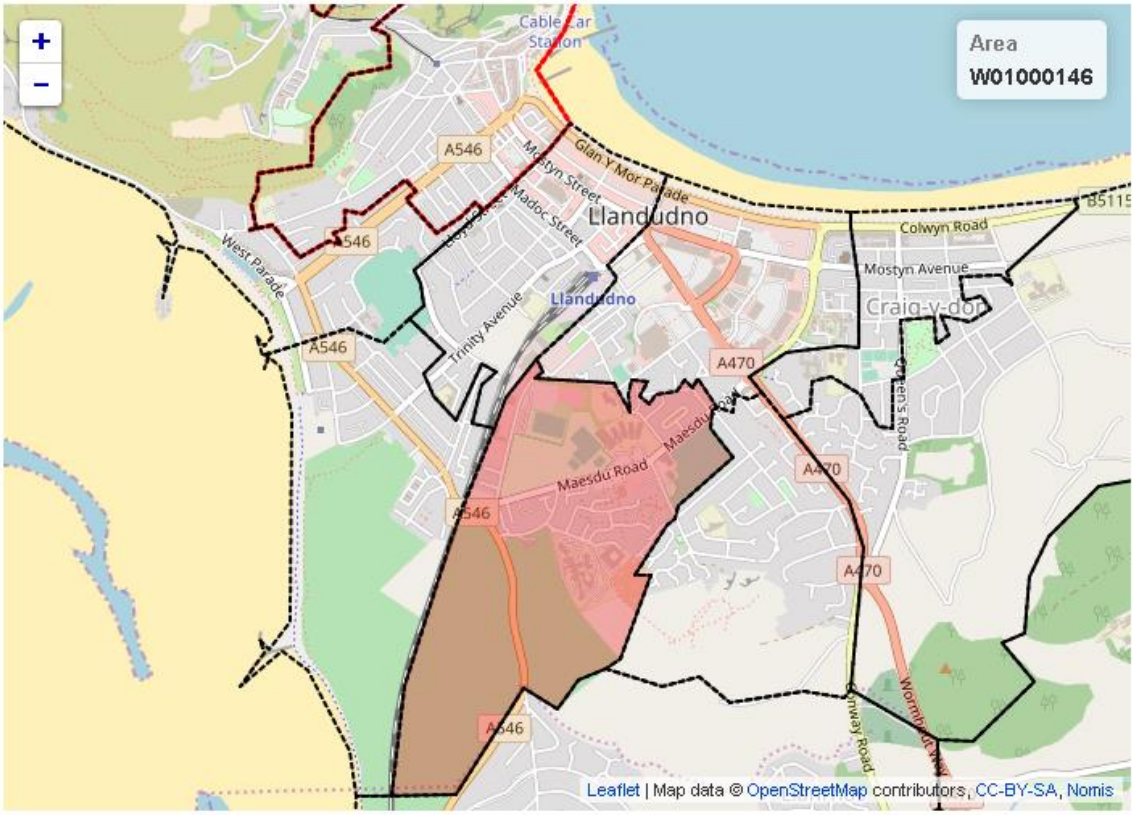
Holyhead Areas of Highest Deprivation



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 2175 363
Number of Businesses (Town)	Isle of Anglesey 003	295
Number of Employments (Town)	Isle of Anglesey 003	3,500
WIMD Income Indicator- income deprivation (percentage of population)	Morawelon	32
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Morawelon	19

LLANDUDNO

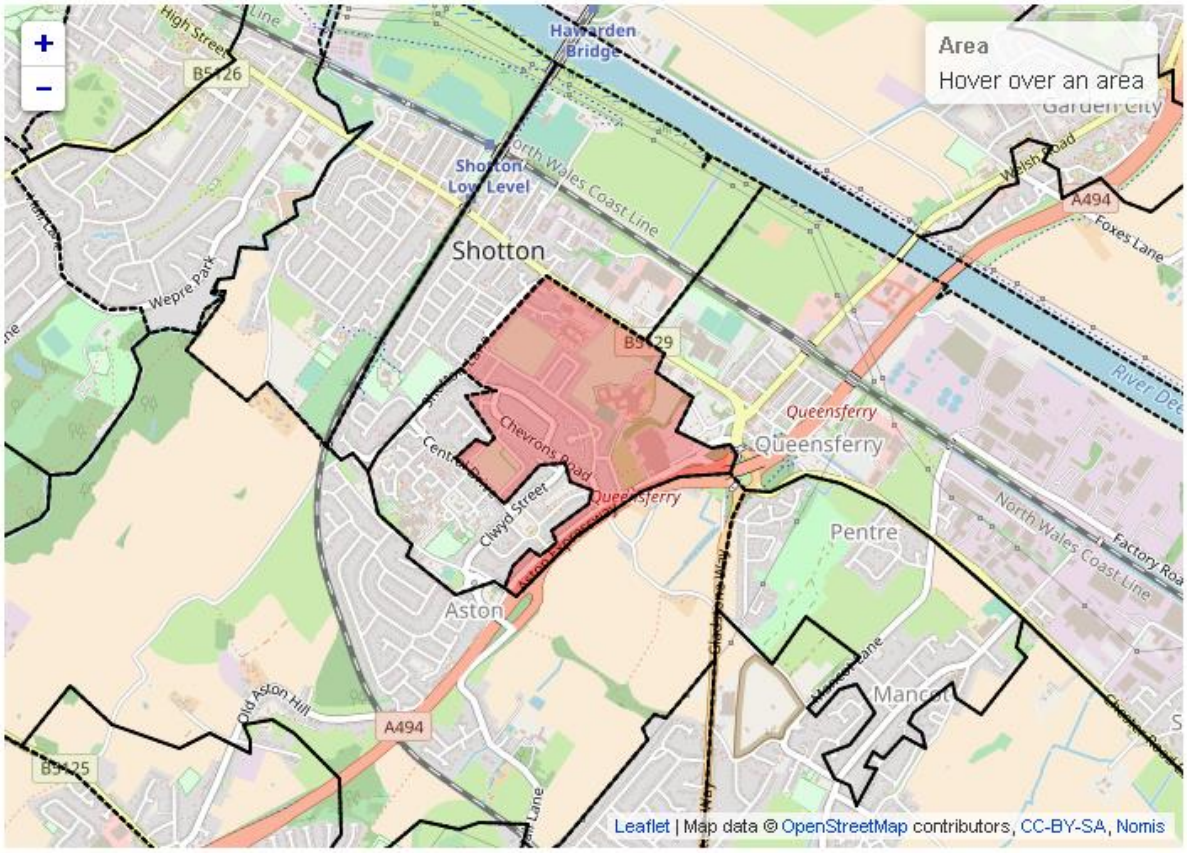
Llandudno Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		2745 377
Number of Businesses (Town)	Conwy 001 Conwy 002	555 140
Number of Employments (Town)	Conwy 001 Conwy 002	9,000 2,000
WIMD Income Indicator- income deprivation (percentage of population)	Tudno 2	39
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Tudno 2	23

SHOTTON

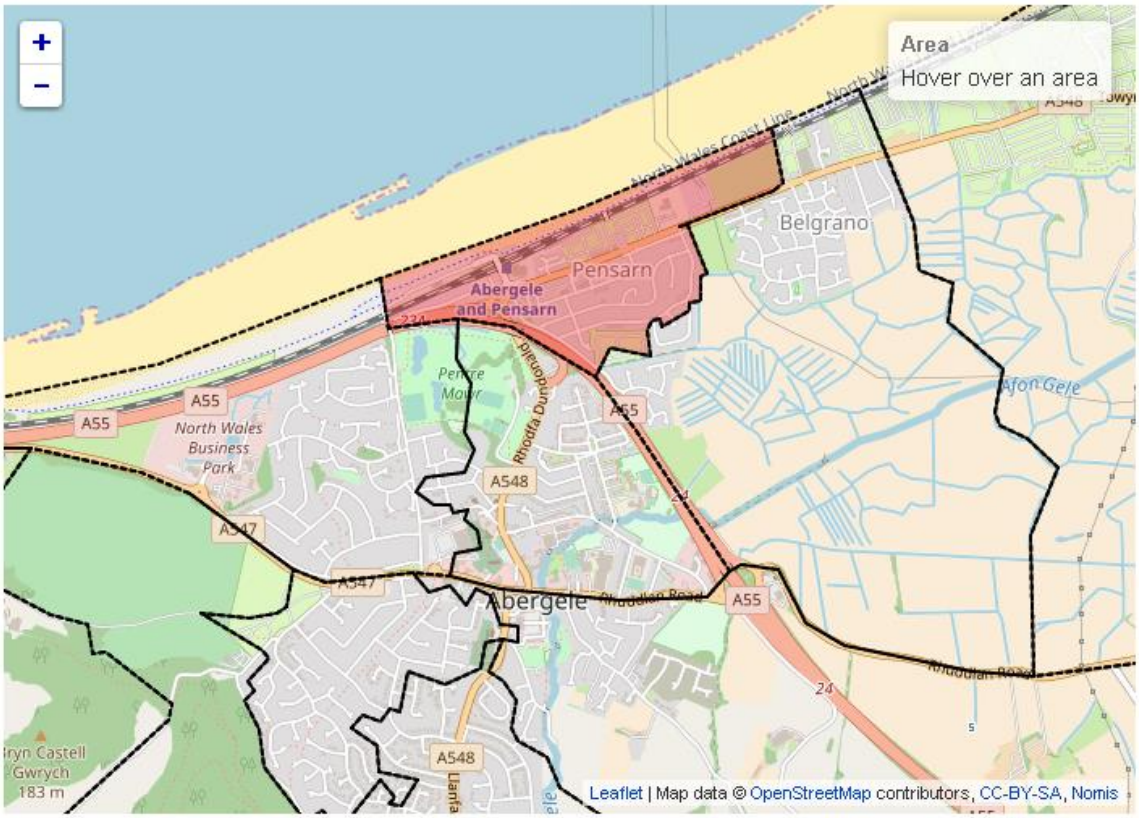
Shotton Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 2636 329
Number of Businesses (Town)	Flintshire 009 Flintshire 011	445 275
Number of Employments (Town)	Flintshire 009 Flintshire 011	13,000 6,000
WIMD Income Indicator- income deprivation (percentage of population)	Shotton Higher 2	33
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Shotton Higher 2	18

ABERGELE & PENSARN

Abergele & Pensarn Most Deprived Area



Baseline		
Number of Households below 60% Poverty Line • **Town** • **Deprived Areas**		 1951 223
Number of Businesses (Town)	Conwy 010	260
Number of Employments (Town)	Conwy 010	3,000
WIMD Income Indicator- income deprivation (percentage of population)	Abergele & Pensarn 2	37
WIMD Employment Indicator - employment related benefits (percentage of working-age population)	Abergele & Pensarn 2	32



Transforming Towns Wrexham – Active Travel: Prioritisation of Proposed Corridors

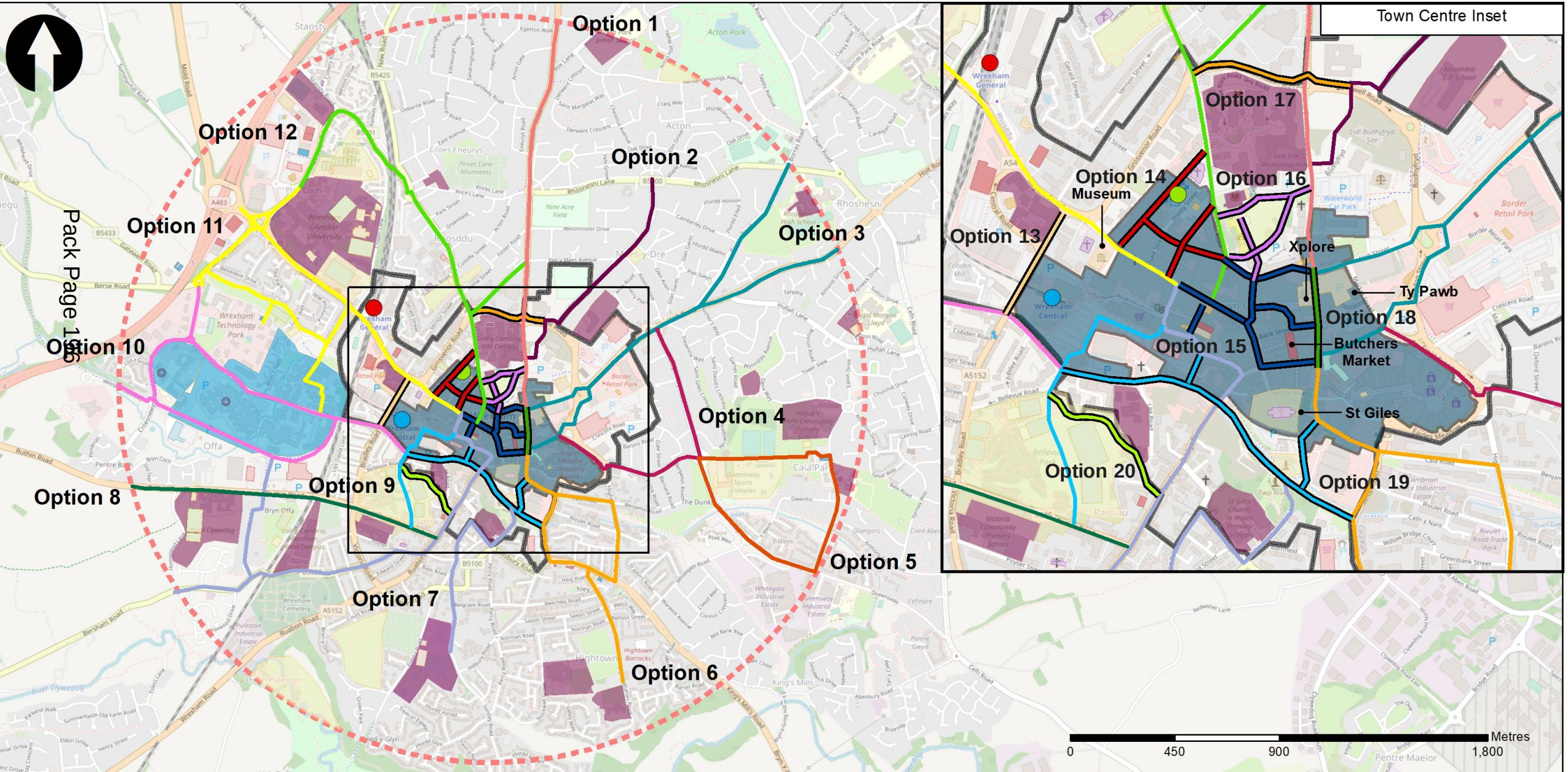
12th February 2020

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Welcome & Introductions

Identified Active Travel Corridors

Long List of Active Travel Corridors Identified:



Route Prioritisation Matrix | Overview

Prioritisation Matrix | Overview

- A matrix has been developed to allow potential active travel routes serving Wrexham Town Centre to be **scored consistently against a set of evidence based criteria**.

- The purpose of the matrix is to **sift down** the **long list of 20 potential routes** to a **short list of up to 10** routes for further development by Arcadis.

- The matrix will be informed by **local authority** and **stakeholder knowledge**.

- The scoring criteria is project specific and is based on **Welsh Government Active Travel Guidance**, **Welsh Government Active Travel Funding Guidance** as well as **Walking / Cycling Audit Tools**. Two criteria have been added to capture the Transforming Towns agenda.

- **Scoring System**:

  Each criterion was assigned a score between **-2** and **2**. A methodology and thresholds for each criterion's score has been provided within the matrix based on a quantitative and / or qualitative assessment.

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Prioritisation Scoring Criteria | Key Principles:



1. Directness

Routes should follow the **shortest option available** and be as near to the 'as-the-crow-flies' distance as possible



2. Elevation Gain

Routes should **avoid large change in elevation** as uphill sections increase time, effort and discomfort



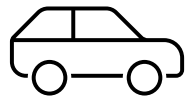
3. Access to Facilities

Routes should **serve**, provide access and serve **key trip generators** (including Education, Employment, and key services)



4. Population Catchment

Routes should serve **population centres** (resident and workplace population density)



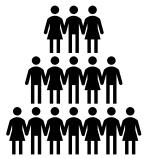
5. Safety

Routes should help to address **recorded road collisions** (involving pedestrians and cyclists)



6. Impact on Health

Routes should have **positive impact on health** by encouraging more people take on active travel modes



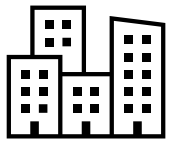
7. Impact on Deprivation

Routes should have a **positive impact on deprivation** by encouraging more people take on active travel modes and improving accessibility



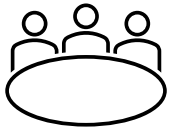
8. Potential for Mode Shift

Routes should help to **shift travel mode** from driving to walking and cycling



9. Transforming Towns

Routes should complement the ambitions of the **Welsh Government's** & **WCBC's** investment programme, and contribute to the economic regeneration, well-being and attractiveness of communities



10. Policy Support

Route should be **supported** by existing local transport strategy, LDP, Masterplan, INM and relevant studies

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Prioritisation Scoring Criteria | Key Indicators:



1. Directness

Deviation Factor is calculated by dividing the actual distance along the route by the straight line (crow-fly) distance, or shortest road (Google Earth A to B)



2. Elevation Gain

Total elevation gain per 1 km of route (Google Earth A to B)



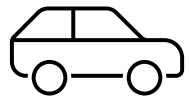
3. Access to Facilities

Combined access to education, employment and other key services (e.g. transport interchange, health and considers WIMD (2019) Access to Services).



4. Population Catchment

Resident and workplace population density by OA (2019 Estimates and 2011 Census)



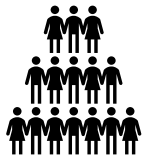
5. Safety

Recorded road collisions involving pedestrians and cyclists for the latest 3 year period between 2017-19 (StatsWales)



6. Impact on Health

WIMD (2019): Health Deprivation statistics. Routes connect to / from areas ranked by LSOA for their level of deprivation



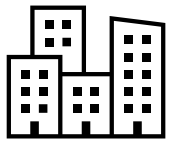
7. Impact on Deprivation

WIMD (2019): Overall Deprivation statistics. Routes connect to / from areas ranked by LSOA for their level of deprivation



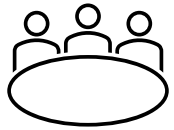
8. Potential for Mode Shift

Based on the propensity to cycle tool assessment of existing commuter route using cycle mode and potential to increase this mode under the government target (realistic) and ebike (ambitious) scenarios



9. Transforming Towns

Considering vacancy rates, proximity to key development / regeneration opportunities sites and green infrastructure in Wrexham Town Centre



10. Policy Support

Route or part of route are identified within existing local transport strategy, LDP, Masterplan, INM and relevant studies

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Route Prioritisation Scoring | Transforming Towns

Discussion | Developing a Transforming Towns evidence-based criteria.

1. **Town Centre First Principle** | Wrexham key opportunity sites:
   - Key destinations named in the Brief
   - Hippodrome gap site regeneration
   - Creative, family friendly spaces (Queen's Square, Llwyn Isaf)
   - Bridge Street / St Giles Way

Enforcement | Tackling empty / dilapidated properties:

- Use of available vacancy rate data to measure which routes pass through / close to areas with clusters of vacancies. Potential limitation - impacts of a revised Town Centre Masterplan Area (more residential)

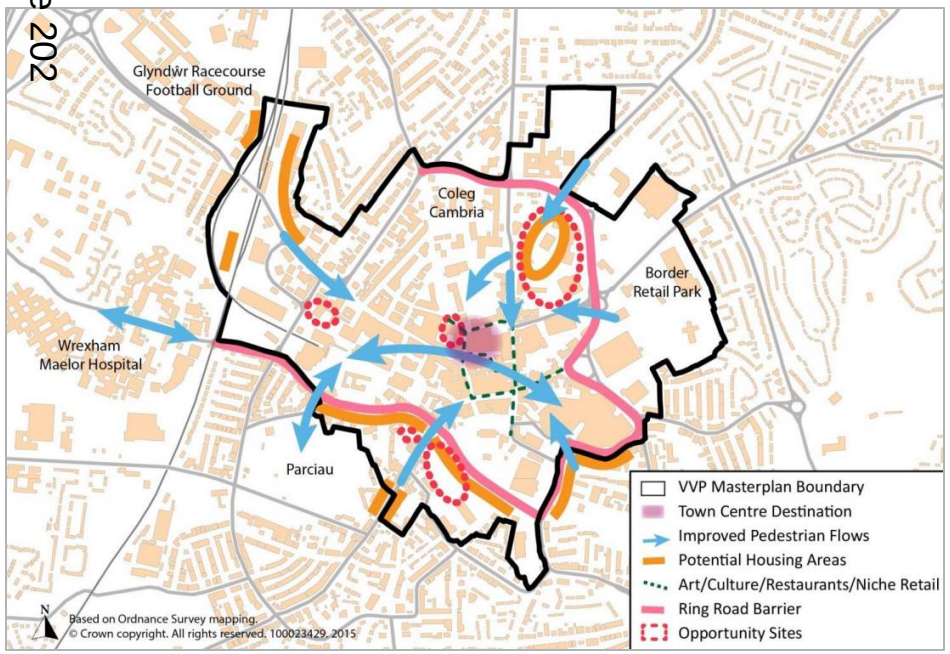
3. **Green Infrastructure & Biodiversity |** Deliver environmental benefits & enhanced Town Centre attractiveness:
   - Active travel routes linking to green spaces around the Town Centre and routes with greater potential for new or enhanced green infrastructure, carbon capture, biodiversity enhancements and sustainable drainage



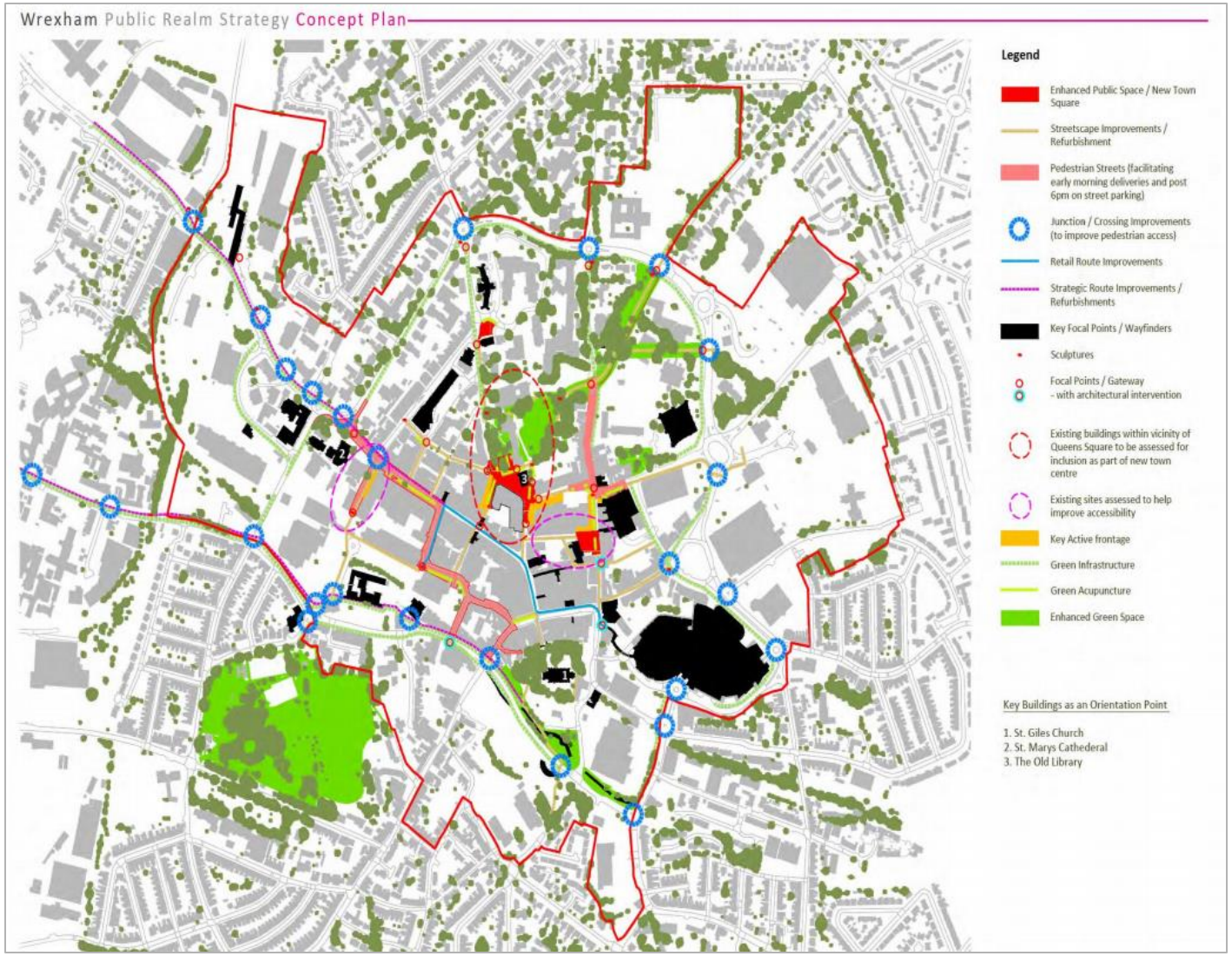
Scoring Criteria | Transforming Towns:

Data gathering -

Key Opportunity Sites:



Green Infrastructure & Space:



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Green Infrastructure & Biodiversity | Intervention Ideas (1)

To provide a vibrant & attractive Town Centre environment

To enhance the delivery of new Town Centre routes





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Green Infrastructure & Biodiversity | Intervention Ideas (2)

To provide a vibrant & attractive Town Centre environment

To enhance the delivery of new Town Centre routes

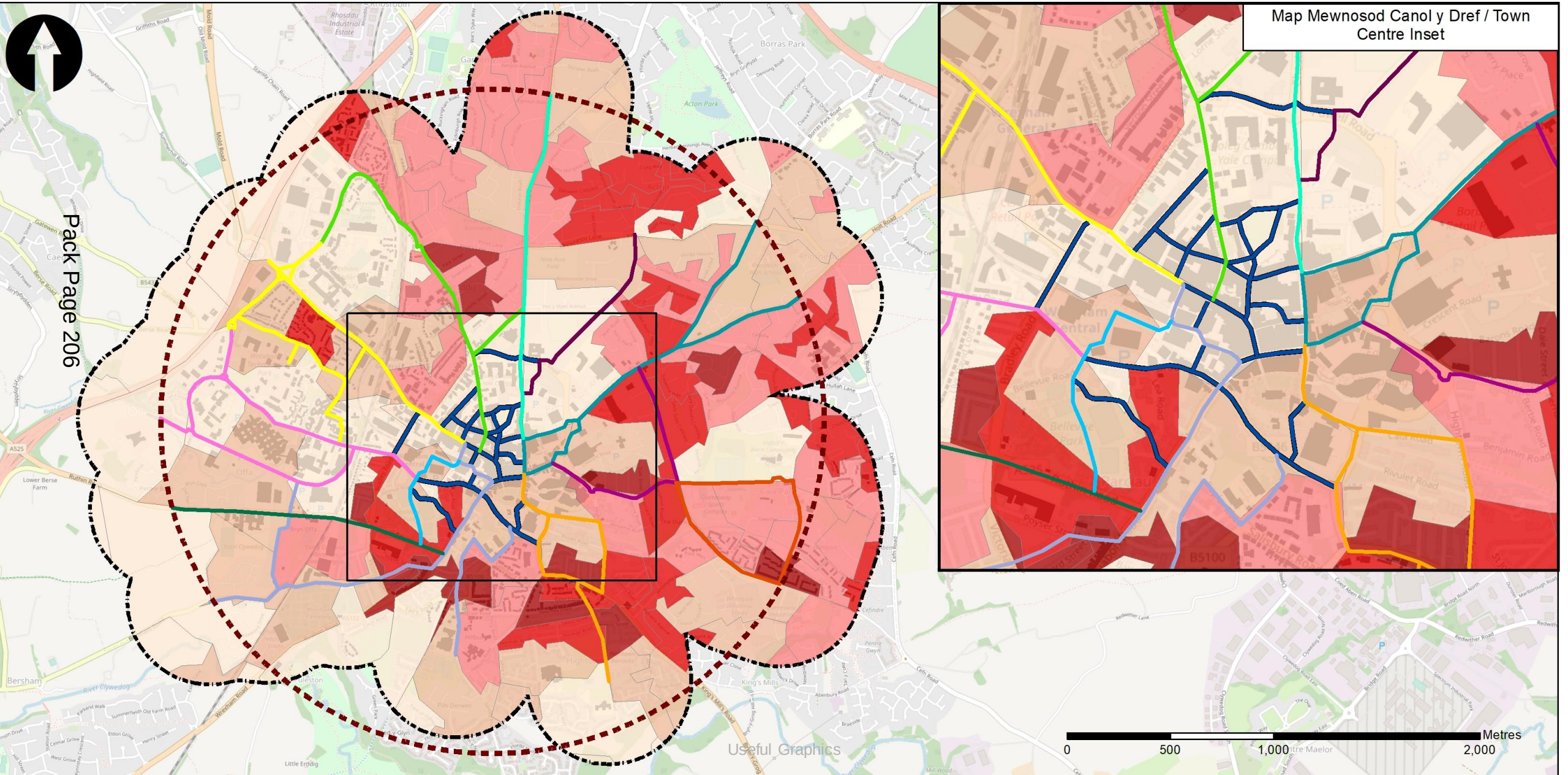




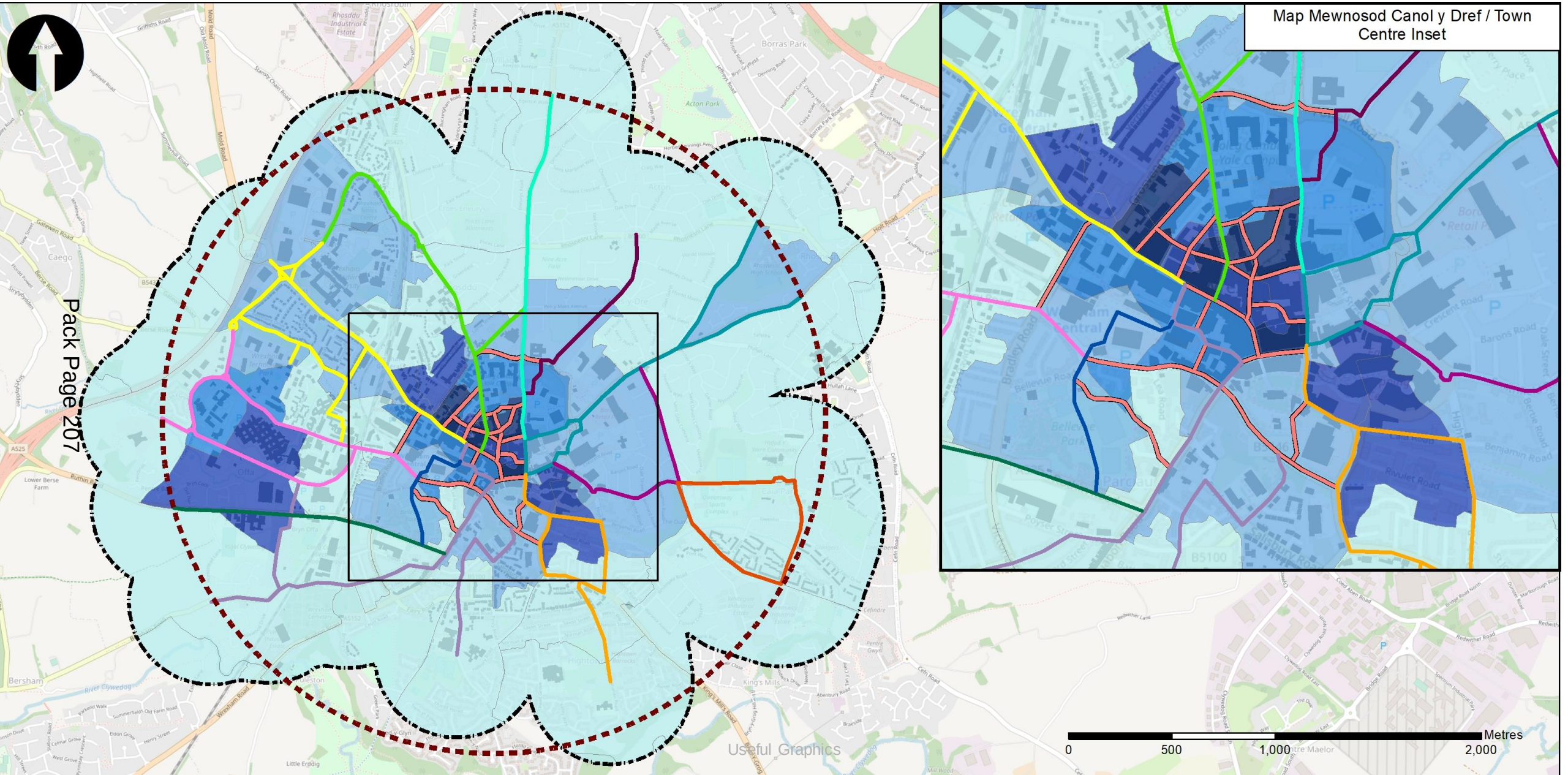
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Route Prioritisation Matrix | Data Gathering & Scoring

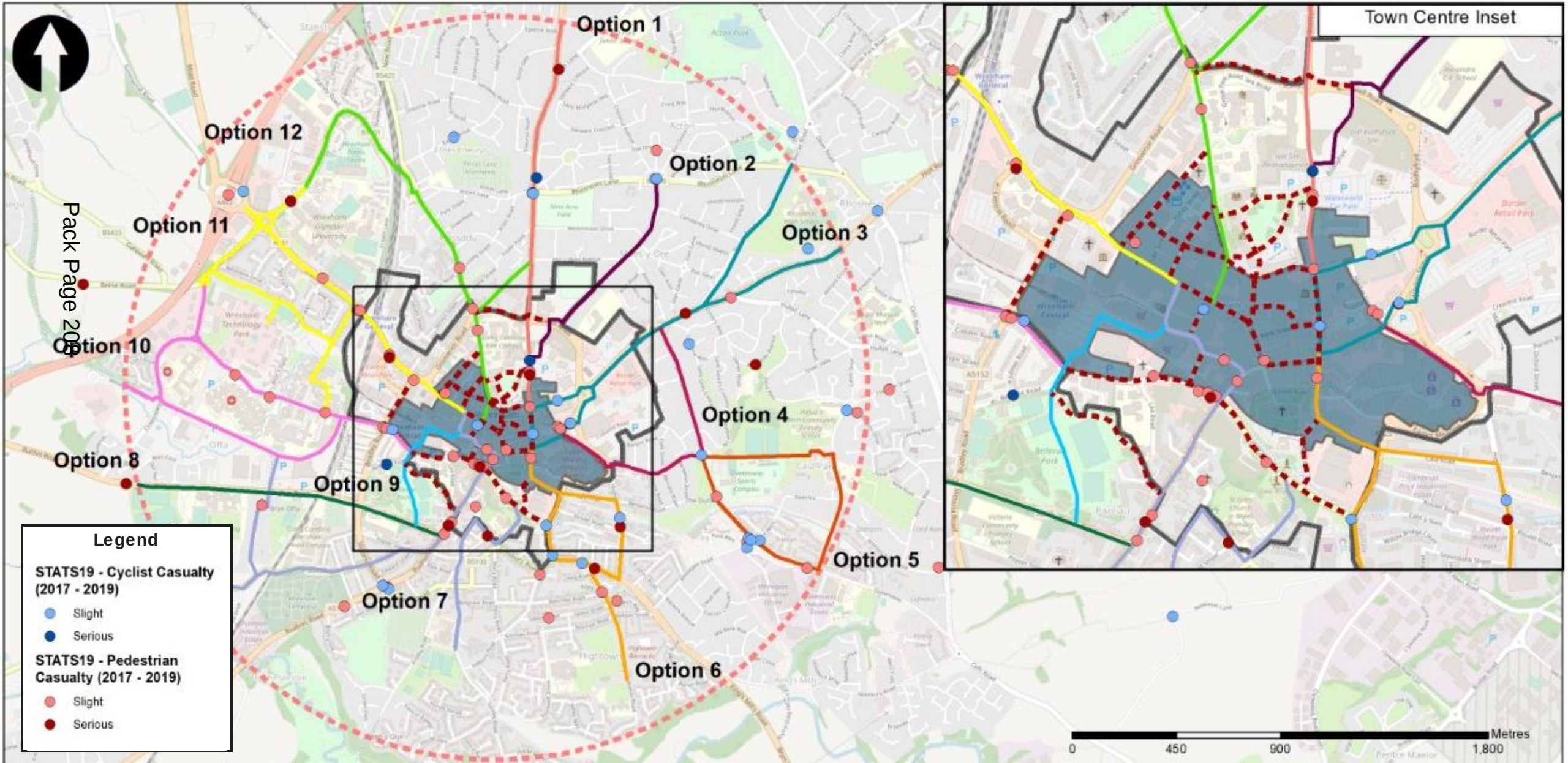
Route Prioritisation Scoring | Resident Population Density



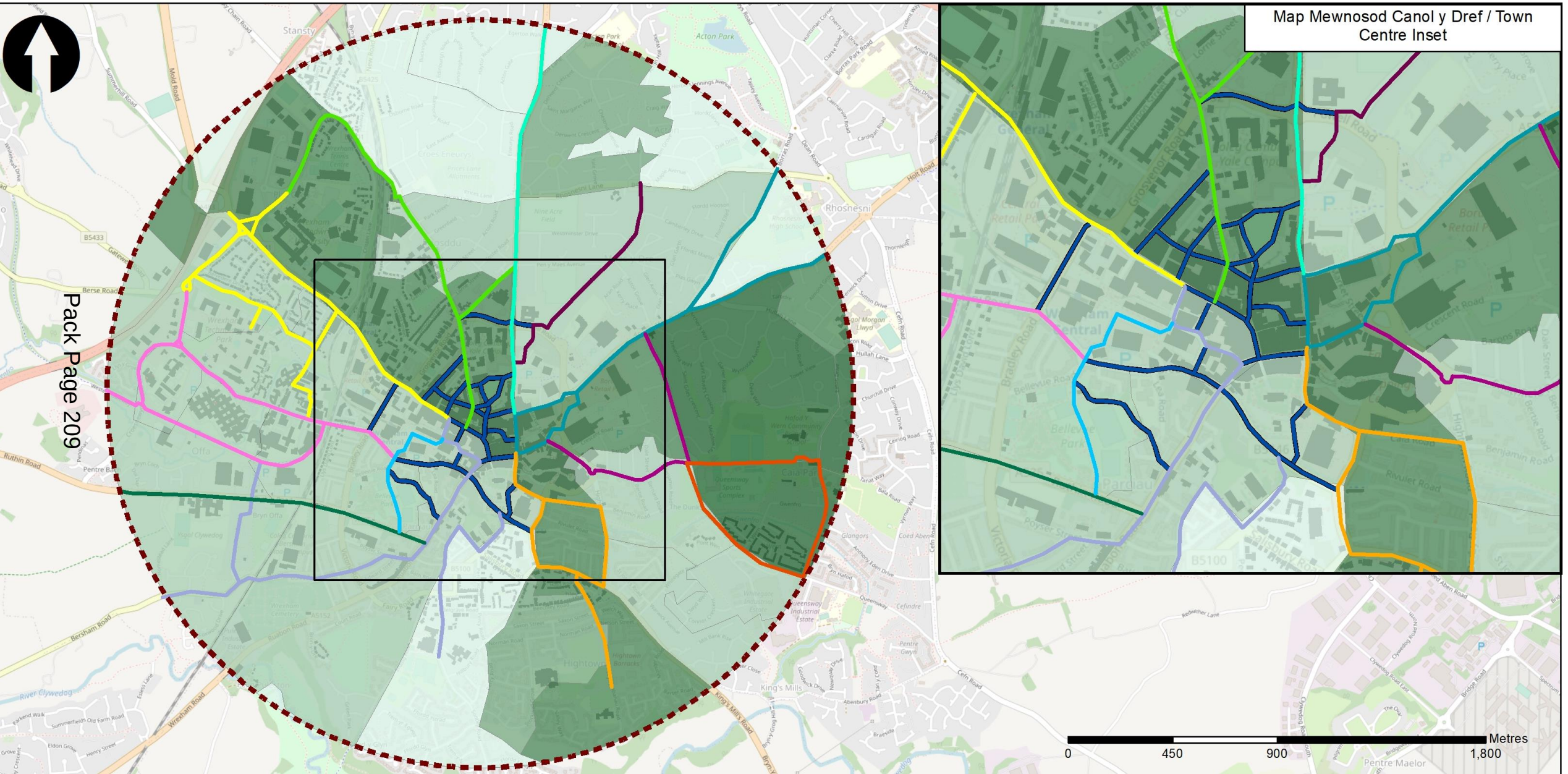
Route Prioritisation Scoring | Workplace Population Density



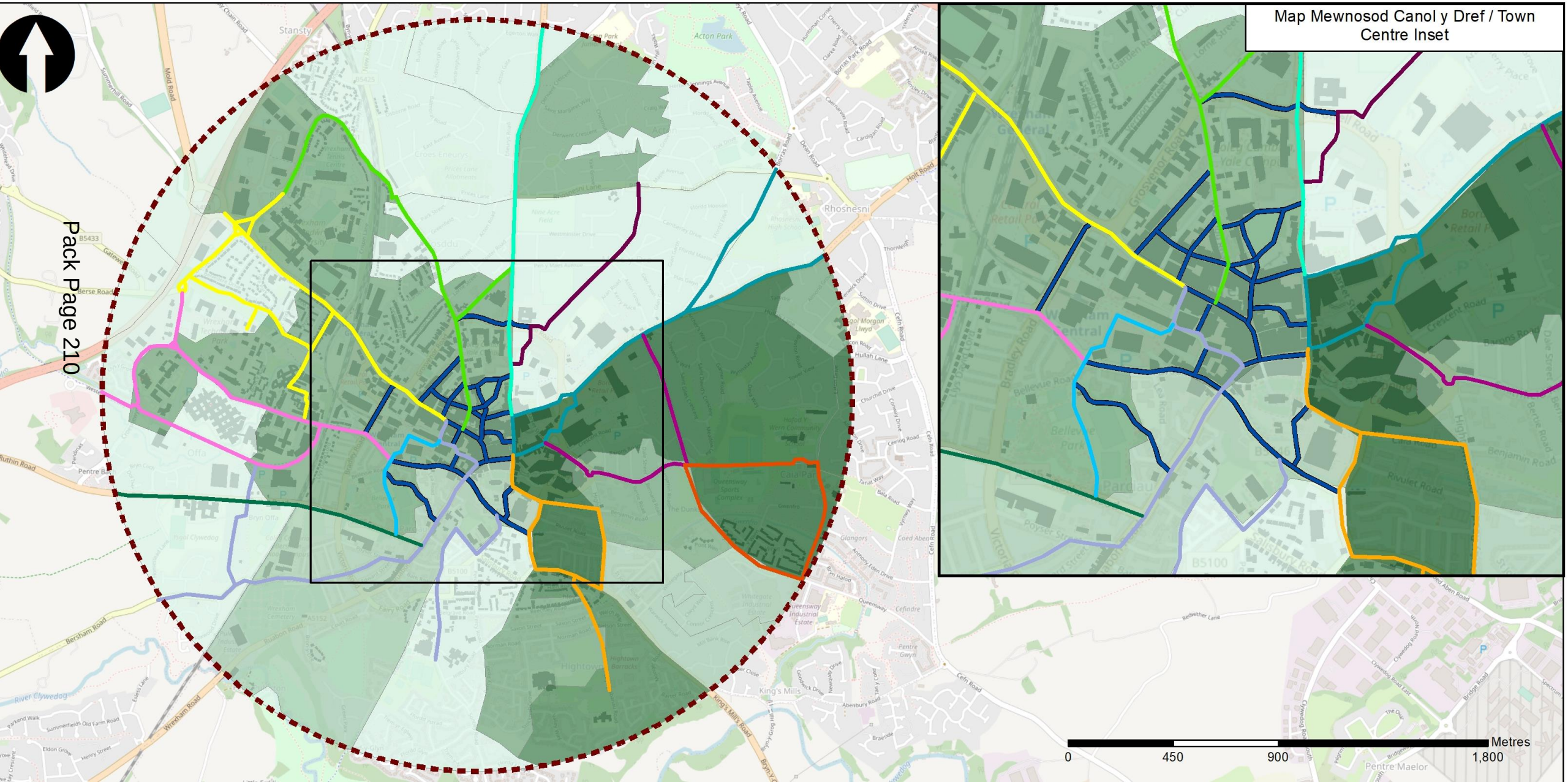
Route Prioritisation Scoring | Safety



Route Prioritisation Scoring | Health Deprivation

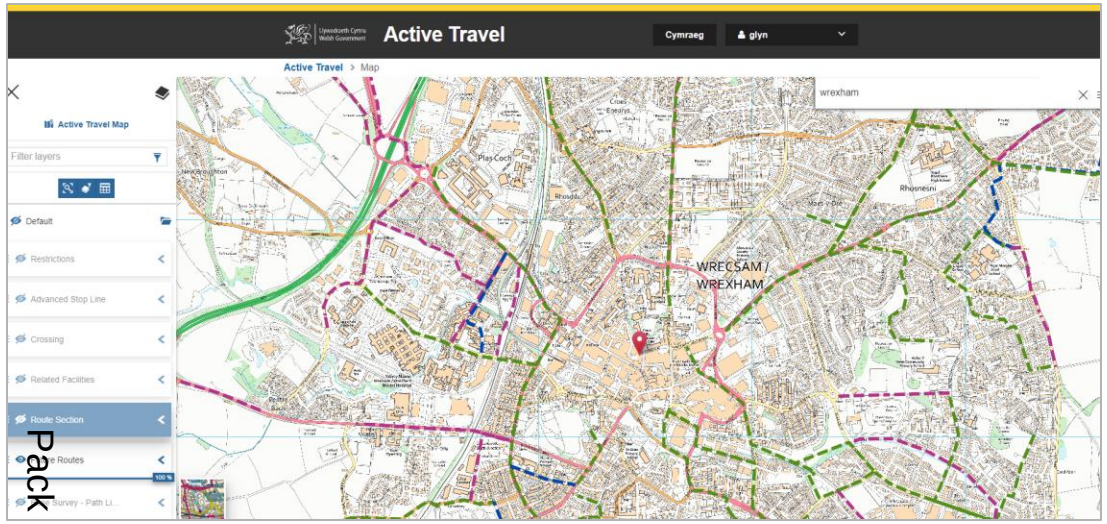


Route Prioritisation Scoring | Overall Deprivation

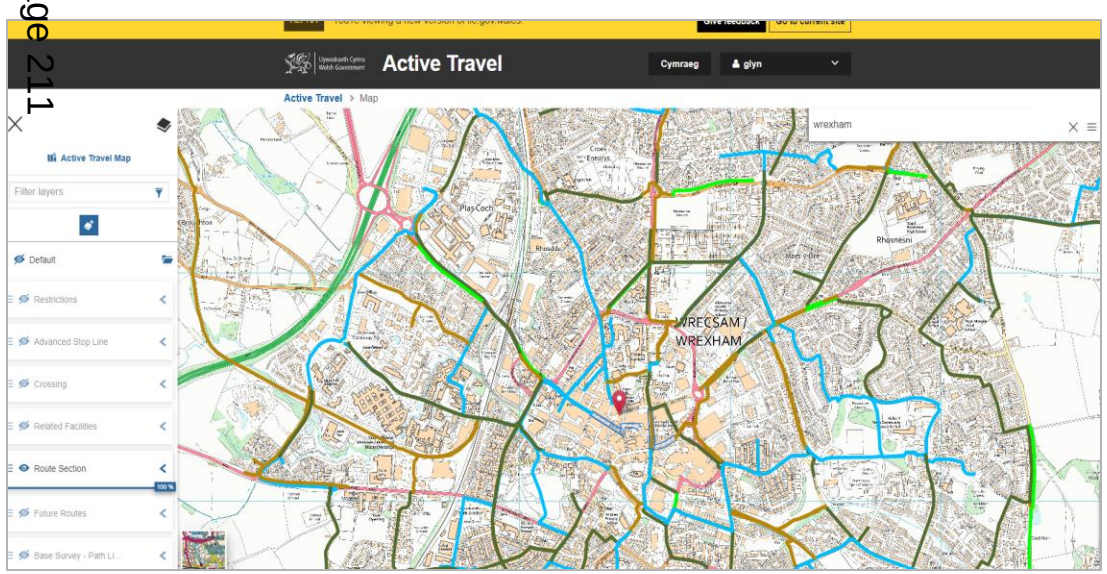


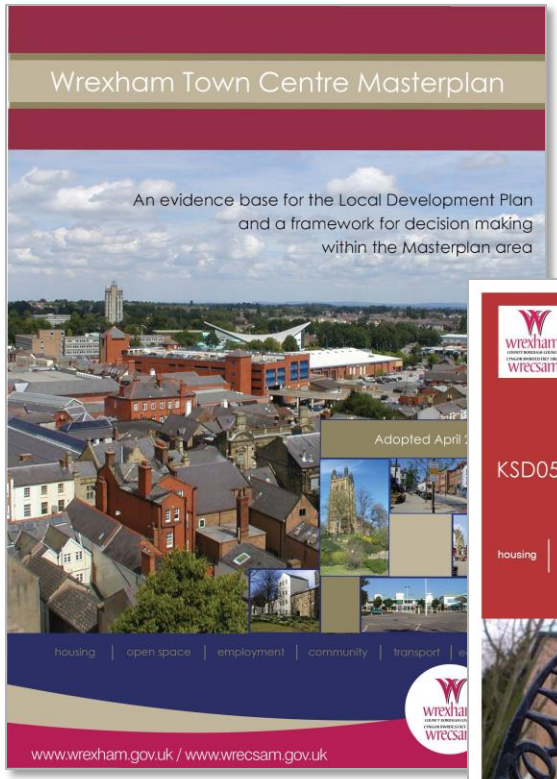
Route Prioritisation Scoring | Policy Support

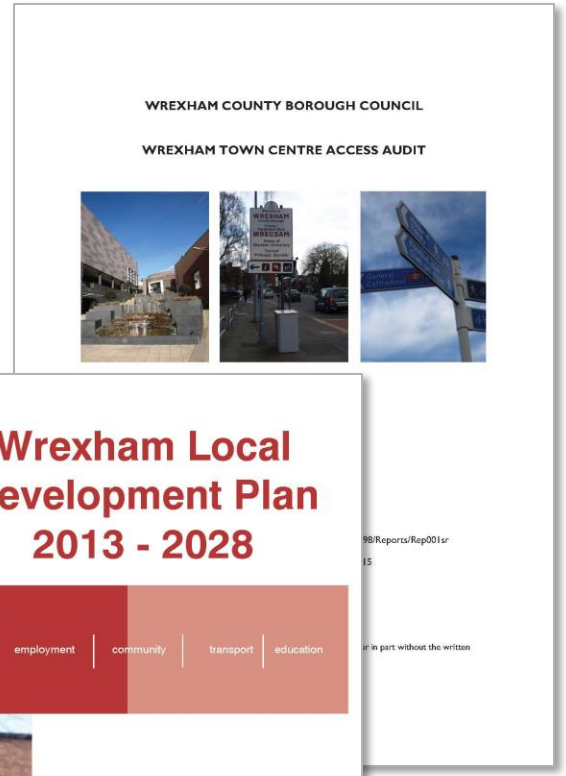
ERMS:



ERMS:









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Route Prioritisation Matrix | Ranked Results

Short List of 10 Active Travel Corridors

RANKING (1 to 10)	ROUTE DESCRIPTION	SCORE
1. Option 6(b)	High Town to Town Centre	85
2. Option 3(d)	Rhosnesni to Town Centre	81
3. Option 4(b)	Caia Park to Town Centre	75
4. Option 1	Rhosddu to Town Centre	74
5. Option 19	Town Centre - Pentre Felin / Brook Street / St Giles Way	74
6. Option 11(c)*	Mold Road Corridor	73
7. Option 12	Rhosddu Road to Town Centre	70
8. Option 13*	Bradley Road	70
9. Option 10(a)*	Croesnewydd Road to Town Centre	67
10. Option 15	Pedestrianised Zone	66

RANKING (11 to 20)	ROUTE DESCRIPTION	SCORE
11. Option 18	Market Street	64
12. Option 14	Around Wrexham Bus Station	63
13. Option 2	Acton to Town Centre	62
14. Option 7(a)	South West to Wrexham Maelor Hospital	62
15. Option 20	Route through Bellevue Park	58
16. Option 16	Footpath Around the library	56
17. Option 8	A525 Ruthin Road to Town Centre	52
18. Option 9	Bellevue Park towards Island Green	51
19. Option 17	A5152 Powell Road	48
20. Option 5(b)	South East – Prince Charles Road / Queensway	44

*Mold Road Corridor Study

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Short List of 10 Active Travel Corridors | Mold Road Corridor Discounted

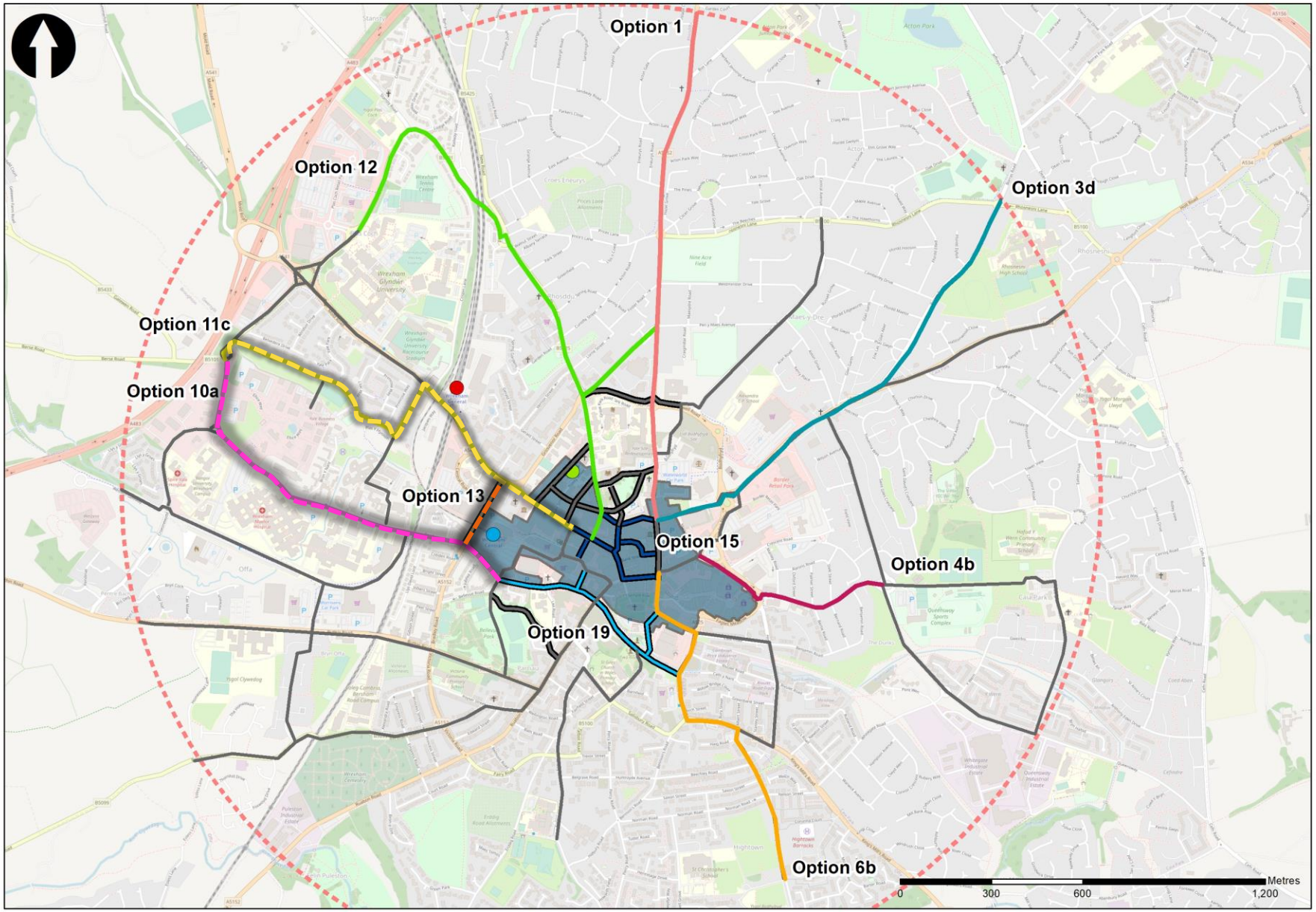
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15. Option 9	Bellevue Park towards Island Green	51
16. Option 17	A5152 Powell Road	48
17. Option 5(b)	South East – Prince Charles Road / Queensway	44

Mold Road corridor has been taken out of the short list as it is to be progressed as part of a separate study.

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Short List of 10 Active Travel Corridors to Audit:



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Next Steps/Proposed Changes to the Matrix to Better Reflect Transforming Towns Agenda

- Vacancy criteria to be removed as a test, to see what the effect would be on route prioritisation. This will inform a decision on whether to keep this criteria or not. Criteria weighting to be reviewed (suggested value of 2 or 3).
- Criteria on green infrastructure and biodiversity to be added to the matrix and routes scored against this criteria. Criteria weighting to be reviewed (suggested value of 2 or 3).
- Placemaking criteria – Review the Placemaking Wales Placemaking Guide 2020 and explore the relevance of the six activities/principles: People & Community, Location, Movement, Mix of Uses, Public Realm and how these could be incorporated into additional criteria. Criteria weighting to be determined (suggested value of 2 or 3).

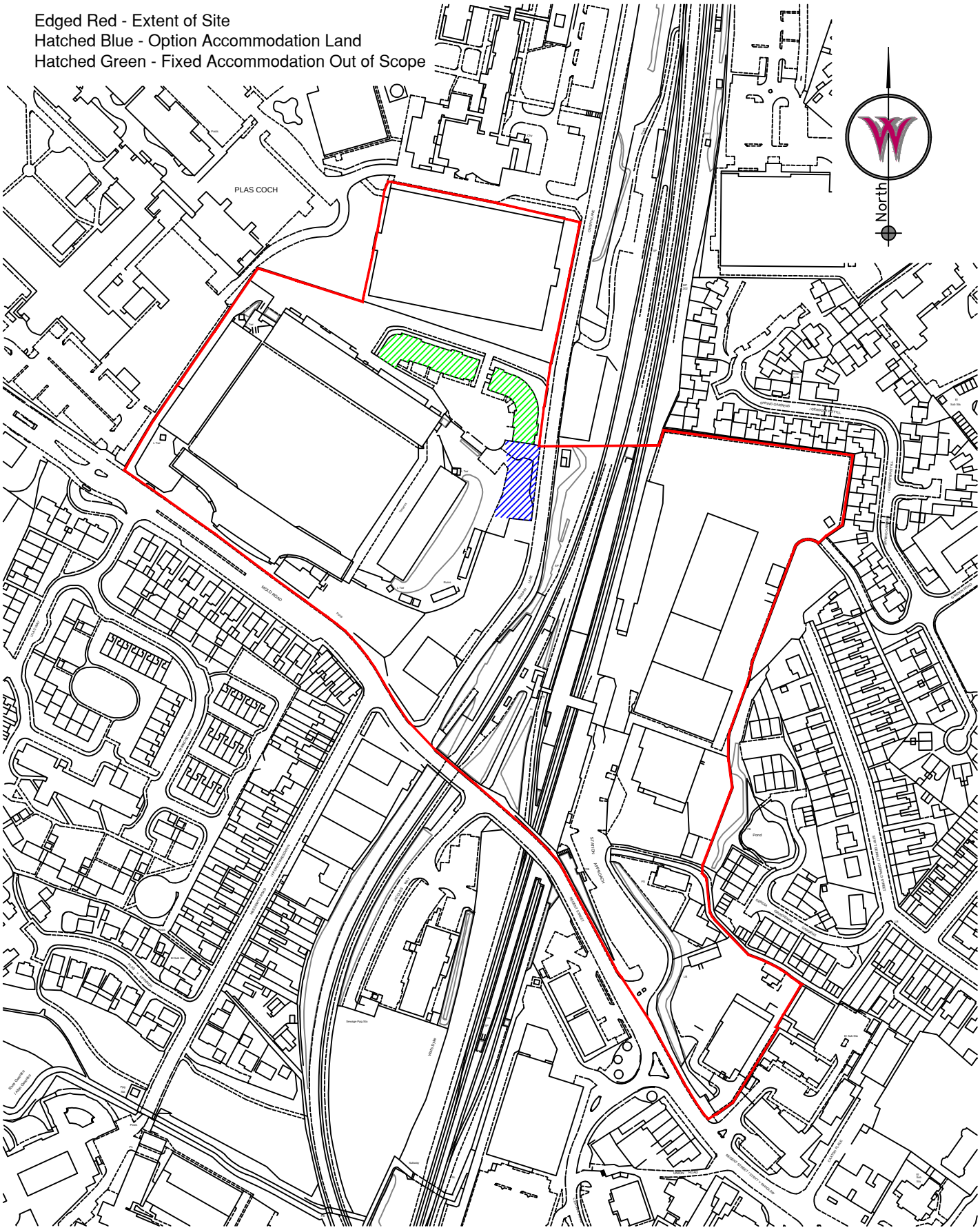


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PLAN REFERRED TO.

MOLD ROAD CORRIDOR MASTERPLAN AREA

Edged Red - Extent of Site
Hatched Blue - Option Accommodation Land
Hatched Green - Fixed Accommodation Out of Scope



STEPHEN T BAYLEY
CHIEF OFFICER HOUSING AND ECONOMY
WREXHAM COUNTY BOROUGH COUNCIL

PLAN No. 26/647/1
O.S.S. No. S.J.3250
SCALE. 1:NTS

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FOR IDENTIFICATION PURPOSES ONLY

OUTLINE BUSINESS CASE

Wrexham Gateway Project

March 2021



This document has been prepared to inform and support decision making, by Welsh Government, in determining the response to a request from Wrexham County Borough Council for grant investment in respect of gap funding for the Wrexham Gateway Project, which focusses on the Mold Road approach into Wrexham.

The document adopts the key principles of the “five case model” for a Full Business Case. Whilst the standard model however assumes outsourcing, procurement from suppliers or a construction type, this proposal has been developed to determine the appropriate response to a request for grant assistance from Wrexham County Borough Council. In these circumstances the scope of the public project is of a very different nature to most public investments. Consequently the standard appraisal model has been adapted to reflect the nature and specifics of the project.

This document is labelled as an Emerging Outline Business Case. The request for funding has been invited by Welsh Government, due to the coincidence of the investment opportunity in the Wrexham Gateway Project with the availability of funding which has arisen within the 2020/21 financial year. The paucity of time available to expand on some areas of the business case, particularly the economic case, demands that these be considered in greater depth as project plans evolve and are agreed by the Wrexham Gateway Partnership.

There is a confidence nonetheless that this Project is at a point where the contribution of gap funding will deliver a programme of investment and development which will enable the Wrexham Gateway Partnership to achieve the majority of its key objectives.

The evidence base presented in this document is deemed to be sufficient to justify the award of grant to WCBC, with conditions in the award letter to ensure that the funding is used appropriately and under the direction of the Wrexham Gateway Partnership.

Wrexham Gateway Project

Emerging Outline Business Case

Annexes

Number	Title	Date	iShare / Web Link
1	Wrexham Gateway Project Site Plan	2020	 Annex 1 - Wrexham Gateway Project Mast
2	WGP – Collaboration Agreement	2020	 Annex 2 - WGP Collaboration Agreem
3	North Wales Regeneration Plan	2018	 Annex 3 - North Wales Regeneration P
4	Wrexham Town Centre Masterplan	2016	See 4 below
5	Transforming Towns Wrexham – Active Travel Presentation	May 2020	 Annex 5 - Transforming Towns \
6	A483 Wrexham Bypass Junction 3 to 6 Improvement Scheme	August 2020	See 6 below
7	Wrexham Gateway Masterplan	Nov 2020	 Annex 7 - Wrexham Station Gateway - Ma
8	LCR SOBC Wrexham Station Gateway		 Annex 8 - LCR SOBC Wrexham General Sta
9	Wavehill Initial Findings Report (EIA)	February 2021	 Annex 9 - Wavehill - Initial Findings Report
10	Right Solution Report – Demand for Conference Facilities	2019	 Annex 10 - The Right Solution Wrexham rep
11	LCR – Draft Wrexham Budget Programme	February 2021	 Annex 11 - DRAFT Wrexham Budget Pro
12	LCR – Feasibility Study – Financial Analysis	Dec 2020	 Annex 12 - Feasibility Study - Financial Anal
13	Mersey Dee Alliance – Fiscal Stimulus Package	March 2021	 Annex 13 - Mersey Dee Alliance - Fiscal S
14	WGU – Campus 2025 Vision		See 14 below

4. https://www.wrexham.gov.uk/sites/default/files/2020-05/wrexham_town_masterplan.pdf

6. https://gov.wales/a483-junctions-3-6-improvements
14.https://www.glyndwr.ac.uk/en/AboutGlyndwrUniversity/Campus2025/WGU_Estates%20and%20Learning%20Environment%20Strategy_Campus%202025%20compressed.pdf

1 Project Introduction

1.1 Welsh Government has, since 2018 been engaged in a formal collaboration with Wrexham County Borough Council (WCBC) and Wrexham Glyndŵr University (WGU) to develop the Wrexham Gateway Project (the Project). Allied to this Wrexham Gateway Partnership (the Partnership) are Transport for Wales (TfW) and Wrexham AFC.

1.2 The Project is focussed physically on a plot of land which encompasses Wrexham General Station, the Racecourse Ground and adjacent land owned by WGU, together with plots currently occupied by the Royal Mail, the Scouts and Guides Associations and Jewson. A site plan for the Project is available at Annex 1.

1.3 Finally, there are two sites on which Countrywide Stores and Dickens Garage were located. These sites were acquired by Welsh Government in 2019 and 2020 respectively and are in the process of demolition.

1.4 The Welsh Government funding opportunity which has arisen at the close of the 2020/21 financial year has focussed the attention of the Partnership and Welsh Government officials on the extent to which the early delivery phases can be accelerated.

Wrexham Gateway Partnership

1.5 The Partnership was created in response to overlapping strategic ambitions held by each party, focussed on the Mold Road approach into Wrexham town centre. These ambitions included:

- the development of a 21st Century public transport service which connected communities across and beyond Wrexham in a manner which served to meet Climate Change and Wellbeing of Future Generations objectives;
- addressing the issue of connectivity across Wrexham in support of WCBC's Town Centre Strategy and the plans being developed by Welsh Government to upgrade junctions along the A483;
- restoring the Racecourse Ground to a standard to host multi-code international sporting fixtures, plus regionally significant cultural and music events, and;
- implementing WGU's Campus 2025 Vision to double the student population and provide the necessary infrastructure to facilitate this.

1.6 Welsh Government, WCBC and WGU have entered into a Collaboration Agreement (at Annex 2) to deliver on these ambitions. The Urbanist Ltd was commissioned to produce a concept plan, to encapsulate the Partnership's ambitions and to explore how these might translate into a series of distinct, yet complementary developments.

The Project

1.7 Each component contributes directly to the achievement of the Partnership's ambitions, or supports the ambitions as an enabling works. The primary features are described as:

- development of a 5,000 seater stand at the Racecourse, raising the capacity to meet international standards;
- construction of parking facilities to support rail use at Wrexham General Station;
- construction of a hotel on the junction between Crispin Lane and Mold Road;
- creation of a public transport interchange at Wrexham General Station, to support rail use;
- provision of 228 to 328 houses close to Wrexham General Station;
- development of 16,000 sq.ft. of office accommodation, small scale retain units and community facilities in close proximity to Wrexham General Station.
- Potential realignment of the Crispin Lane junction with Mold Road.

1.8 The outline plan produced by The Urbanist Ltd has subsequently been analysed, challenged and revised by London & Continental Railways Ltd (LCR). LCR has experience of station focussed development, with particular expertise in site acquisition (including the use of statutory powers), project management, the planning process and implementation. LCR has also worked on similar sized projects in Stafford and Chester, gaining experience of supporting local partnerships and utilising contractors with relevant expertise.

1.9 The review by LCR has presented the Partnership with a number of key considerations, in terms of the total project costs; public support necessary for the project to proceed; the scale of the overall development and phasing of the works to be undertaken.

1.10 Wavehill has been commissioned to undertake an Economic Impact Assessment of the Masterplan. The initial findings are presented in this paper with the caveat that the final report was not available on a timescale to inform a decision on the grant request from WCBC.

2 Evolving Strategic Case

2.1 The Wrexham Gateway Project is a direct response to a number of Welsh Government and WCBC strategies and has synergies with others. Primarily, the Project is the response to an urgent need to address an out-dated and dysfunctional public transport system interchange in Wrexham, in line with the region's Metro ambitions.

2.2 The Project is a recognition that the Mold Road approach into Wrexham limits the connection of the town with the trunk road network and that active travel routes from the west into town and across to the region's main hospital are at best inadequate.

2.3 The Project seeks to create appropriate office accommodation in close proximity to Wrexham General Station, with potential anchor tenants identified.

2.4 Finally, the Project aims to meet a long held ambition of the local authority to return the Racecourse Ground to full international standards.

2.5 This strategic case will reference a number of key local and regional strategies and plans. These strategies reinforce the central strategic themes of which underpin the Project: connectivity, sense of place and community coherence within a regional context.

North Wales Regeneration Plan 2018 – 2035 - Wrexham Town Centre Strategy (2018) and Wrexham Town Centre Masterplan (Adopted 2016)

2.6 The North Wales Regeneration Plan (at Annex 3) was produced by the six local authorities in North Wales, in consultation with Further and Higher Education Institutions, private and third sector organisations. It sets out a shared vision and objectives for cohesive public sector regeneration investment and activity in North Wales until 2035.

"*By 2035 North Wales will experience reduced inequality, increased employment, modernised town centres, an improved housing offer, a stronger visitor economy, a resilient rural economy, and improved health for local people*".

2.7 This Strategy aligns with the objectives of Welsh Government's Targeted Regeneration Investment Fund and focusses on Wrexham as a Priority Regeneration Area. It describes a number of interventions deemed by the local authority to be critical to the achievement of the vision of the town as:

"*a new revitalised town centre and its surrounding neighbourhoods through the delivery of new and improved homes, the creation of businesses and jobs with a diverse offer of independent quality retail, leisure uses such as family restaurants, arts and cultural attractions, and all in a quality public realm providing an environment that is identifiable as Wrexham*".

2.8 The priorities underlined in the Strategy for Wrexham are largely drawn from WCBC's Wrexham Town Centre Masterplan (at Annex 4), which was adopted in 2016 and which is intended to set a framework in place for the development of the Local Development Plan.

2.9 Fundamentally in the context of the Project, the Strategy reiterates the Local Authority's long held ambition to

"*change the perception of the town as a tourist attraction and visitor destination that the town has a limited range of attractions in order to attract an increased number of visitors to the area there is a need to improve on the number and quality of strategic large scale events, the regeneration of the Wrexham Racecourse Ground would be a major contributor to this and would improve the overall perception of the area, given its prime location along the main corridor into the town centre. The objective is to create a first class stadium capable of hosting international sporting events, music and other cultural outdoor events establishing it as a Regional Centre of Excellence. In conjunction with this there is ongoing consideration to maximise the development opportunities afforded on the adjacent parcel of land for commercial or mixed use development. This would not only generate a significant increase in footfall in but also enhance and strengthen the connectivity into the town.*"

2.10 The Kop Stand at the Racecourse Ground is an area of covered terracing, which has not been in use for approximately 12 years and is well aged in terms of modern stadia. It is seen by supporters and the wider community as a lasting symbol of the legacy of owners of the Wrexham AFC, whose tenure at the club saw it slip behind its rivals in Cardiff and Swansea and which took it to the verge of insolvency.

2.11 Critically, the state of disrepair of the stand and the fact that it has never been converted to seating has seen the Racecourse Ground largely abandoned by the Football Association of Wales, the Welsh Rugby Union and the Rugby Football League as a venue for major and minor international fixtures. As it is the oldest international football ground in the world (since 1877), which is still in use as a football ground, there is considerable local support for the redevelopment of the stand to a size and standard which will attract such fixtures once again.

2.12 The ambition articulated in the North Wales Regeneration Strategy and the Wrexham Town Centre Masterplan and which is therefore represented in the Wrexham Gateway Project, is one in which the Racecourse Ground and the Kop Stand in particular of are redeveloped to vastly improve the functionality and visual impact of the football ground. Equally importantly is the stadiums ability to attract high profile music and cultural events and to project a growing confidence in the region and the town.

2.13 It should be noted that whilst these strategies pre-date the acquisition of Wrexham AFC by Ryan Reynolds and Rob McElhenney, that acquisition and the rise in profile and improvement in financial stability of the club strengthens

the case for investment in the Racecourse Ground as a regionally important asset.

2.14 In common with the other strategies referenced in this paper, the North Wales Regeneration Strategy and the Wrexham Town Centre Masterplan concentrate strongly on connectivity and accessibility. It is a recurring theme. The North Wales Regeneration Strategy succinctly describes the determination with regards to this as follows:

"to address the need for improved accessibility into the town there is an identified scheme to modernise transport infrastructure in order to enable growth, through the development of various larger schemes for accessibility into the town, such as the implementation of phased works, to improve the junctions on the A483 in order to address congestion issues currently acting as a barrier in terms of accessibility into the town. Support a modal shift of transport to help deliver growth by supporting development that encourages the use of public transport via Wrexham General Station for a transport hub in order to provide better connectivity with the Bus station and improve links and connectivity to the town.

In addition to the larger scale infrastructure proposals there is a need to develop a network of attractive pedestrian friendly routes and spaces to improve the connectivity both into and across the town centre helping to bind various parts of the town together in particular on the main corridor into the town centre."

2.15 The Project seizes on this concept that a modal shift is required to support development and to facilitate connectivity across, around and into Wrexham.

North East Wales Metro

2.16 Wrexham General Station is a vital link within the developing North Wales Metro, the aim of which is to "deliver the North Wales Metro Vision to provide a transformational step-change in public transport to support economic growth and climate emergency." (TfW).

2.17 Wrexham General Station serves the largest centre of population in North Wales and has close cross border links with Chester and Merseyside – a factor recognised within the Mersey Dee Alliance.

2.18 Whilst still in development, the concept of the North Wales Metro is a clear one: Welsh Government is to "*provide multi-modal solutions and a transformational step-change in public transport provision to support sustainable economic growth. The Metro will be designed with a hierarchy of modes with train, bus, active travel and road*." (TfW).

2.19 The current constraints at Wrexham General Station are such that there is no effective interchange between public transport on road and rail – buses are unable to turn in close proximity to the station. Nor is there sufficient parking

(approximately 60 spaces) for the station to facilitate a park and ride function for onward journeys.

2.20 The impact of this is that Wrexham General is unable to fulfil its role as a public transport hub and without investment, it will be unable to contribute to the delivery of the key objectives of the North Wales Metro, on behalf of the communities which should be able to utilise its services.

2.21 The focal aspect of the Project is Wrexham General Station and the expectation that, if implemented, it will deliver a modern public transport interchange which links public transport and road and rail with well-connected active travel routes as are described in the Wrexham Town Centre Masterplan.

2.22 In the attached presentation “Transforming Towns Wrexham – Active Travel” (at Annex 5), the network of Active Travel routes under consideration for the wider Wrexham area is presented, with particular reference for the Mold Road development to link into that plan.

2.23 The surrounding development is intended to maximise the benefits to be derived from such a transport hub and whilst each is important in its own right, it is the work envisaged for Wrexham General Station which has the capacity to impact most directly on those who live in, work in and visit Wrexham.

A483 Wrexham Bypass Junction 3 to 6 Improvement Scheme

2.24 The A483 Wrexham Bypass Junction 3 to 6 Improvement Scheme (at Annex 6) is a strategic reaction to the issue of current and projected congestion on those junctions which directly link Wrexham to the wider trunk road network.

2.25 The Mold Road junction(5) is identified with this improvement scheme as it, in common with the other junctions, is prone to prolonged periods daily in which standing traffic is commonplace and with it, air pollution. The latter fact has led to the imposition of a 50 mph speed limit for the extent of the A438 that bypasses Wrexham.

2.26 Congestion is not confined to the junctions. The Mold Road is constructed as a dual carriageway as it passes Wrexham Glyndŵr University and the Racecourse Ground. It then narrows considerably as it crosses the rail lines into the town centre, to the extent that the bridge has now been signalised and vehicles must cross in alternate columns of traffic.

2.27 Whilst it has not been included in the Project at this stage, there is support from the Partnership to address the alignment and width of this bridge. It is possible that the matter will be considered as the Project progresses.

2.28 The A483 forms part of the trunk road network in Wales, managed by the North and Mid Wales Trunk Road Agent (NMWTRA) on behalf of Welsh Government. The A483 provides one of the key connecting routes between

North and South Wales, as well as providing access into North Wales and the Midlands.

2.29 This road is a key route for tourists travelling to popular North Wales destinations and for freight accessing UK, Ireland and mainland Europe. The A483 is located to the West of Wrexham Town Centre and Junction 3-6 are the local connections to this highway network. This section of trunk road carries 58,000 vehicles per day, with junctions 4, 5 and 6 experiencing peak time vehicle congestion, restricting access to and from Wrexham.

2.30 From stakeholder engagement and work carried out in WelTAG Stage 1 and 2, the following key issues were identified in relation to the A483 Wrexham Bypass:

- Local traffic congestion in Wrexham, particularly at Junctions 4 and 5;
- Strategic traffic congestion on the A483;
- Economic growth and development in Wrexham restricted by congestion on the A483;
- Poor active mode travel infrastructure over the A483;
- Poor public transport infrastructure in Wrexham.

2.31 In response, the A483 Wrexham Bypass Junction 3 to 6 Improvement Scheme seeks to:

- Support and enable the LDP growth aspirations of Wrexham;
- Maintain the strategic function of the A483/A5 by improving resilience and journey time reliability;
- Improve air quality and noise impact along A483 between Junctions 3 and 6;
- Reduce the high car mode share for journeys starting or ending within the WCBC area that use the A483 and its junctions;
- Ensure that the A483 is effective in serving local movements;
- Enhance connectivity, accessibility and transport network coherence for journeys that cross the A483;

2.32 It is important to note that any efficiencies gained by the upgrade of junction 5 (or indeed the more impactful, but still interconnected junction 4) will be undermined by a failure to maximise the public transport and active travel opportunities offered by the Wrexham Gateway Project.

Wrexham Gateway Masterplan (at Annex 7)

2.33 The formation of the Wrexham Gateway Partnership is a direct response to many of the issues which are detailed in the strategies above. It is a collaboration which seeks to address some of the most complicated problems which must be overcome in order to ensure that investment in public transport on road and rail, in active travel routes, in businesses, housing, leisure facilities and public spaces across Wrexham are to progress without the

ongoing impediment of a poor public transport interchange and the persistent perception of a town in need of regeneration.

2.34 The Project concentrates on the area within the immediate proximity Wrexham General Station, albeit with strong attention to all that is located around it and which is planned for the future across the town and the region.

2.35 Particular note has been taken of emerging priorities for the Betsi Cadwaladr University Health Board (BCUHB) to revise the delivery of its healthcare provision, both at the Maelor Hospital site and within the community. Whilst these plans are still in development, the Board has expressed a strong interest in the progress being made by the Partnership and is kept abreast of the opportunities which will arise in terms of housing provision for health sector staff, plus the potential to position a community health centre close to the station.

2.36 The housing element of the project is particularly interesting, given WCBC's ongoing role as a housing landlord, plus the intention of various Registered Social Landlords (RSL) to development opportunities in Wrexham. The BCUHB is currently engaged with two such RSLs as it looks to address its current and future housing requirements for healthcare staff.

2.37 Additionally, TfW has a requirement for long term office accommodation within the Project boundary and is investigating the possibility of its staff being co-located with those of Network Rail, thereby creating a public transport management hub in Wrexham.

2.38 These opportunities, whilst unconfirmed, give confidence that the wider project features will have anchor tenants or purchasers in place by the time full plans are unveiled.

2.39 The Partnership as therefore engaged The Urbanist Ltd to produce indicative schematics for the project site and more latterly, LCR to develop and review a Masterplan. This Masterplan describes the opportunity to develop:

- A public transport interchange in the immediate proximity of Wrexham General Station, which facilitates the transfer of passengers between road and rail and which links with the Wrexham's main bus terminus and outlying communities.

- A 4,500 – 5,000 seat stand to replace the Kop Stand at the Racecourse Ground, incorporating either 400 public parking spaces to support the growth of the use of Wrexham General Station or a regional conference centre – depending upon the projected demand. An alternative site is available for parking should the latter option be pursued.

- A pedestrian bridge over the rail line to link the east and west of the project site and to promote safer active travel into and across Wrexham – particularly linking the main University Campus to the town.

- Between 228 and 328 housing units based on current estimations.

- Approximately 16,000sq.ft. of commercial (office) space plus some small retail units associated with the station.

- Landmark 4* Hotel on the junction of Crispin Lane and Mold Road.

2.40 The project area will include public amenity features and is intended to promote active travel between the University and the town.

2.41 "*Whilst there is no explicit evidence of market failure at these locations, they have intricate complexities related to landownership structures and the rail environment which make them unappealing to the marketplace in their current guise and are untested until now. Therefore, upfront funding is required by the public sector to de-risk these opportunities and make them investable sites for a development or funding partner*." (LCR Strategic Outline Business Plan – January 2021 – at Annex 8. Note that this document has been produced to inform LCR's own management about the company's continued involvement with the Project. It does not address the funding opportunity considered in this paper.)

2.42 The need for public intervention in general and gap funding in particular is clear. Land assembly, the public transport interchange, public realm works, road realignment works and the Kop Stand simply will not be achieved without significant investment from Welsh Government.

3 Evolving Economic Case

3.1 It is important to note that the economic case is still in development and a number of the features of the project are yet to be considered in terms of an Economic Impact Assessment (EIA). Wavehill Ltd has been commissioned by WCBC to undertake an early assessment of the project components and the draft report is anticipated for the end of March 2021.

3.2 The EIA is based upon a number of assumptions which are subject to change as the project develops and the viability of key features are determined. The outline finance case will highlight the significant viability gap which is inherent in projects which are largely focussed on public transport infrastructure and which feature significant public realm aspects.

3.3 Importantly, it is acknowledged at this stage that the redevelopment of the Kop Stand is intended to present Wrexham as a regionally and nationally important centre to sporting, cultural and music events. The acquisition of Wrexham AFC by Ryan Reynolds and Rob McElhenney has raised expectations regarding the club's promotion potential, but revenue derived from increased attendance for club matches is by no means a foregone conclusion. This element of the project was embedded in local strategies and the Partnership's project plans well before the prospect of the club's acquisition became a matter of public record.

3.4 The initial findings of the Wavehill's EIA (at Annex 9) are as follows:

Exclusions

3.5 This initial findings report does not include assessment of:

- Footfall and any related benefits
- Transport effects
- University effects
- Sport effects
- Covid-19 impacts
- Benefits of public realm (look and feel)
- Spillover effects or catalysed investments
- Interactions between component parts

Initial Findings

3.6 Using the cost figures from the LCR reports, the baseline numbers from the Urbanists and Right Solution reports, and additional details from the literature the economic impact on GVA and jobs created/safeguarded has been estimated for the Wrexham Gateway scheme.

3.7 Due to the nature of the scheme, the various sites and two options proposed by LCR, the headline findings are broken down into their constituent parts. It is recognised however that there will be benefits from bringing the different

components of the Wrexham Gateway proposal together and some of these interactions inform basic assumptions. For instance, better transport links are likely to enable greater attendance to the Racecourse Ground. Other factors will have a large influence on the outcomes of the scheme but are not possible to consider given they remain outside of the control of any project stakeholder. The performance of Wrexham FC and the influence on attracting spectators to games, and the implications of a Covid-19 legacy on conference facility usage are two such examples.

3.8 Given the completion of the conference centre is likely to be some years away, the effects of any Covid-19 impact are likely to be nullified, but changed working practices may still have an impact. Several other assumptions have been made with the figures, such as the number of additional events brought about by a new stand at the Racecourse Ground and the attendance to conference facilities. Where appropriate, these have been based on available evidence for similar sites, though they include an element of uncertainty that would need to be addressed by demand and feasibility studies for the various sites.

3.9 The economic information presented includes the construction and end use impacts for both Gross Value Added and jobs created or safeguarded. This distinction between jobs created and safeguarded is indicative of whether a job is a newly created one which have not existed previously, compared to those that are going to be secured through the continued operation of a firm or activity, such as construction. Finally, a general cost benefit ratio has been calculated based on the indicative investment costs for each part of the project and the expected economic outcomes in both GVA and employment. These relate only to the project and do not include a wider narrative around benefits that may be generated from the visual improvements, transport links and catalytic investments generated.

3.10 In calculating construction impacts we have used the initial investment figures developed by LCR in their latest Masterplan (and supported by the evidence presented from partners CBRE), for instance the stadium is expected to cost £12.5m. This starting point is then modelled into GVA and employment impacts through ONS ratios for the construction sector in Wales. Multiplier effects from the UK input-output tables are then used to estimate how such spending indirectly impacts the supply chain. This produces a total GVA and jobs safeguarded/created figure.

Stadium

3.11 This covers the stadium separately from the conference facility which will be addressed below. Construction impacts from the £12.5m estimated spend on the stadium (from LCR) will generate £4.7m in direct GVA and a further £4.9m through the supply chain for a total GVA impact of £9.6m. Over 84 Full Time Equivalent (FTE) job years will be safeguarded in the construction sector, and 98.8 more in the supply chain.

3.12 The stadium impacts are primarily driven from the reported ambition to use the new stand as an opportunity for attracting additional events to Wrexham, principally concerts and sporting events. The context is important here, with competition to other localities such as Liverpool and Chester likely to be a factor in whether such events choose to use the Racecourse Ground as a venue. Given this starting point an additional two large sporting events are hosted per year at the stadium and two concerts. In each case, 75% capacity is assumed. Outcome figures are only based on the additional spend brought by the attendees to these events which is based on the £16.75 average per person from available literature. This generates a GVA impact of £440k in the local food and drink sector and safeguards 55 jobs, both directly and through the supply chain. Depending on the scale of the event, this could be larger with further advantages arising from overnight stays for attendees. Further insight on returns for the football club / stadium from the ticket price for such events is needed to calculate this additional impact.

3.13 A cost benefit ratio of the stadium development and end use, for a 20 year use period, is £1.80 in GVA for every £1 invested using the current assumptions. Each job year created or safeguarded will be due to £9,776 of spend. No degradation or additional spend has been assumed over these 20 years.

Conference Centre

3.14 Evidence shows that including facilities such as conference centres, health centres or leisure centres within stadiums can make significant savings compared to if the two were separate. The construction cost of the conference centre at the Racecourse Ground is estimated to be £7.5m by LCR which will create £2.8m in GVA directly, with a further £2.9m through the supply chain for a total GVA impact of £5.7m. FTE job years safeguarded will be 50.5 for the construction and 59.3 through the supply chain, 110 in total.

3.15 The end use of the conference centre draws on figures provided in the Right Solution report (at Annex 10) which does not take into account the impact of the Covid-19 pandemic. Given the length of time between the pandemic and the likely build completion these assumptions are considered acceptable, however, a future demand report for conferencing facilities may be needed when the changed working practices brought about by the Covid-19 pandemic have been realised. The figures show that per year 205 events (of all sizes) may be expected at the conference centre which will generate £414k in GVA directly and a further £180k through the supply chain. Thirteen new jobs will be created, with 33 more safeguarded through the multiplier effect. Displacement is likely to be high as the new conference facility will compete for the trade of a fixed number of businesses with other locations. This may be as high as 50%, and would reduce these outputs by half.

3.16 There is potential overlap between the use of the conference centre and the stadium for activities including post game hospitality and events. The interplay between such activities has not been explored, though some is implicit in the events covered in the conference model, it could be that the attraction of more

or larger stadium events could have further benefits to any mixed-use conference space.

3.17 The cost benefit ratio for the conference centre, operating for 20 years, is £2.40 GVA return for every £1 spent. Each job year created or safeguarded has a cost value of £7,231. This does not include any additional investment in the conference centre facility over the 20-year period.

Hotel

3.18 The construction of the hotel is estimated to be £9.5m by LCR and though this might be taken on in partnership with a hotelier the construction related impacts will remain the same. An anticipated £3.5m in GVA will be directly created with a further £3.73m through the supply chain. Nearly 64 FTE job years will be safeguarded during the construction period and an additional 75.1 will be produced by the multiplier effect.

3.19 The scale of employment generated by the hotel will depend on the number of rooms, and design adopted by the hotelier. Using the CBRE figures with 100 rooms suggests a hotel turnover of £425k, which would create 29 FTE jobs both directly and through the supply chain. Should there be a restaurant as part of the hotel this would increase. GVA impacts would be £396k per annum.

Office Space

3.20 A small amount of commercial space has been allowed for within the LCR Masterplan, though with options to substitute some of the housing allocation for additional office space as demand might require. The £3.75m construction will generate £1.4m in direct GVA and a further £1.4m through the supply chain. Twenty-five job years will be safeguarded in construction and a further 29.6 through the supply chain.

3.21 Based on the LCR Masterplan, 2100m² of office space will accommodate 161.5 FTE jobs. The rental income at £13f² would produce £294k in revenue, potentially generating returns for the investors and additional GVA. There may be additional economic impacts from the end use if the new office space has facilitated growth or expansion of businesses, but this comes with significant deadweight as businesses relocate from other areas.

Multi-Storey Car Park

3.22 The construction impacts of building a £2.4m MSCP are £906k in direct GVA and £940k indirectly. Sixteen FTE job years will be safeguarded in construction during the build phase, with a further 19 through the supply chain.

3.23 During operation, CBRE suggest that the MSCP is likely to be operated by a contacted party, which will generate revenue for the owner/investor. The terms of the lease agreement will determine this impact, but whether for the

contractor or investor the revenue from a 400 space MSCP using £5 per day figures and 75% occupancy would create £196k in GVA and potentially support 3.2 jobs. There are further operational benefits that may be achieved from the location of the MSCP facilitating integrated use of onward transportation by bus or rail or encouraging use of the conference facility.

Student Accommodation

3.24 A £12.8m student accommodation block will principally only generate economic impact during the construction phase, though additional students will bring their own impact separately. Construction will safeguard 86.2 job years directly and a further 101.2 through the supply chain. GVA impacts are estimated to be £4.8m directly and a further £5m through multiplier effects.

3.25 Should the accommodation accommodate 50 new students, then this would lead to an estimated additional GVA from local services by £544k per year, though this is tied to the new students, not the use of the accommodation block. There may be some increase in cleaning and security required to cover the new accommodation block, but this will be negligible (<0.5 FTE).

Residential

3.26 There is a large allocation of residential usage across the East and West parcels of the site. These plots may be made available for commercial development with a partner but will generate economic impacts in their construction. Under LCR Masterplan Option 1, the residential configuration will cost an estimated £54m generating a GVA impact of £20.5m directly and a further £21.4m in the supply chain. Nearly 370 FTE job years will be safeguarded during the construction and an additional 431 through the supply chain. Under Option 2, £38m is invested, resulting in £14.6m in direct GVA and £15m indirectly. The work will safeguard 261 job years in construction, and 307 through the supply chain.

3.27 Returns on investment based on house price estimates can be calculated, though these may be moot given the role of a developer compared to any ownership and sale from the Wrexham Gateway partnership.

Public Realm

3.28 The changes to Mold Road, Crispin Lane junction and public realm around the station will create additional economic impact during construction. Further benefits may be accrued by attracting footfall and encouraging residents and visitors to the area, though these are not quantified. Under LCR Masterplan Option 1, £16m in spending will generate £12m in GVA, both directly and indirectly, and safeguard 246 jobs in construction and in the supply chain. Under Option 2, £12m in direct and indirect GVA is created, while 173 job years are safeguarded in construction and through the supply chain.

3.29 Wavehill is yet to report its conclusions with regards to the economic impact of the project. It is acknowledged that this business case will need to be

updated and strengthened as the EIA is completed and then further amended as the Project details are refined, costed and implemented.

3.30 It is clear though that without the intervention to deliver the land assembly, the public transport interchange, public realm works, road realignment works and the Kop Stand, there is practically no prospect of independent private investment taking any of the aspects of the Project forward. The Partnership has endorsed the Masterplan as the only way of achieving aspirational change along the Mold Road approach into Wrexham.

4 Outline Commercial Case

4.1 From the outset of the inaugural meeting of the Partnership in 2018, it has been clear that the Project would require considerable public sector intervention, in terms of the anticipated funding gap and the drive behind the ambition to deliver transformational change along the Mold Road corridor.

4.2 Fundamental aspects such as the development of the public transport interchange at Wrexham General Station and the possible realignment of Crispin Lane fall firmly within the remit of Welsh Government and WCBC. The acquisition of key land holdings in order to deliver housing and business use developments, which are important in their own right, but without which the interchange would not work, also demand intervention by the public sector. This point is particularly important, if the use of statutory powers for Compulsory Purchase becomes necessary.

4.3 Nonetheless, there is a strong delivery role for the private sector, working in partnership with Welsh Government and WCBC, or independently of those parties, but under the framework of planning guidance put in place to support the Masterplan.

4.4 Consideration has been given to delivery options for each aspect of the project:

The Kop Stand

Option A

4.5 Transfer of the ownership of the Racecourse Ground to WCBC, which will lead on the redevelopment using its borrowing capacity to raise funds to be matched in part by Welsh Government grant. Borrowings to be repaid over a long term with the option to retain, or dispose of the stadium to an appropriate owner. In this case, a new lease will be negotiated with the Wrexham Supporters Trust, or with Wrexham Football Club. There will be the option for the new owners of Wrexham AFC to invest, with or without an option to buy.

Option B

4.6 New owners of Wrexham AFC to acquire the Racecourse Ground and undertake the construction of the stand with grant assistance from Welsh Government.

4.7 In either case, whether there is a car park, conference centre, or other use of the interior of the stand, there will be option to let the space to a third party as part of the revenue generating capacity of the project.

Separate Car Park (should this not be incorporated into the Kop Stand).

4.8 WGU had plans under it Campus 2025 Vision to convert an all-weather sports pitch to create a ground level car park. WGU has extended the offer to add tiers onto the car park to meet the needs of station users. In this case, the build would be funded by WGU with gap funding from Welsh Government, or

as a partnership between the two, or in partnership with a developer. WGU would retain the spaces that it required to meet its own needs and contract out to a car park operator, all superfluous spaces.

Public Transport Interchange and Crispin Lane Realignment.

4.9 These aspects fall firmly within the public sector remit and it is not envisaged that there will be a private sector role in this, other than under contract to design and build.

Housing and Commercial Buildings.

4.10 These elements represent the facets of the Project most likely to be commercially viable. There will undoubtedly be a need for the public sector to undertake site acquisition and preparation and further cost incurred in relocating existing businesses. In terms of the construction programme and further commercial arrangements for the disposal or lease of the assets created, it is not anticipated that there will necessarily be a role for the public sector.

4.11 It remains possible that either WCBC, or BCUHB may wish invest into the project by way of involvement in any affordable or social housing scheme, but this will be a separate matter to the overall commercial arrangements necessary to deliver the project. WCBC is still is significant social housing landlord and will in 2021 complete the construction of new council owned housing for the first time in 30 years.

Commercial and Funding Structures.

4.12 The challenge presented by the opportunity of funding in 2020/21, but with little of the financial year remaining, is that:

- WCBC cannot amend its Capital Programme and Capital Requirement in sufficient time to be able to accept an offer of loan from Welsh Government, and;
- Welsh Government cannot offer grant terms which would result in the payment of grant immediately, but with defrayment against project costs arising in future years. The result would be to transfer the budget burden to the years in which the sums were defrayed.

4.13 The favoured option by both parties is for Welsh Government to offer grant assistance to WCBC in recognition of capital works undertaken and defrayed to date in 2020/21. At present, WCBC has a housing programme of £120million annually, of which only £7.5million is derived from Welsh Government grants.

4.14 The grant award will stipulate that the capital displaced in WCBC's 2020/21 budget will then be reallocated to the Project in future financial years.

4.15 This model has been employed by Welsh Government to support housing and school investment. It is thought that it may be novel to adapt the model to enable the local authority to redirect funds to a different area, but it is not expected to be contentious.

4.16 It is intended that WCBC will act as a fund holder on behalf of the Partnership, with administration of the Project being undertaken by a dedicated officer and key decisions on expenditure being taken by an executive committee of the Partnership. The terms of reference for the Partnership will be redefined to provide for this function.

4.17 Procurement will then be administered by WCBC.

5 Evolving Finance Case

Capital Cost:

5.1 In its development and review of the Wrexham Gateway Project Masterplan, LCR has identified potential capital costs of up to £90,800,000, based on delivering the full scheme of works as described in the Masterplan and including relocation costs for businesses and organisations impacted by the development (i.e. Jewson, Royal Mail and the Scouts and Guides Associations).

5.2 At this point in the development of the project, there is significant scope to amend, reduce and / or phase the construction programme to reflect the availability of funds from the public sector and the investment levered in from the private sector.

5.3 The scope of intervention will inevitably vary across the site, both in scale and in nature; as an enabler to take the land from its current use and prepare it for development; as a direct investment to create an asset for public use / benefit; in grant assistance to meet a funding gap, or; to intervene on commercial terms as a co-investor with the private sector etc.

5.4 Whatever the approach and regardless of any phasing, scope reduction or amendment, it has been apparent from the outset of the planning for the project that significant public finance will be required to deliver the transformational change envisaged for the Mold Road approach into Wrexham.

5.5 As an indication of the Capital Costs associated, this table (extracted from the Draft Wrexham Budget Programme – LCR at Annex 11) illustrates the challenges arising in meeting the Project costs:

Phase	Asset	Why?	Potential Capital Cost (as developer - costs today)*
Phase 0	Infrastructure Enabling: Crispin Lane realignment & rail footbridge	Footbridge provides key connectivity to fully open up station. Road realignment defines the development plots.	£2,400,000
Phase 1	Hotel	Land under WGP control Existing operator interest Can help act as a catalyst/anchor for the regeneration	£11,100,000
Phase 2	Office	Occupier interest (TfW) although spatial requirement tbc Not WGP land but appears to be within NR land who should be collaborative	£4,400,000
Phase 3	Stadium & MSCP	Could be delivered earlier or later but all subject to funding, however key objective to deliver stadium and helps create the place so hoping to be a relatively early phase	£17,400,000
Phase 4	Apartment Blocks 2 & 3	Could be delivered earlier if viable on PRS tenure but allow some value growth from place-making to make apartments a more viable land use	£17,000,000
Phase 5	*Student Accommodation	Understand not currently demand for additional student residential block but could be by mid 2020s	£15,000,000
Phase 6	Residential (Jewsons site)	Complex & long term to get VP, however should be strong developer interest once VP secured	£11,000,000 (excludes relocation costs)
Phase 7	Conferencing	Could be delivered in phase 3 if sufficient funding, if not could be incorporated into structure at later date once sufficient capital generated	£8,800,000
Phase 8	Residential (Royal Mail)	Complex and expensive intervention, place to be established first and values need to grow. Also plot less integral than other areas of masterplan but also not one to lose sight of	£21,100,000 (includes costs to relocate RM)

*The student accommodation in Phase 5 is a separate matter for WGU to fund, which it will be receipts from land sales and borrowings.

5.6 At this stage, it is not anticipate that any of the above could be delivered by entirely commercial means. In basic terms:

Phase 0 – these are public works which will require both site acquisition (some of which has been completed) and direct commissioning of construction contracts.
Phase 1 – the ambition is to create a high star rating hotel to improve the offer available in the Wrexham area. Gap funding, or direct build by the public sector, with an agreed tenancy arrangement in place is likely.
Phase 2 – Potential private sector delivery on the back of public acquisition of property as an enabler.
Phase 3 – The proposed Kop Stand is a response to an ambition to return the Racecourse to international standards. Whether the option of a multi-storey car-park, or conference centre is pursued, there will have to be public support to deliver this aspect of the Project.
Phase 4 – As with Phase 2, there is likely to be significant interest from the private sector in this phase of the development, but again, with the public sector securing the land rights and preparing the ground.
Phase 5 – WGU to lead and fund.
Phase 6 – This piece is deemed critical to deliver a successful public transport link. Private sector may step in once the plot has been secured and prepared, but this in itself could be a costly exercise.
Phase 7 – Conference Centre (within the new Kop Stand). As with the hotel, likely to be commissioned directly by the public sector, or with support to a developer, with a commercial arrangement in place for its subsequent operation.
Phase 8 – Again, the relocation costs are significant for this element. Once acquired, the site should attract private investment.

Delivery Options

5.7 Various delivery options have been examined in order to understand the implications of each model. The caveat which runs throughout this emerging business case is that costs, commercial arrangements, receipts and options all remain to be confirmed, as the delivery plan is developed and implemented.

5.8 LCR has assessed the two leading design options presented by Farrells Architects and applied contrasting methodology to the funding models with a view to establishing how the public sector reduces the burden on the public purse.

5.9 As an illustration based on Farrells' Option A as described in the Masterplan, consideration has been given to the following delivery methodology: Disposal Model (public sector undertakes all works and sells on completion); Disposal Model with Public Sector Head Leases; Disposal Model including £16.7million infrastructure grant; Disposal Model with Public Sector Head Lease and £16.7million infrastructure grant.

5.10 The results are available on the Feasibility Study: Financial Analysis (at Annex 12) document attached, with the headlines as follows:

Delivery Option	Total Surplus / Deficit
Disposal Model (public sector undertakes all works and sells on completion)	-£ 44,983,309
Disposal Model with Public Sector Head Leases	-£ 34,023,083
Disposal Model including £16.7million infrastructure grant	-£ 27,923,953 *-£ 44,623,953**
Disposal Model with Public Sector Head Lease and £16.7million infrastructure grant	-£ 17,038,149 *-£ 33,738,149**

* Sum including infrastructure grant.

5.11 The implications are that gap funding of between £34,000,000 and £45,000,000 is required to deliver the Project in its entirety. Further funding will then be required to undertake enabling works, prior to the receipt of income arising from disposals.

5.12 Realistically, the figure for the gap funding is likely to inflate as the delivery plan is developed. The Partnership maintains its original view that the Project should be transformational for Wrexham. Project funding is a central consideration; the principle underpinning the project is that it cannot be delivered without this significant gap funding. The scale and standard of ambition however, is such that each element and the Project as a whole, must be considered in terms of its generational impact on Wrexham.

5.13 At this stage, there is a working assumption that the project will be funded as follows:

Welsh Government Grant to WCBC	£35,000,000*
Mersey Dee Alliance Funding from UK Government.	£20,000,000**
WCBC Borrowing.	Unknown – to provide short / medium term funding.
WGU Receipts from Land Disposal and Borrowing.	£15,000,000
Private Sector Investment	£45,000,000 - £55,000,000

* To clarify, the ask from WCBC at this point is for £25,000,000. This is due to accounting guidance provided by Wales Audit Office that the Council's accounts will have to be qualified, if the grant exceeds the sum expended on the Housing Programme (Housing Revenue Account) in 2020/21. There is a likelihood that further grant may be sought in future years, although this would not be anticipated until 2023/24.

** This to be confirmed. WCBC is committed to its inclusion in the MDA programme. MDA - A Fiscal Stimulus Package for the Mersey Dee Economy is attached at Annex 13.

5.14 In terms of offering value for money, it is important again to reiterate that much of the investment planned for the Project sits firmly within the remit of the public sector. The road, station and public transport interchange are public works. The creation of a stadium in North Wales to meet full multi-code international standards is a public ambition, as much as it will provide Wrexham AFC with the capacity to grow. The need to change other land

uses is as much about ensuring that the public transport interchange is able to operate efficiently, as it is about providing new housing and office accommodation in Wrexham.

5.15 The proportion of private sector funding anticipated for the project, whilst indicative at this stage, is significant therefore in terms of those elements of the project which can be reasonably expected to attract investment.

Timing and Need

5.16 Colleagues in WCBC have carefully assessed the potential to accept Project funding at this stage in the creation of a delivery plan. Without doubt, it is acknowledged that there is an opportunity for Project funding which may not arise in the next two financial years. There is a keen desire from the Partnership and all of its members to ensure that the opportunity is not lost, and with it the momentum which has been generated to deliver the project.

5.17 More specifically, WCBC has looked at the issue of funding in advance of need. WCBC has considered that the next steps of project development will require a significant programme of land acquisition. In order to embark on that programme, there must an assurance that sufficient funding is in place to complete purchases, relocate existing landowners / tenants where necessary and prepare sites for development. WCBC outlines these requirements in greater detail as follows:

- Site acquisition and associated costs.
- Site relocation costs.
- Any site improvement works i.e. de-contamination costs, ecology mitigation costs.
- Utilities and services costs.
- CPO requires proof of funds as well as reason for acquisition i.e. masterplan.
- Infrastructure improvements to assist in de-risking the overall scheme.
- Site improvements (such as Racecourse Kop end).
- Viability gap funding for say provision of affordable housing to aid Planning Policy requirements. Multi-storey car park provision.
- Short term works to manage sites.
- Public realm works.
- Due diligence costs.
- Underwriting investment by taking on head leases of assets.

5.18 The funding “in advance of need” is therefore addressed in two different ways. The first is to accept that if Welsh Government does not commit to the Project in this manner from the 2020/21 budget, the implication and narrative from Central Finance is that this funding cannot be found in future years.

5.19 The second perspective is to consider the proposed funding structure. The intention is grant aid WCBC for eligible capital works undertaken under its Housing Programme (Housing Revenue Account) to date in 2020/21, with a

clause in the offer stating that the funding released must be committed to the Project and utilised in accordance with the direction of the Partnership. This option satisfies the Welsh Government requirement to score the expenditure in 2020/21, whilst enabling WCBC to carry capital forward for expenditure on the project.

5.20 Clauses in the grant offer would facilitate the claw back of funds in the event that the funds, for whatever reason, were not defrayed on the Project within an agreed timeframe.

5.21 It should be clear to all that this mechanism is proposed as it overcomes two insurmountable issues:

WCBC cannot at this point in time accept the funding as a loan, as might be Welsh Government's preference. The Council has agreed its capital programme for 2021/22 and its capital requirement for that period. The time remaining to for Welsh Government to commit this funding does not allow for the Council to revisit this programme.

Welsh Government cannot issue a direct grant for the Project, as regardless of when the payment to WCBC was made, the budget impact would be recorded only when payments on the Project were defrayed. The result of this would be to commit £25million of budget costs in future years (and given the point of time electoral cycle, it would also commit a future administration).

5.22 The solution proposed provides both Welsh Government with the opportunity to commit the bulk of the gap funding requirement to the project within 2020/21 and the Partnership with the certainty that the Project implementation phase can commence with urgency.

5.23 It is noted that the award of £25million does not eliminate the potential for a future call on Welsh Government for project funding. The gap funding evidenced by LCR equates to between £34,000,000 and £45,000,000, depending upon the delivery model. The restriction of the ask to £25,000,000 is due to accounting guidance provided by Wales Audit Office that the Council's accounts will have to be qualified, if the grant exceeds the sum expended on the Housing Programme (Housing Revenue Account) in 2020/21. There is a likelihood that further grant may be sought in future years, although this would not be anticipated until 2023/24.

5.24 The pace at, and extent to which the project is delivered will depend upon the availability of cash at a given point in time. The timing of an award from the Mersey Dee Alliance and the availability of borrowed funds from WCBC will be key factors in this equation. The £25million will enable the key aspects of the project to be delivered, with the Partnership understanding that the Project may take up to 15 years to be delivered in totality, should future funding prove to be an obstacle.

6 Evolving Management Case

6.1 Project conception and development to date has been led by the Wrexham Gateway Partnership. Welsh Government, WCBC and WGU signed a formal Collaboration Agreement in 2020, in order to take the proposals forward through an agreement with LCR and to further provide a framework to investigate the delivery options for the Project.

Welsh Government

6.2 Welsh Government has responsibility, together with Transport for Wales, for the development of the Metro concept which relates intrinsically to the creation of the public transport hub at Wrexham General Station. It has responsibility for economic development in relation to the proposed development of office accommodation and the conference centre, if this option is pursued.

6.3 Welsh Government contributes property, project and commercial expertise. The two sites acquired to date are now under the management of the Infrastructure Property team, which has let contracts for their demolition. It is anticipated that Welsh Government and WCBC will lead on site acquisitions and preparation, with Welsh Government further leading on commercial arrangements and project delivery.

6.4 Welsh Government is represented on the Partnership by:

- Business Solutions, which provides commercial expertise;
- Property Infrastructure, which has management acquisition of property and has let the contracts for the demolition of the acquired buildings;
- Housing and Regeneration, advising on housing and links to the wider “Town Centre First” initiative;
- Transport Policy, providing the strategic context for the public transport interchange and links to investment elsewhere on the transport network (particularly in relation to the A483 junction improvements).

6.5 WCBC has a critical role in aligning the strategic direction of the Partnership to fit with other initiatives planned for Wrexham. The local authority has taken the lead on contractual issues relating to the appointment of advisers (The Urbanist / Wavehill etc.), and on establishing the parameters for the engagement with LCR.

6.6 Given the emphasis that WCBC has on the redevelopment of the Kop Stand and the inherent obstacles in place which would prevent this outcome being achieved, should the Racecourse Ground remain in the ownership of WGU, it is likely that WCBC will take the lead in acquiring that asset and managing the construction project.

6.7 WCBC will be the lead authority, should acquisition of key sites by Compulsory Purchase become essential to the achievement of the overall Masterplan.

6.8 It is expected that WCBC will also lead on finance issues. This will include management of project budgets on behalf of the Partnership; application for funding from the Mersey Dee Alliance; plus any project borrowing required to meet short / medium term requirements.

6.9 WGU is primarily focussed on the delivery of its Campus 2025 Vision (at Annex 14) for the expansion of the University's student population. It has a unique interest in and influence on the Project in terms of its immediate proximity to the project site and its ownership of the Racecourse Ground.

6.10 WGU leads on the matter of integrating new-build student accommodation into the Project, albeit with a pragmatic approach to its location and fit within the Masterplan.

External Expertise

6.11 In addition to the considerable resources and expertise available within the Partnership, use is made of a number of organisations and agencies which sit outside the formal Partnership, but which nonetheless have a commitment to the objectives of the Project. This commitment may be by virtue of the organisation's strategic role in certain aspects of the Project (e.g. Transport for Wales in relation to the public transport interchange), or because expertise has been commissioned due to experience garnered on similar projects elsewhere (e.g. LCR).

6.12 Transport for Wales (TfW) is a regular attendee at Partnership meetings and leads in the integration of the Project into the wider plans for the development of public and active travel infrastructure in and beyond Wrexham. TfW will be working closely with Network Rail on aspects of the project which directly impinge on the rail network, most specifically, the proposed footbridge linking the east and west of the Project site.

6.13 Wrexham AFC. The role of the Football Club has potentially changed significantly following its recent acquisition by Ryan Reynolds and Rob McElhenney. Dialogue is open with the new Chief Executive, Humphrey Kerr, with the Club in an optimistic mood regarding its future. As outlined in the commercial case, there are options for the development of the Kop Stand, which involve either WCBC or Wrexham AFC taking ownership of the Racecourse Ground from WGU.

6.14 At this stage, it is most likely that the stadium would have to remain in public ownership in order to overcome the substantial funding issues relating to the construction of the Kop Stand, but undoubtedly, Wrexham AFC has a keener interest, given its projections of growth and promotion.

7 Risk and Mitigations

7.1 There are a number of inherent risks in a project of this scale and nature. Cost inflation is a standard concern and given the complexity of the Project in terms of site acquisition and preparation and the diversity of the various proposed developments, there is some inevitability that the cost will increase and with it the funding gap.

7.2 There are options to deal with that and in many ways, the scale and multiplicity offers opportunities to phase individual aspects over an extended timeframe, or even to defer certain features until such time as funding conditions allow. The Project is expected to take up to 10-15 years in total, particularly if the relocation of current land users proves to be difficult.

7.3 Should costs inflate and the ambition remains to deliver the Project in full and within a defined period, there will likely be a call for further funding, which must be considered by the Administration and within context of the budget priorities at the time.

7.4 Consideration has also been given to the risk of the grant to WCBC being utilised for purposes other than that of delivering the Project. The use of the funds, carried forward by WCBC, will be determined by the Executive Committee of the Partnership, with representation from the three member organisations. Ultimately, the grant conditions will enable Welsh Government to reclaim any funds deemed not to have been defrayed on the Project.

RECOMMENDATION

I consider that the strategic case is strong and that the financial case provides the evidence that the project can be delivered. I acknowledge that the timing implications for a decision regard the award of a grant of £25,000,000 to Wrexham County Borough Council as such that there are gaps in the evidence base that would be expected for a project of this size. I consider that conditions of an award can ensure that the funds are used for the intended purpose and that Welsh Government involvement in the Partnership will ensure that direction is given in this respect.

This project is recommended for approval.

Signed: Adam McDonnell – Head of Commercial Solutions

Signed: Chris Munday – Deputy Director – Business Solutions

18 March 2021

Wrexham Station Gateway

Masterplan Proposals

November 2020

FARRELLS

Contents

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2. History
3. Previous Scheme Comments
4. Arrival Sequence
5. Principles
6. Sketches
7. Initial Masterplan Concept

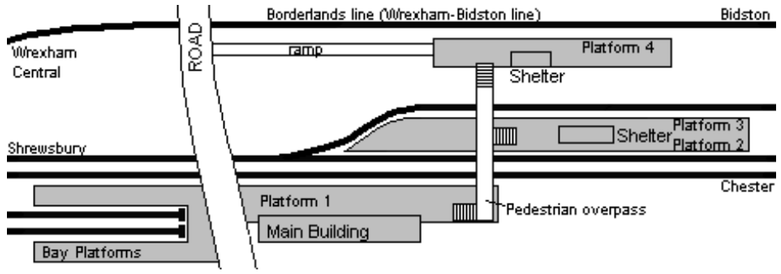
8. Comments from Partners (Oct 2020)
9. Design Development
10. Revised Masterplan
11. Option A
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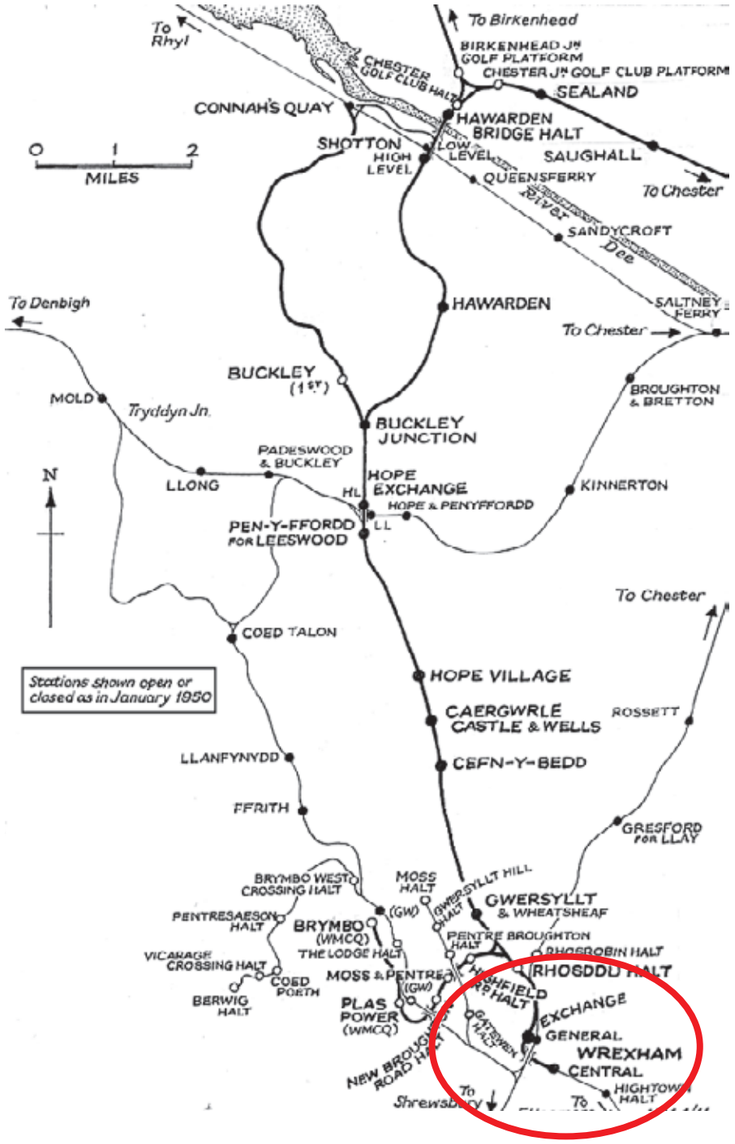
Site Location



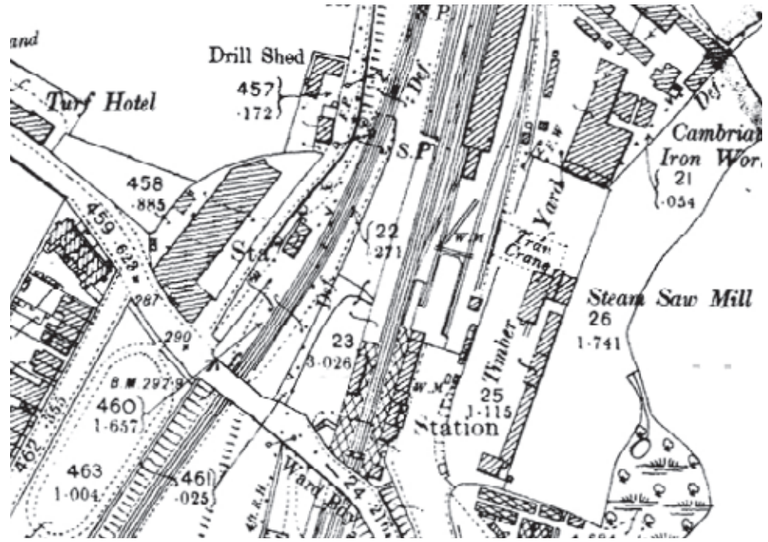
Site History

Wrexham General & Wrexham Exchange













Site History

Racecourse Ground











Previous Scheme Comments



Masterplan

1. Parking: 400m from Station to far?

2. Unused N.R Land: Crispin Lane remains exposed

3. Crispin Lane: Intersection costs could be avoided ?

4. Stadium and Conference Centre may be challenging within space and volume available

5. Student housing & surface parking not contributing to character of gateway. Possibly not the best mix of uses

6. Very Long Bridge Link across open land

7. Hotel shape may not be appropriate for operator requirements. A large landmark building will be challenging and expensive to achieve

8. Pedestrian steps are not a civic experience; feel like an afterthought with no priority

9. Busses and taxi movements kill pedestrian gateway experience.

10. Character of sheds and proximity to railway requires a more urban response. Opportunity for mews street.

11. Residential grain and character could match surrounding grain.

Arrival Sequence



Mold Road, looking towards Wrexham Stadium is very visible, while station is hidden behind trees



The Turf

Small and quirky building, acting as a landmark using detail and character rather than height.



Crispin and Mold Road intersection

Poor pedestrian and gateway experience



Mold Road Bridge : Constrained pavements. Railway access is screened. No framing to the either side of the street



View to Wrexham Central

Station is invisible below treeline



Vehicle entrance to station, but no heirarchy. 4 and 5 storey residential buildings define edge of town



Regent street looking West

4 and 5 storey residential buildings define edge of town



Station Entrance

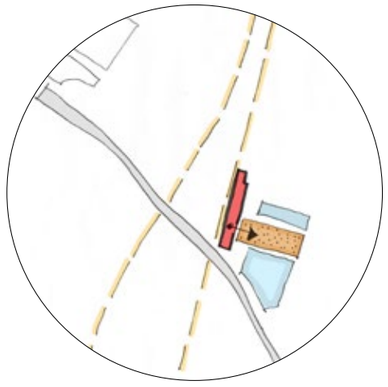
Vehicle dominated space



View from Bridge

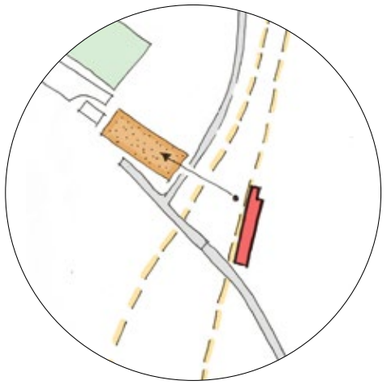
Station is almost invisible, but stadium does begin to have a presence

Principles



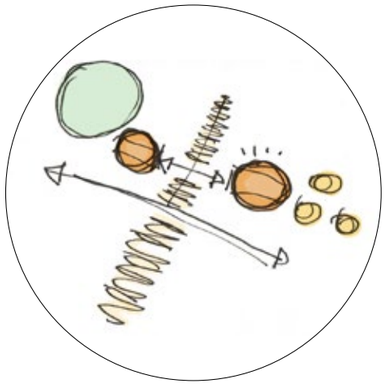
GATEWAY TO THE EAST

FORECOURT SENSE OF PLACE FOR WREXHAM GENERAL

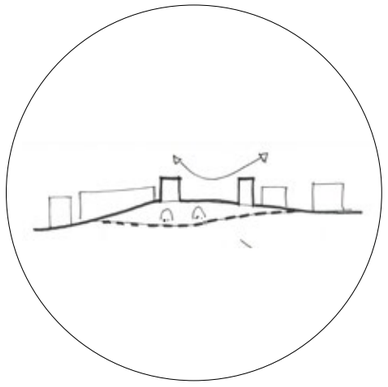


GATEWAY TO THE WEST

A PROMENADE BETWEEN STADIUM AND STATION

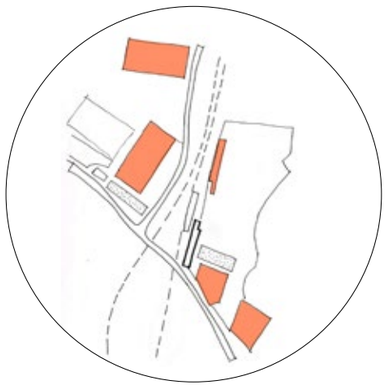


CONNECT EAST AND WEST



HEIGHT STRATEGY

FRAME THE RAILWAY VALLEY



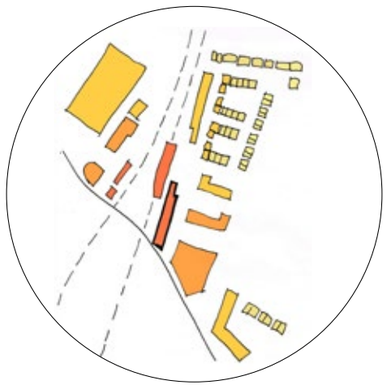
FLEXIBILITY OF USE :

FUNCTION VENUE

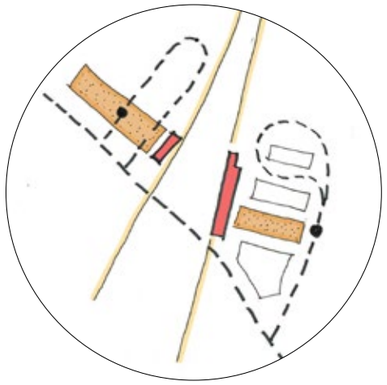
COMMERCIAL SPACE

HOUSING

CAR PARKING



DEFINED HIERARCHY & CHARACTER

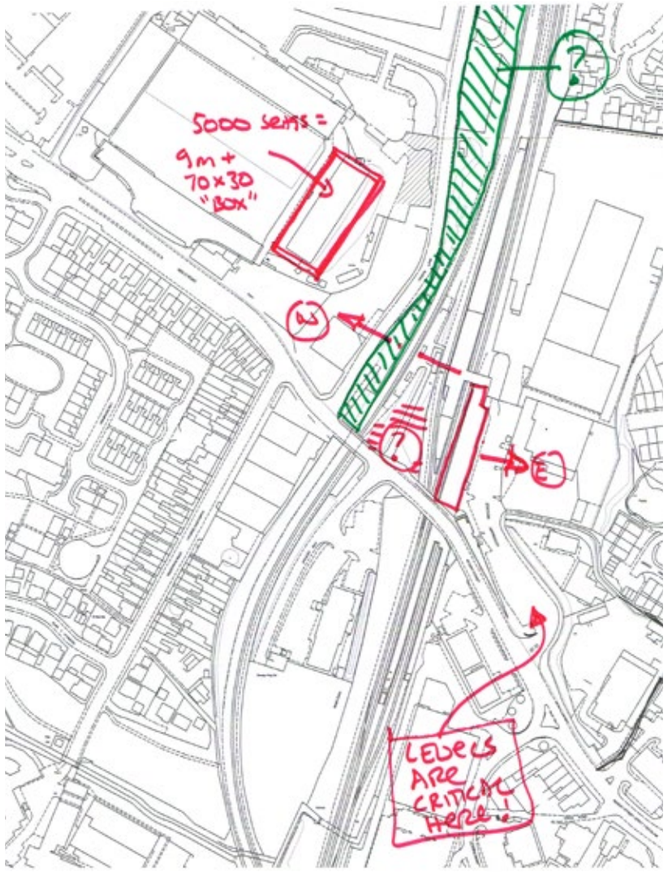


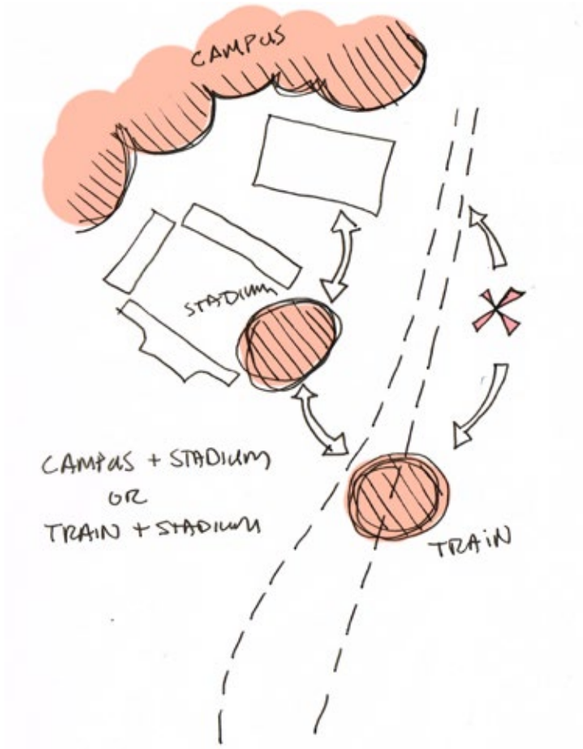
PEDESTRIAN AND VEHICLE MOVEMENTS

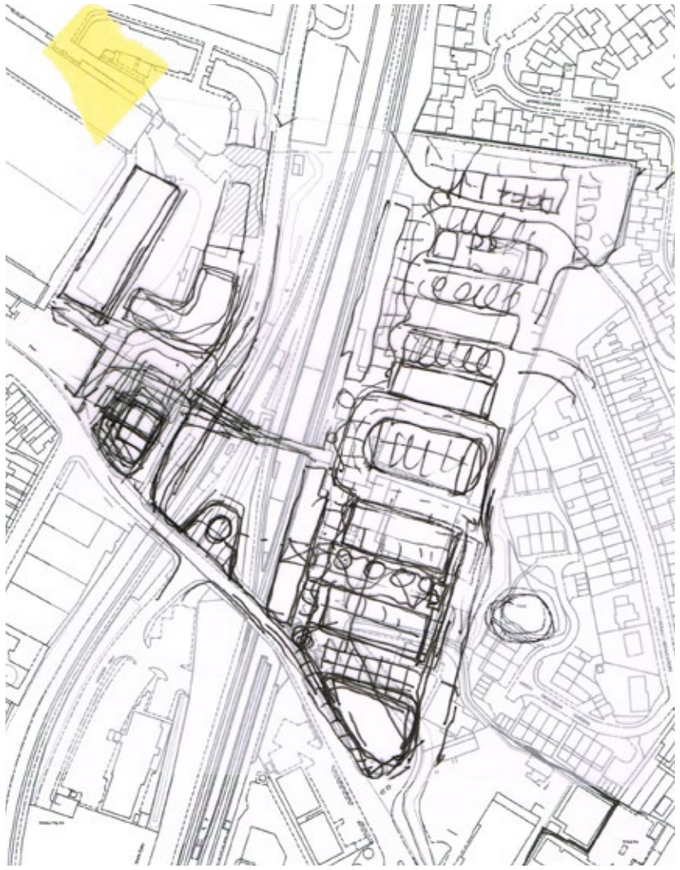


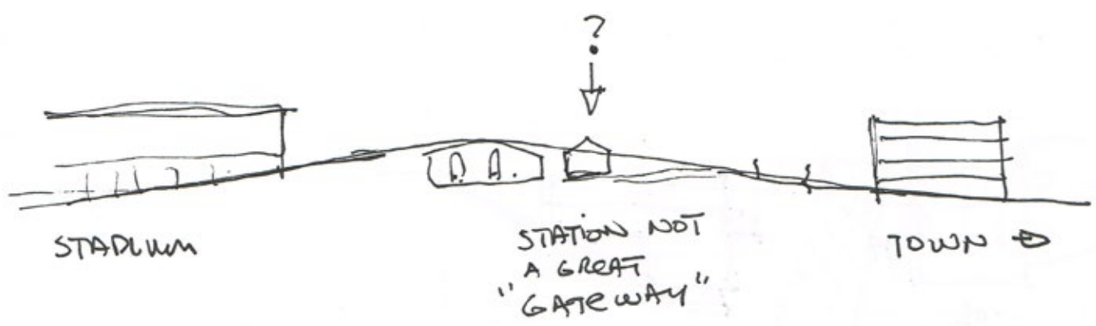
CONNECTIVITY INTO SURROUNDINGS

Sketches and Concept Development



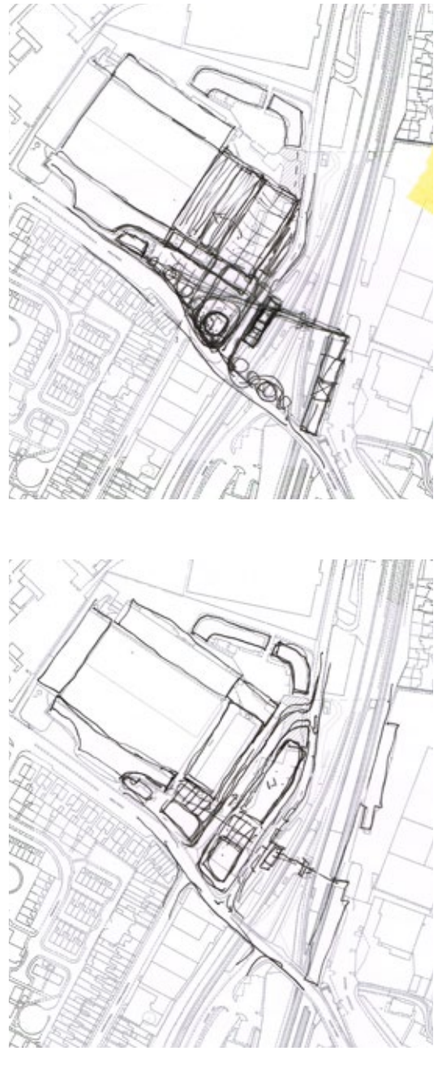


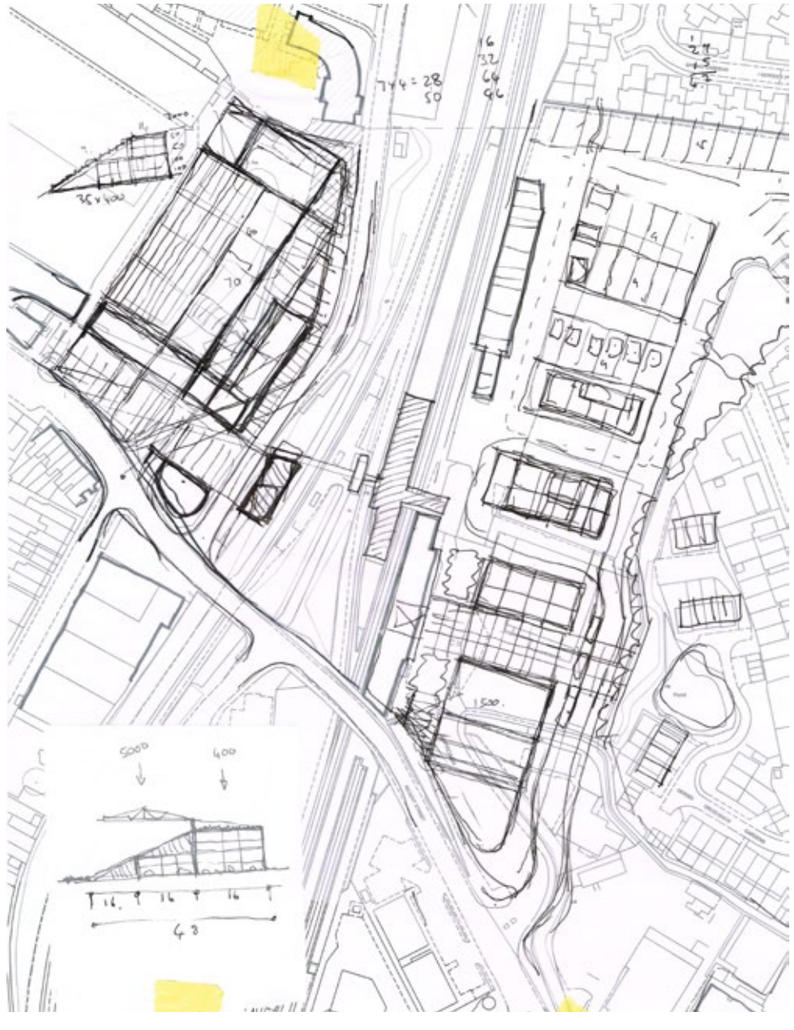




Sketches and Concept Development







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Initial Masterplan



1. Campus & Crispin Lane
2. Stadium Square
3. Station Gateway
4. Cambrian Way



Initial Masterplan Uses

1. Wrexham Central Gateway
2. Commercial Building
3. Bus/taxi/vehicle drop off
4. Vehicle turning route
5. Apartments/urban
6. Cambrian Shed - Workspace studios
7. Mews street
8. Terrace houses forming garden courtyards
9. Semi-detached: highest value areas of site
10. Potential connections
11. Civic steps: pedestrian connection to station
12. New bridge link
13. Ex-entrance reused as pocket park on bridge
14. Railway park
15. New station entrance
16. Crispin Road remains
17. New Stadium Gateway
18. The Turf
19. Landmark building: modest scale
20. Hotel sets back, appropriate shape
21. Stadium and Parking
22. Potential for terrace to complete street
23. Campus parking & Student housing re-arranged



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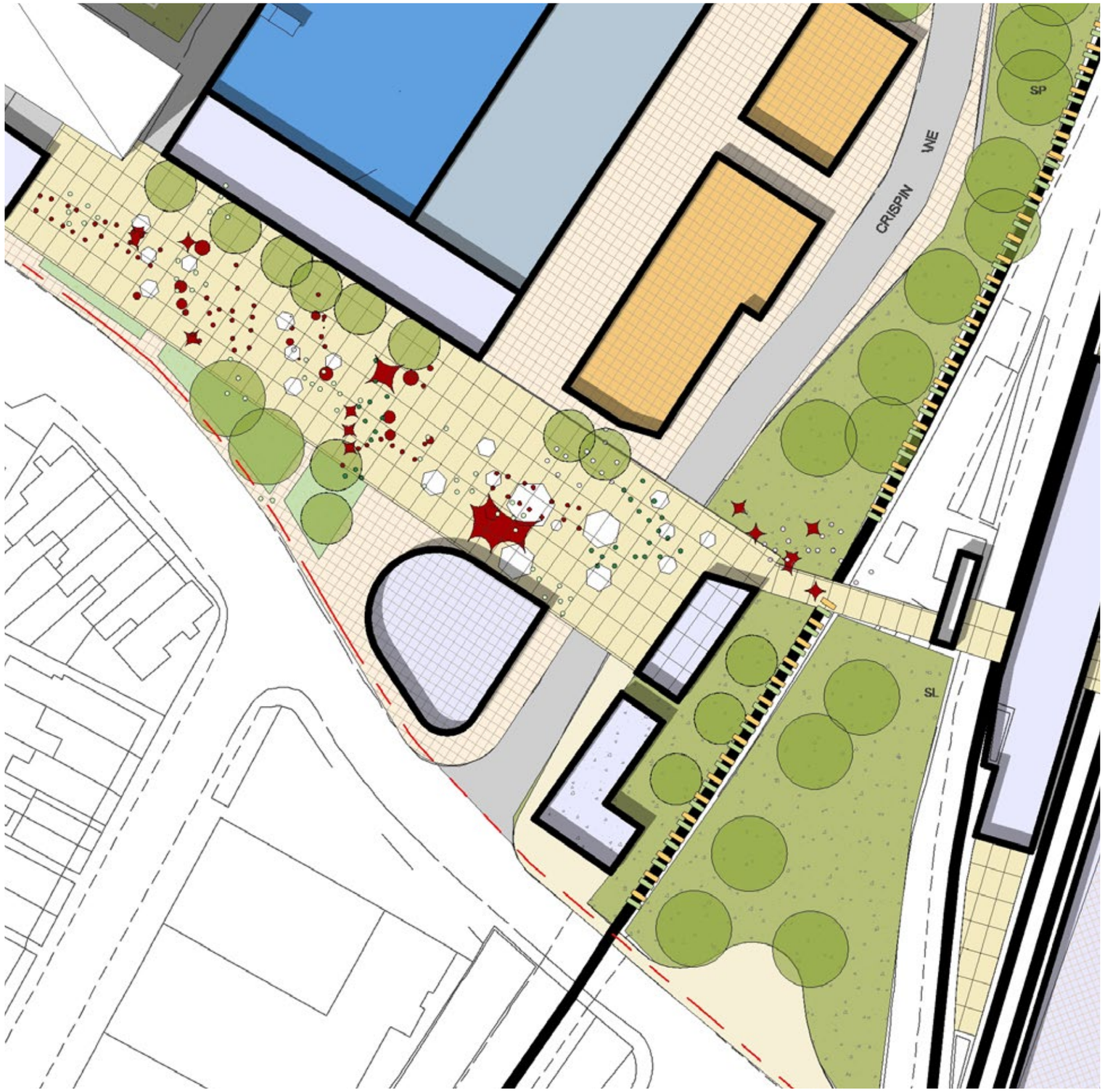
FARRELLS

Gateway West

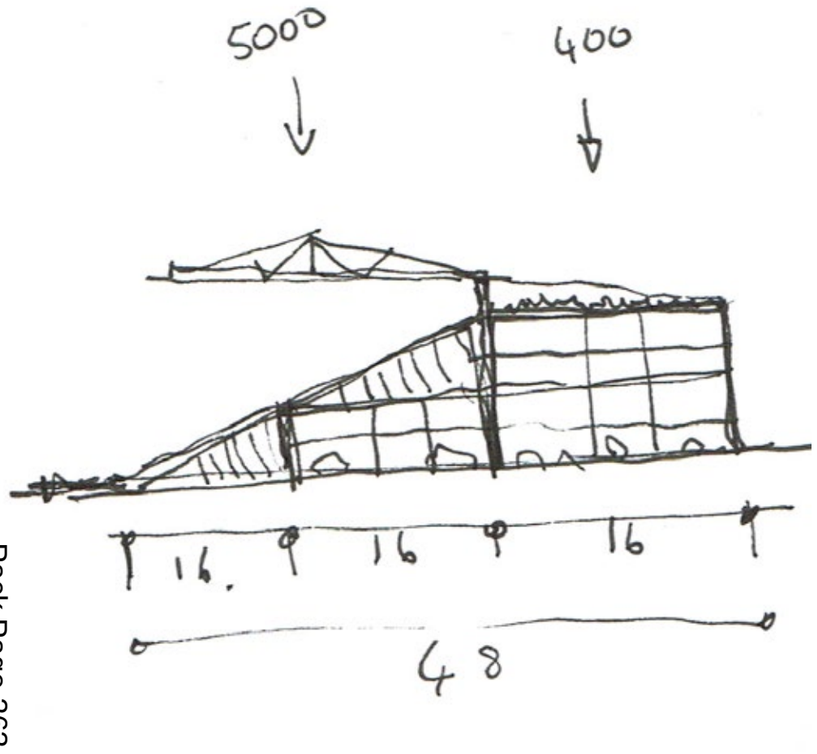


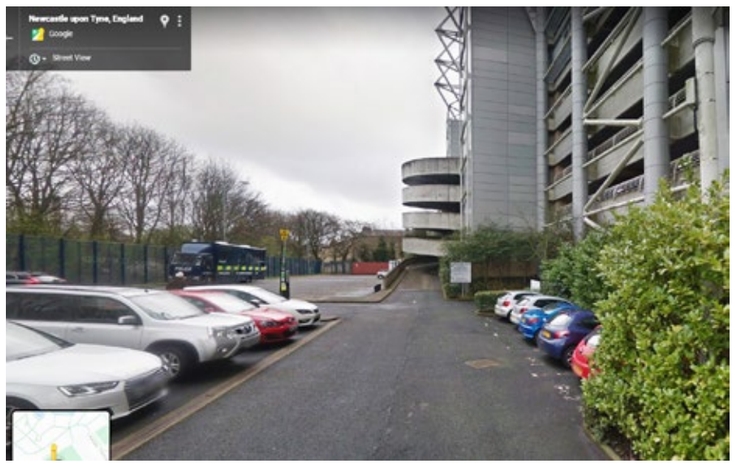






Stadium & MSCP



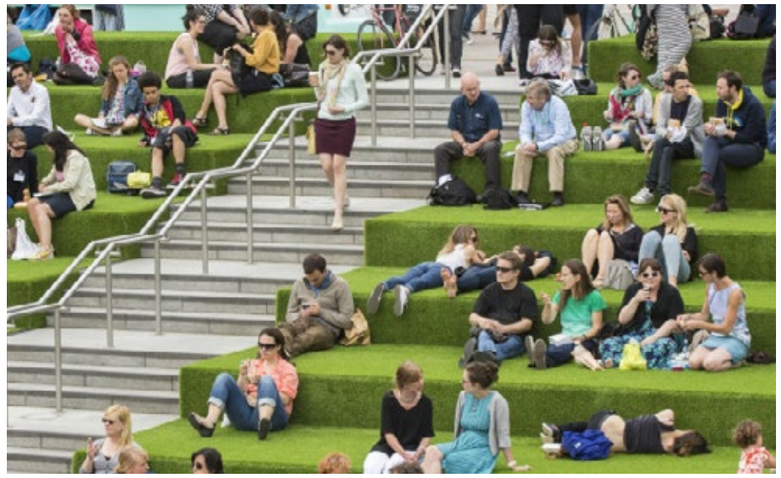


St James Park, Newcastle



Gateway East : Wrexham General









Residential Character - Apartments

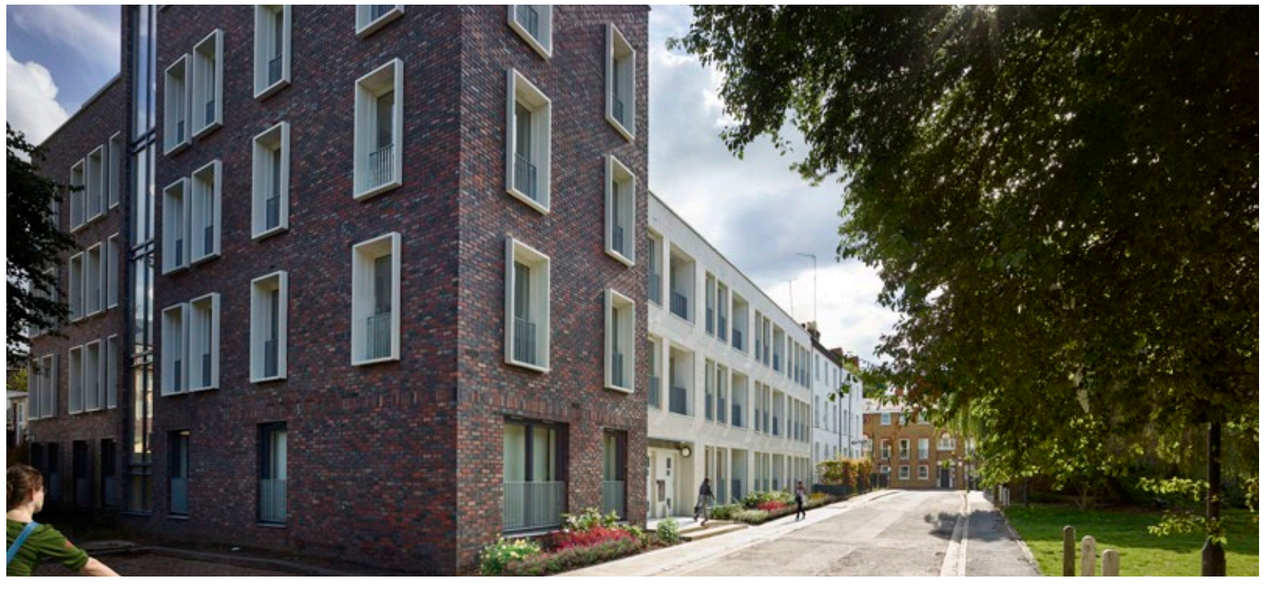




The Mallings, Newcastle



Leaf Street, Manchester



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Residential Character - Mews





Marmalade Lane, Cambridge



Ilchester Road, London



The Mallings, Newcastle



Cambridge

Residential Character - Terraces





Goldsmith Street, Norwich







FARRELLS

Residential Character - Semi Detached











FARRELLS

Initial Masterplan Vision



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West Gateway Vision



Key Comments from Partners

Campus Parking should remain in this location

Student Housing to remain if possible

Feasibilty of stadium & MSCP questioned. should allowance be made for smaller conference & hospitaility within station ?

Stadium Gateway space is large and expensive to deliver. could be reduced and integrated with street & pavements

Hotel should be located in the most visible location

Consider the proposed Crispin Road intersection

Connection to the Hospital



Character of Cambrian Sheds and mews houses

Jewsons : Welsh housing standards

Consider bridge and levels from station to Crispin Lane

Less apartments & stepped buildings in response to historic station

Busses, Taxis, drop-off and station connection across gateway space to be considered

Shape, scale and height of the commercial building to be revised.

Block to be informed by commercial brief requirements

Land Ownership Overlay

Campus and stadium
land parcels ?

Use of NR land :

Becomes meaningful development plots if Crispin Lane relocated



Land ownership
to consider Jewsons as a future phase of development

Design Development Process

The range of comments drove a series of new options which considered :

1. East Gateway rearranged to respect land ownership and better vehicle & pedestrian movements

2. Hotel Location and size of building based on 100 beds

3. Crispin Road relocation : return to previous plan, relocate road and generate addition development opportunity

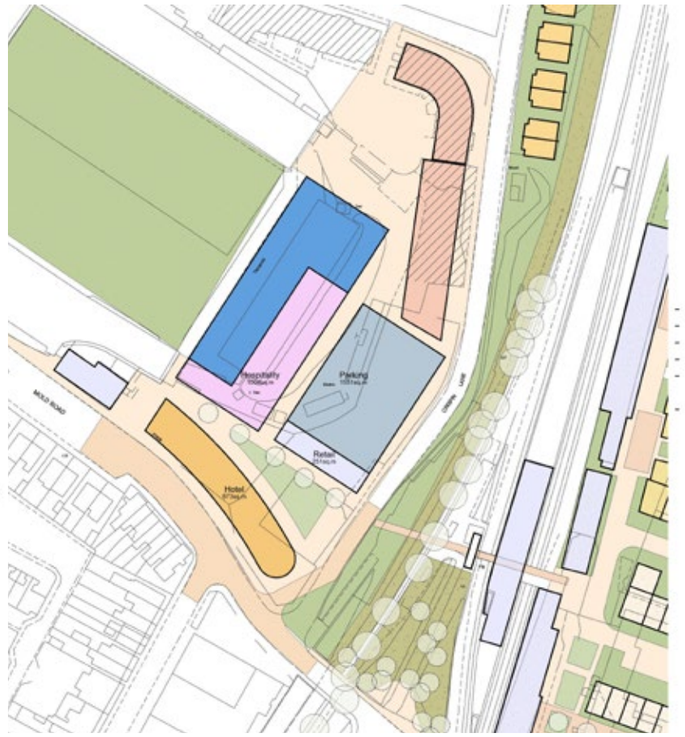
4. Student Housing locations

5. Car parking scenarios

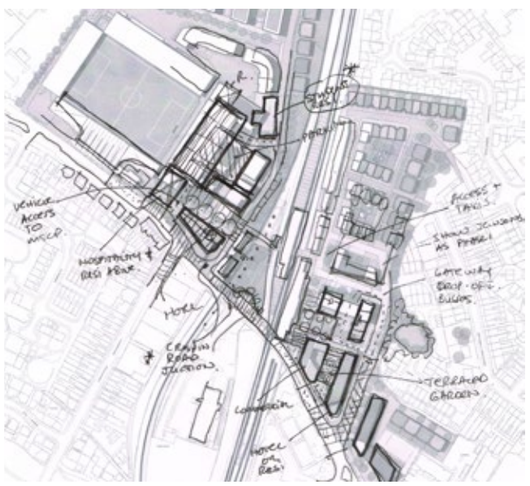
6. Commercial brief



- Crispin Road Relocated
- road geometry comfortable
- Stadium & MSCP integrated
- Hotel as landmark
- Student housing relocated
- 2 additional development plots = apartments?
- Opportunity for hospitality on Mold Rd
- Western Gateway on mold Rd





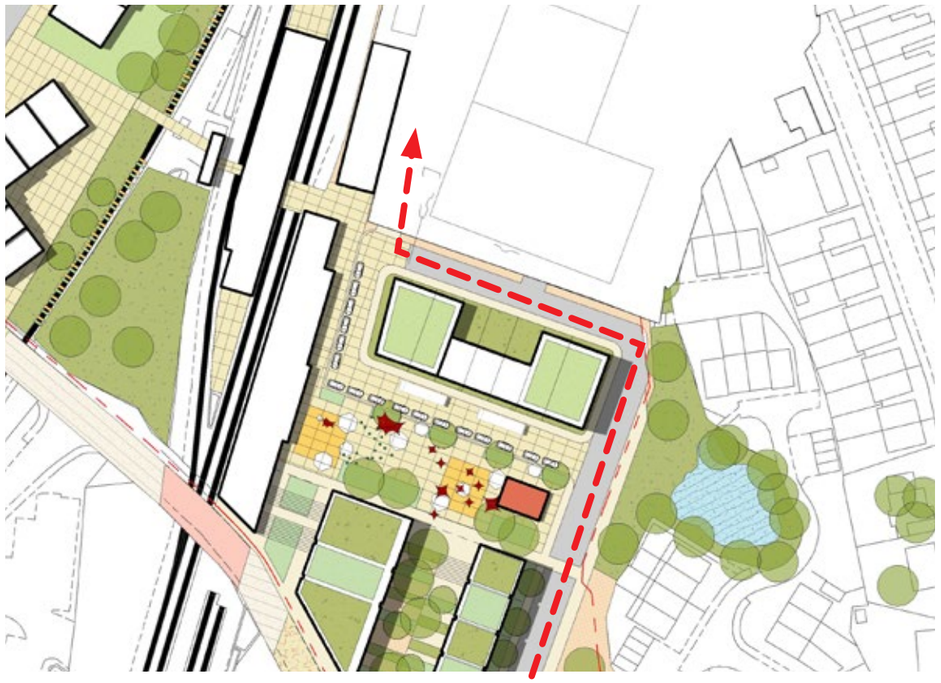






Revised Masterplan : Station Gateway

1. Wrexham Central Gateway
2. Commercial Building
3. Bus & vehicle drop off
4. Vehicle turning route
5. Taxis
6. Apartments/urban
7. Cambrian Shed Extension - Workspace studios
8. Private terraced residential gardens



Phase 1 : allowing access to Jewsons



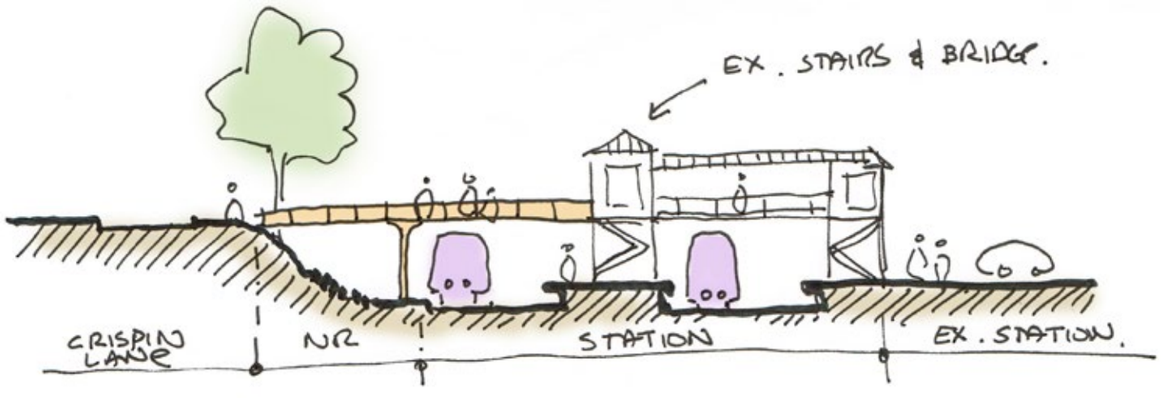
Station Gateway Vision



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Revised Masterplan : Stadium Gateway Option A

- (A) Stadium Seating
- (B) MSCP
- (C) Retail / Hospitality reception
- (D) Hotels
- (E) Student housing block relocated
- (F) Additional Development Plot
- (G) Additional Development Plot
- (H) Stadium Gateway opening to Mold Road
- (I) Pedestrian Bridge



Sketch section

Showing assumed levels between station, crispin Road and bridge level



Revised Masterplan : Stadium Gateway Option B

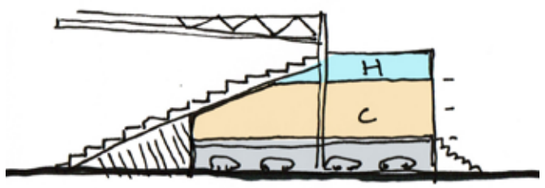
- (A) Stadium
- (B) Conference / Hospitality
- (C) Hotel integrated with conference
- (D) MSCP
- (E) Student Housing
- (F) Retail / Conference lobby if shared block
- (G) Gateway space
- (H) Bridge Link



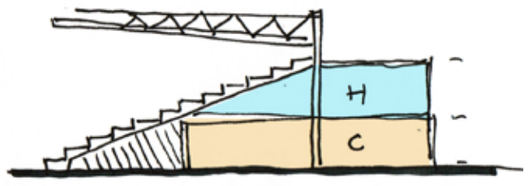
Stadium & 3 decks parking
Approx. 250 Bays



Stadium & Generous Hospitality
Approx. 200 Bays



Stadium, Conference & Hospitality
Approx. 100 Bays



Stadium, Conference & Hospitality
2000 sq.m Hall



Option A





1	E. Gateway	Commercial	3-4
2	E. Gateway	Apartments	6
3	E. Gateway	Apartments	4-6
4	Royal Mail	Apartments	6
5	Royal Mail	Apartments	5
6	Royal Mail	Houses	2-3
7	Jewsons	Workspace	1
8	Jewsons	Retail	1
	Jewsons	Houses	2-3
A	W.Gateway	Stadium	5
B	W.Gateway	MSCP	2
C	W.Gateway	Conference	2
D	W.Gateway	Hotel	6
E	Campus	Student	8
F	NR Land	Apartments	6
G	NR Land	Apartments	6
	NR Land	Houses	2-3

FARRELLS

Option A



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Wrexham Station Gateway : Option A - Relocate Crispin Lane

Building				Residential Units							Resi NIA	Commercial	Hotel	Retail	Function	Total NIA	Stadium	Parking	BOH/Lobby/Cycles	GIA	GEA
No.		Name	Height	1B2P	2B4P	3B5P	2B Mews	3B Terrace	4B Semi	Totals	Sq.M	Sq.M				Sq.M		Sq.M	Sq.M	Sq.M	Sq.M
1	E. Gateway	Commercial	3-4							0	-	1,200		200		1,400		400	200	2,100	2,205
2	E. Gateway	Apartments	6	10	20	10				40	2,800					2,800		600	250	4,380	4,599
3	E. Gateway	Apartments	4-6	16	26					42	2,620					2,620		700	250	4,284	4,498
4	Royal Mail	Apartments	6	10	30	10				50	3,500					3,500		600	250	5,220	5,481
5	Royal Mail	Apartments	5		12	6				18	1,380					1,380			100	1,776	1,865
6	Royal Mail	Houses	2-3					8		8	960					960				960	1,008
7	Jewsons	Workspace	1									750				750				750	788
8	Jewsons	Retail	1											250		250				250	263
	Jewsons	Houses	2-3				9	31	18	58	7,185					7,185				7,185	7,544
A	W.Gateway	Stadium	5							0						-	3,000		400	3,570	3,749
B	W.Gateway	MSCP	2							0						-		6,000	300	6,300	6,615
C	W.Gateway	Conference	2												2,000	2,000			300	2,415	2,536
D	W.Gateway	Hotel	6							0			3,000			3,000			400	4,080	4,284
E	Campus	Student	8							0						-				3,000	3,150
F	NR Land	Apartments	6	10	30	10				50	3,500					3,500			250	4,500	4,725
G	NR Land	Apartments	6	10	30	10				50	3,500					3,500			250	4,500	4,725
	NR Land	Houses	2-3					12		12	1,440					1,440				1,440	1,512
Totals				**56**	**148**	**46**	**9**	**51**	**18**	**328**	**26,885**	**1,950**	**3,000**	**450**	**2,000**	**34,285**	**3,000**	**8,300**	**2,950**	**56,710**	**59,546**
Habitable Rooms				112	444	184	27	204	90	**971**											

Masterplan Vision Option A



Option B





1	E. Gateway	Commercial	3-4
2	E. Gateway	Apartments	6
3	E. Gateway	Apartments	4-6
4	Royal Mail	Apartments	6
5	Royal Mail	Apartments	5
6	Royal Mail	Houses	2-3
7	Jewsons	Workspace	1
8	Jewsons	Retail	1
	Jewsons	Houses	2-3
A	W.Gateway	Stadium	5
B	W.Gateway	MSCP	4
C	W.Gateway	Conference	2
D	W.Gateway	Hotel	6
E	Campus	Student	8
	NR Land	Houses	2-3

Option B



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Wrexham Station Gateway : Option B - Retain Crispin Lane

Building		Residential Units									Resi NIA	Commercial	Hotel	Retail	Function	Total NIA	Stadium	Parking	BOH/Lobby/Cycles	GIA	GEA
No.		Name	Height	1B2P	2B4P	3B5P	2B Mews	3B Terrace	4B Semi	Totals	Sq.M	Sq.M				Sq.M		Sq.M	Sq.M	Sq.M	Sq.M
1	E. Gateway	Commercial	3-4							0	-	1,200		200		1,400		400	200	2,100	2,205
2	E. Gateway	Apartments	6	10	20	10				40	2,800					2,800		600	250	4,380	4,599
3	E. Gateway	Apartments	4-6	16	26					42	2,620					2,620		700	250	4,284	4,498
4	Royal Mail	Apartments	6	10	30	10				50	3,500					3,500		600	250	5,220	5,481
5	Royal Mail	Apartments	5		12	6				18	1,380					1,380			100	1,776	1,865
6	Royal Mail	Houses	2-3					8		8	960					960				960	1,008
7	Jewsons	Workspace	1									750				750				750	788
8	Jewsons	Retail	1											250		250				250	263
	Jewsons	Houses	2-3				9	31	18	58	7,185					7,185				7,185	7,544
A	W.Gateway	Stadium	5							0						-	3,000		400	3,570	3,749
B	W.Gateway	MSCP	4							0				250		250		6,000	300	6,550	6,878
C	W.Gateway	Conference	2												2,000	2,000			300	2,415	2,536
D	W.Gateway	Hotel	6							0			3,000			3,000			400	4,080	4,284
E	Campus	Student	8							0						-				3,000	3,150
	NR Land	Houses	2-3					12		12	1,440					1,440				1,440	1,512
Totals				**36**	**88**	**26**	**9**	**51**	**18**	**228**	**19,885**	**1,950**	**3,000**	**700**	**2,000**	**27,535**	**3,000**	**8,300**	**2,450**	**47,960**	**50,358**

Masterplan Vision Option B



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Masterplans



Relocating Crispin Road
Relocate student housing & create Additional development plots
Consolidate Stadium & MSCP
Stadium Gateway connects to the hospital



Crispin Road and student housing remain as proposed
Hotel, function venues and stadiums integrated
MSCP in seperate building
Stadium Gateway & pedestrian bridge relate

Wrexham Gateway
LCR STRATEGIC OUTLINE BUSINESS CASE (SOBC)

January 2021



PREPARED BY

North West Office of LCR

LCR

Project Name	**Wrexham Gateway**
LCR Project Lead	**Adam Wisher, Regional Director**
LCR Sponsor (SRO)	**Rick Lawrence, Property & Partnerships Director**

Project Description (Strategic Context)

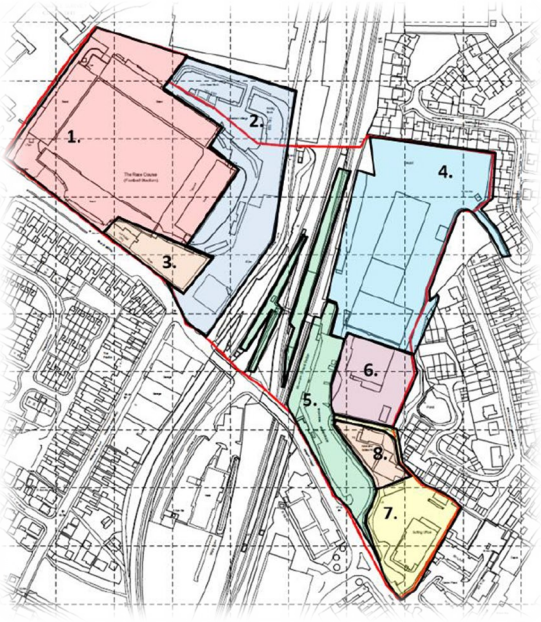
Describe the Opportunity

A mixed-use regeneration proposal at Wrexham General Station, one of two train stations located in the town centre of Wrexham.

LCR have a signed collaboration & task agreement in place with the Wrexham Gateway Partnership (WGP) which comprises Wrexham Council, Welsh Government and Wrexham Glyndŵr University. We have recently completed our initial scope of support on the project and the agreements allow for continued collaboration between LCR and WGP subject to agreement by the WGP and approval from the LCR P&P Panel.

The regeneration has the potential to enable up to 252 homes and over 16,000 sq.m of commercial space to include a new football stand, all of which is estimated to generate £39.7m of Public Value to contribute towards LCR's strategic delivery targets.

Location of Project (plus masterplan proposal)





Landownership facts:

- Site area: c12 acres.
- 4 land parcels to be consolidated. NR land - see green land ref 5. WGP land - see ref 1, 2 & 6.
- Welsh Government has already acquired some land. Network Rail ownership and university ownerships also to be consolidated.

What have we spent to date

LCR has incurred the following costs on the project to date:

- External Consultancy Fees - £20,000
- LCR Resource Cost - £15,000
- **Total - £35,000**

This has delivered a review of partnership's previous masterplan and an additional two alternative proposals, all with order of cost estimates and full development appraisal options based on a number of delivery models and levels of public sector intervention.

Feasibility analysis on the previous masterplan plus additional design iterations managed by LCR has bought the viability gap down by c£9m from our analysis of the previous masterplan, however the appraisals still show a negative land value in the region of -£43m to -£45m. There are clearly significant challenges in delivering on partnership objectives on a conventional appraisal model.

The feasibility work showed us that the scheme is unlikely to be deliverable on a conventional land promotion & disposal delivery model. For the masterplan to deliver on the WGP objectives, the public sector partners will need to take on a more active role in delivery and therefore take more risk. This could be through a number of mechanisms including:

(a) Underwriting investment assets through public sector taking on head leases of assets.
(b) Grant funding for infrastructure.
(c) Direct delivery of certain plots.

Early analysis indicates that intervention options a & b could improve the appraisal position by £11m - £28m depending on the level of intervention by the WGP, these are summarised as follows:

Intervention	Combined Deficit	Deficit less Stadium	Improvement from Baseline Appraisals
(a) PubSec Head-Lease*	**-£34,023,083**	**-£21,500,000**	**£11,000,000**
(b) Infrastructure Grant	**-£27,923,953**	**-£15,400,000**	**£17,100,000**
(a) & (b) Head-Lease & Infra Grant	**-£17,038,149**	**-£4,500,000**	**£28,000,000**
(c) Direct Delivery	We have run high-level models which improves viability further. We will explore this model in more detail, looking at specific assets for an early phase that may be more risk averse and can help act as a catalyst for the masterplan.		

**applied to office, hotel & MSCP assuming pre-lets to long term occupier/operator with strong covenant*

LCR's public value calculator has estimated that **the project could generate £39.7m of public value.** For context the estimated public value for the Batch 1 sites in Stockport & Trafford is a total of £3.8m, so this project could generate around 10x more public value than those three sites combined.

With a level of commitment already taken place on the land, we also think there may be appetite for a level of

intervention by the WGP and have modelled a number of scenarios with differing public sector risk profiles. These models have reduced the gap by up to £28m. With a careful phasing strategy and pre-engagement with end users, there may also be certain assets that could be directly delivered by the public sector, such as the hotel or a pre-let office, to act as a catalyst to the wider regeneration, generating market appetite and closing the viability gap further. Indeed the Council is in discussions with TfW and Health Authority regarding office pre-lets and Hampton by Hilton for the hotel component.

Despite the challenges, there is senior will within the Welsh Government and the Council to take the proposal forward. The focus on the proposal has risen further with the football club recently changing hands to a consortium of high-profile investors https://www.bbc.co.uk/sport/football/54973357 - *"Why Wrexham? Why not!" - Rob McElhenney.*

The WGP have recognised the value brought by LCR thus far and have requested correspondence on our continued involvement. A fee basis (as opposed to equity) could be explored to enable us to set a delivery structure and planning framework that would enable us to recognise these significant public value targets.

Projects such as Wrexham Gateway keep up LCR's track record and profile of our ability to support in the delivery of large scale, transformational regeneration projects but also could introduce an alternative operating model to work on projects where a return on investment via equity is a challenge.

Next steps to progress

LCR Way Stage 4 - Feasibility & Strategy (OBC)

External fees £191,950 + LCR Resource Cost £25,638

Due to the viability challenges noted it is proposed that LCR does not contribute towards the external fees and will be supporting through its internal resources, providing a development management function only.

(1) Point for panel approval: progressing of the above net spend to LCR of £25,638 comprising LCR resourcing costs only. The panel will be updated once we have confirmation of WGP funding for additional world.

A full breakdown of this cost is shown in Section 5.4.

This spend will enable us to achieve the following target milestones:

Interim focus:

Approvals / mobilisation: Jan - April (no LCR spend).

SOBC - OBC:

1. Completed due diligence and revised masterplan proposal - September 2021.
2. Land Promotion Heads of Terms or other agreement to govern future delivery - October 2021.
3. Confidence in scheme deliverability with a clear delivery, funding and phasing strategy and defined early intervention - November 2021.

OBC - FBC:

1. To include level of planning certainty, most likely Strategic Planning Document - March 2022.

Key Stakeholders: Other organisations involved in project: (briefly explain roles)	
Stakeholder	**Interest / Involvement**
Wrexham Council	Local Authority and Planning Authority
Welsh Government	Landowner and Potential Funder
Wrexham Glyndŵr University	Landowner
Wrexham A.F.C	Leaseholder of the Stadium
Network Rail	Landowner and Rail Authority
Transport for Wales	Train Operator

Score from 1 (does not meet criteria / not sufficient information) to 3 (fully meets criteria)	
5 Case Model (assessment for prioritisation)	
Strategic *Fit with Local Growth Aspiration* *Requires public sector intervention*	3
Financial *Affordability and viability of scheme*	1
Commercial *Scale and resilience of demand for space*	2
Economic *Significance of potential economic returns and local regeneration need*	3
Delivery *Strength of existing relationships* *Local Consensus* *Complexity of delivery*	2
Project Delivery Timeframe (anticipated)	tbc
Project Benefits: **e.g. Homes, Jobs, Commercial Development** **(Select the main theme relevant to the project)**	252 Homes 16,400 sq. m Commercial Space 792 Jobs (Construction & Operational) 686 Population Capacity Station Improvements & Enhanced Passenger Experience
Public Value Aspiration Overview	£39.7m

i. Economic Impact	£36.7m
ii. Financial Impact	£1.5m
iii. Social Impact	£1.4m
iv. Environmental Impact	£0.1m
Total Anticipated Final Cost of the project	tbc
Forecast Cost for the completion of the next stage	£201,063* ***consultancy fees not funded by LCR - LCR to provide resourcing support only at an estimated internal cost of £25,638** *(see Section 5.4 for breakdown of services and structure of draw down)*

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Appendix A: Masterplan Study Summary

Appendix B: Landownership Plan

Appendix C: LCR Progress

Purpose of the Strategic Outline Business Case

The purpose of the Strategic Outline Business Case (SOBC) is to establish the strategic context for the project, provide evidence for the case for change and set out the process for establishing the preferred way forward. Building on the baseline information provided in the Project Brief. The SOBC will provide the necessary information for LCR to assess the scope and anticipated benefits.

It also sets out the proposed commercial strategy, including procurement arrangements, demonstrates the project's affordability and outlines the management arrangements for the successful delivery of the project.

The SOBC will determine whether a project should continue and enter into a Task Agreement with the identified partners to complete the feasibility and strategy stage.

Part 1 - Strategic Case

1.1 Project Overview

State the brief description of the project, including its objectives, key deliverables, funding being sought and the details of the wider programme or package of investments that the project sits within (if applicable) and project benefits. (approx. 550 words)

This is the first time that Wrexham General Station has been considered by LCR under the new governance structure.

1.1.1 Project Context

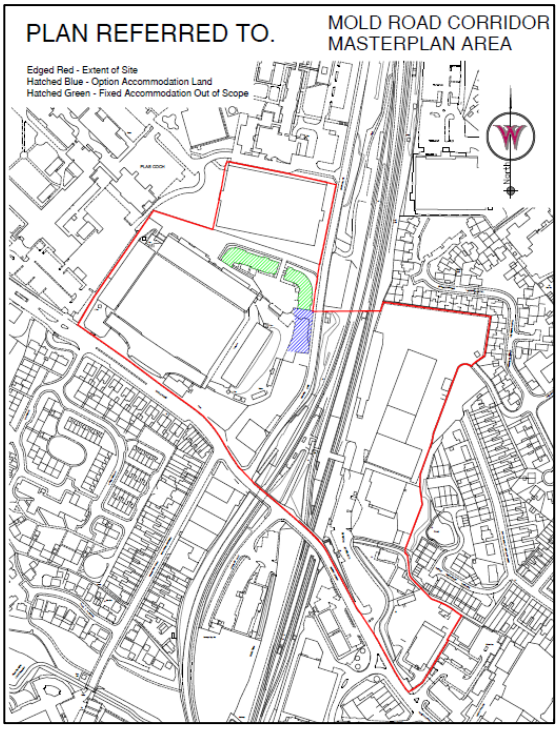
In February 2020 the WGP commissioned The Urbanists, supported by Colliers and Mott MacDonald to undertake a masterplan exercise and feasibility study to maximise development opportunities at Wrexham General Station.

The objectives of the WGP are as follows:

- Delivery of a first-class spectator stadium to serve North Wales.
- Maximise development opportunities that improve the gateway into Wrexham.
- Undertake a series of interventions for integration with the wider area.
- Enable enhancements to the station to become a better regional transport hub.
- Develop proposals that are cognisant of existing landownerships.

Wrexham General Station Masterplan

The study area can be seen to the below-right. The Urbanist masterplan delivers on the WGP objectives outlined above however the Colliers appraisal work had identified viability challenges.



LCR entered into collaboration with the WGP in August 2020 to support on the feasibility and to engage with Royal Mail regarding any potential relocation. The feasibility study ran through to November 2020 where we established a more detailed assessment of the viability of the Urbanist masterplan. We appointed Farrells to develop two alternative design options which reduced the viability gap considerably, although significant challenges still remain in this regard. The Urbanist masterplan plus the 2 Farrells layouts can be seen below:



1.1.2 Project Description

A mixed-use regeneration proposal at Wrexham General Station, one of two train stations located in the town centre of Wrexham.

LCR have a collaboration & task agreement signed with the Wrexham Gateway Partnership (WGP) which comprises Wrexham Council, Welsh Government and Wrexham Glyndŵr University. We have recently completed our initial scope of support on the project and the agreements allow for continued collaboration between LCR and WGP subject to agreement and approvals.

The proposal has the potential to enable up to 252 homes and over 16,000 sq.m of commercial space to include a new football stand, all of which could generate £39.7m of Public Value to contribute towards LCR's strategic delivery targets.

1.1.3 Programme & Key Deliverables

We are now in a position where we believe to have defined a scheme that meets the partnership objectives and could be deliverable subject to the public sector undertaking certain interventions and accepting some development risk. The existing masterplan can be seen in ***Appendix A: Masterplan Studies*** and in summary the scheme could deliver following outputs:

Homes	Community / Commercial	Affordable Housing
252	16,400 sq.m / 176,500 sq. ft.	tbc

In terms of station uses and improvements, these proposals deliver a new car park with increased provision to service the station, whilst providing improved public realm and a footbridge to enable access from both sides of the railway.

The next steps would be to complete further feasibility alongside the relevant due diligence studies in the coming months and so the scheme outputs will continue to evolve.

1.1.3 Rationale for Funding Requirements

The investment made to date has enabled us to start to understand the complexities the site and viability challenges which has many challenges including the requirement of some level of public sector intervention. The work undertaken has also given the WGP confidence in the value that LCR will add as a longer-term partner.

Due to the scale and regeneration ambition of the masterplan proposals, a more detailed feasibility study is required to include a number of baseline technical studies to support the cost plan and appraisals, to fully establish the viability of a scheme and the means by which it could be delivered and funded.

1.1.4 Identified Benefits

Provide an update on how the project has progressed since the SOBC was prepared, including any key changes that have occurred. (approx. 100 words)

The breakdown of scheme outputs can be found in Section 1.1.2 and the anticipated public value benefits associated with this can be found in Section 2.3.

The potential public value impact of the proposal is noteworthy and can provide a significant contribution to LCR's strategic targets through continued involvement, whilst managing our risk and cost exposure.

1.2 Strategic Alignment

How does this scheme support and align with LCRs Strategic /objectives (approx. 100 words)

From challenging sites, LCR enables the creation of great places for the benefit of society. This is LCR's continued strategic intent through its national collaborations. This masterplan has great potential to achieve exactly that by unlocking the potential of sites in an economically challenging area which, in their current makeup are too complex for the market for a number of reasons and so would not be delivered without some level of intervention by the public sector.

The projected outputs which include new homes, various commercial uses, station improvements and other placemaking benefits, are all directly aligned with LCR's and other partner's strategic objectives and contributes to delivery targets in relation to enabling homes and unlocking public value.

This site also presents an opportunity to better establish the concept of LCR's emerging ways of working in strategic partnerships, being near the forefront of LCR's emerging collaboration model to help facilitate the delivery of challenging sites. As such it can help to accelerate momentum on LCR's ambitious 10-year strategy of enabling release of land capable of supporting c.50,000 homes, c.50,000 jobs and in excess of £7bn of Public value alongside a sustainable dividend profile for its shareholder.

With key parties involved such as Transport for Wales and Welsh Government, this project also presents an opportunity for LCR to widen its geographical remit and establish itself across Wales where there are doubtless numerous additional opportunities to delivery on the strategy.

Which other local and national strategies will the project contribute to and how? (approx. 300 words)

In terms of wider regional and national strategies, the schemes deliver on a number of key agendas. Core to government policy is the housing agenda which the masterplan delivers on. In addition, this project aligns with further regional and national strategies including levelling up of the economy, developing on brownfield land and encouraging more sustainable lifestyles

with increased usage of public transportation.

1.3 Project Justification

Provide evidence of need or demand for the project. (approx. 300 words)

We will be undertaking a soft market testing exercise in the next stage of work to fully gauge market appetite. Wrexham Council has been in informal dialogue with a hotel operator who has shown interest in this location.

Transport for Wales also have an office requirement and they intend to take occupation of an office on the site upon completion. Their spatial requirement is still to be determined.

Explain what barriers/problems the project will address and/or the opportunities it will unlock. (approx. 300 words)

There are a number of barriers and constraints to contend with as we work through design stages and respond to stakeholder feedback. One common barrier is the key partnership objective to deliver a first-class spectator stadium, at international standards to serve North Wales. This has a substantial capital cost in the region of £12.5m - £20m depending on the level of facilities included within the stadium structure. With limited revenue generated for the appraisal, it provides a significant financial burden to the wider masterplan.

This barrier is compounded by challenging market conditions and local desire to deliver additional commercial uses whilst also diversifying the current residential offering. As values are low apartments are not conventionally viable, hence why typical surrounding stock tends to be Victorian terraces or new builds suburban housing, delivered at low density by volume housebuilders. However initial market advice has indicated that there may be a market for PRS tenures which could provide a viable route to delivery for these elements of the masterplan.

State why the project public sector funding is required. What market failures will the project address? (approx. 300 words)

Whilst there is no explicit evidence of market failure at these locations, they have intricate complexities related to landownership structures and the rail environment which make them unappealing to the marketplace in their current guise and are untested until now. Therefore, upfront funding is required by the public sector to de-risk these opportunities and make them investable sites for a development or funding partner.

1.4 Stakeholder Involvement

Who are the key stakeholders and main beneficiaries of the project? (approx. 150 words)

There are a number of key public and statutory authorities that are engaged in the project, either in the capacity as a project partner or project stakeholder.

In addition, there are a number of third-party landowners who have key existing stakes in the sites at a commercial level whom LCR and the WGP intend to engage with in the coming and months.

The Wrexham Gateway Partnership (WGP)
The WGP comprises the following parties:

- Wrexham Council
- Welsh Government
- Wrexham Glyndŵr University.

These stakeholders have driven the project forwards from its inception and have all been fully engaged since LCR entered into collaboration and completed the feasibility study.

The project is a strategic high priority for all stakeholders and through these parties they have a local influence, a funding source and hold good portion of the landownership within the study area. This gives confidence that despite the viability challenges, the right people are around the table with appetite to move the scheme forwards and take on some level of risk to enable delivery.

Network Rail & Transport for Wales
The rail industry is key as always, both as a landowner (Network Rail) and operator (Transport for Wales) of the station, which is the catalyst for the regeneration. Transport for Wales also has an office requirement and could occupy an early office development so may also have this additional commercial influence going forwards. Early and continued rail engagement around the station and any potential changes or enhancements will form an important part of the next stage of work to ensure buy-in.

Landowners
In order to deliver the schemes proposed there is a requirement to incorporate 3rd party land. A landownership map can be found in ***Appendix B: Landownership*** and there are four 3rd party ownerships to consider in Wrexham.

Due to the likely viability challenges of this scheme and the Council key strategic objective to intervene at this location, we advise that LCR does not seek to acquire land and land should instead be assembled either via Local Authority intervention or via grant funding, likely via Welsh Government.

1.5 Constraints and Dependencies

Describe any constraints that could affect the successful delivery of the project in line with its identified objectives (e.g. Government policy or regulation). (approx. 200 words)

Land Assembly

The spend, as with all to date, comes at risk in the absence of the WGP agreeing terms on some key 3rd party landowners to enable implementation of the proposals.

Set out any actions or developments required of others that the success of the project is dependent on (i.e. external influences on the project). What are the key success factors? (approx. 200 words)

Grant Funding Assistance

These sites will require grant assistance to deliver infrastructure and achieve policy compliant affordable housing provision, as well as meeting other key objectives of our strategic partners such as delivering the new football stand.

Although Homes England do not operate in Wales, Welsh Government appear to take similar roles & responsibilities evidenced by land assembly within the study area. We will seek to better understand the mechanisms by which Wales accesses grant in the next stage, be it by direct applications to Central Government or via a devolved allocation to Welsh Government. In any case, the presence of local & national government within WGP provides confidence that some of the tools of the public sector arsenal to assist viability could be accessed for the benefit of the proposal.

Part 2 - Economic Case

2.1 Options Considered

There will be a number of scenarios to assess and consider in respect the masterplan as we work through the next stage of detail. Clear options will emerge with regards to the level of site assembly required. We have already undertaken initial appraisal analysis around scheme delivery with or without the Royal Mail site, which was well received by partners.

We envisage that the key options to work through in the next stage of work will focus around the extent of public sector intervention and partners appetite for the same; related to this will be detailed thinking around the first phase and enabling its delivery.

Alongside this is the broader consideration of whether the partnership chooses to zoom in on an initial intervention phase for future due diligence or continues to work up comprehensive strategic masterplan proposals. With the deliverability challenges in mind, it may be the former that is optimal to build regeneration momentum and help the wider vision be realised in future phasing, whilst gaining a level of planning certainty over the wider proposal.

All options will be assessed alongside a ‘do nothing’ scenario as a baseline consideration.

2.2 Estimating Public Value Impact

The following table sets out the public value that could be generated in implementation of our current preferred option. More detail on the methodology behind these figures can be provided on request.

Metric	Scheme Output
Financial Value	£1.5m
Economic Value	£36.7m
Social Value	£1.4m
Environmental Value	£0.1m
Aggregate Public Value	**£39.7m**
Household Operational Expenditure	£4.9m
Construction Jobs Created	136
Operational Jobs Created	656
Population Capacity Increase	686

What are the main outcomes that each option is expected to generate? Please explain how each option will generate or contribute to increased economic activity (as measured using Gross Value Added (GVA)) and employment. This could include indirect and longer-term benefits - although if these are identified please indicate whether and how much additional public funding would be required to generate them (approx. 150 words)

Please explain the other wider benefits (including social and environmental effects) that each option will generate. (approx. 250 words)

These proposals with be transformative to the passenger experience and sense of arrival at the station. Existing local businesses in the vicinity will also benefit greatly from an increased population and improved place at its doorstep.

The average house price in Wrexham was around 66% of the average across England & Wales in the last 12 months. As such the public value and other benefits that the schemes will bring will surely have an amplified, unquantified effect in terms of boosting the local economies and driving future growth, improving the existing market and also introducing new markets to Wrexham.

How does the project respect the principle of sustainable development? In particular how does the project maximise positive environmental impacts or mitigate potential negative impacts (with regard to the "polluter pays" principle where appropriate)?

The development of new housing and commercial space at sustainable station-side location on existing underutilised brownfield sites is directly aligned with LCR's strategy and the core principle of sustainable development. We will seek to maximise the scale and quantums achievable at the location, within the local planning and site context.

Please explain the level of 'additionality'1 associated with the benefits under each intervention option at both the LCR level and the UK level. (approx. 300 words)

The profile of a successfully delivered, locally high-profile scheme in an economically challenging area will help raise the profile of LCR amongst further local and strategic authorities both locally and nationally.

An ongoing working relationship with partners such as Welsh Government and Transport for Wales could also open up numerous future working opportunities for LCR across Wales.

Part 3 - Commercial Case

1.1 Governance Structure

We intend to continue working with the WGP under the terms of our existing Collaboration and Task Agreement for the further feasibility, due diligence and strategy work and seek agreement on the basis of future funding. Programme, budgets and scope of work will be agreed between partners and formally noted at the Working Group, before being added as an addendum to the Task Agreement.

These arrangements will ensure that LCR's investment and associated interest is protected and aligned with the national collaboration with Network Rail.

3.2 Procurement

If you intend to commission or procure any activities in the development or delivery of this project, please demonstrate that your procurement method will comply with public procurement requirements (e.g. will your procurement trigger the OJEU process). Set out details for each procurement. (approx. 100 words)

All consultants to be retained have been procured previously via mini competitions or existing LCR contracts which have been jointly approved between the project partners. Due to the level of fees on a consultant-by-consultant basis there has not been the need to run an OJEU compliant procurement process in this regard.

Additional services not already procured previously will be appointed via either a mini competition or utilising a procurement framework, subject to partner approvals.

3.3 Statutory and Other Consents

Please indicate how the project complies with and/or has secured (is securing) the necessary regulations and requirements with regard to: (approx. 200 words)

Statutory consents such as planning and rail clearances will be undertaken in future stages of work however this work programme will shape the masterplan into a proposition that this acceptable and compliant in principle, in order to achieve these required statutory and regulatory consents in future.

We anticipate that some form of planning document such as an SRF or SPD will be drafted and endorsed in the future de-risking and structuring stage of work, following completion of the next stages of work.

Part 4 - Financial Case

4.1 Project Cost Summary

Provide a summary of the required project funding. and the position in relation to the LCR Business Plan The costs should be presented in current prices = i.e. including inflation (please outline any assumptions made about inflation).

See below historic costs incurred to date by LCR:

- External Consultancy Fees - £20,000
- LCR Resource Cost - £15,000
- **Total - <u>£35,000</u>**

These costs are currently captured and recoverable under the terms of the existing Collaboration and Task Agreements between LCR and the WGP and were approved by all parties within the agreements and at through respective Working Groups or email correspondence, details of which can be provided upon request.

The estimated required external spend for the next stage of work is £191,950. Due to viability challenges and uncertainty on deliverability we are proposing that LCR does not fund the delivery of these services but retains a role and stake solely by way of providing a development management service to help drive the project forwards**.**

The LCR resourcing costs for this work is estimate at £25,638. This would be the extent of LCR's financial exposure to the project.

These costs have been established using working experience on other projects and informal dialogue with consultants.

4.2 Capital and revenue costs

On review of the appraisal work prior to LCR involvement there were significant omissions in the figures and cost items, which notably excluded site-wide public realm and infrastructure costs which are always substantial in a masterplan of this scale. Using our revised cost assumptions as informed by Arcadis, we arrived at the following financial outputs for both the Urbanist masterplan and the 2 options developed by Farrells:

East Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
The Urbanist *(LCR Appraisal)*	**-£30,604,997**	**£35,552,509**	**£4,947,512**	**-£15,883,035**	***-£3,150,000***	**-£19,033,035**
Farrells Option A	**-£22,653,935**	**£26,363,873**	**£3,709,938**	**-£10.192,985**	***-£3,150,000***	**-£13,342,985**
Farrells Option B	**-£22,653,935**	**£26,363,873**	**£3,709,938**	**-£10.192,985**	***-£3,150,000***	**-£13,342,985**

West Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
The Urbanist *(LCR Appraisal)*	**-£20,649,125**	**£23,586,000**	**£2,936,875**	**-£37,681,079**	***-£1,600,000***	**-£39,281,079**
Farrells Option A	**-£22,653,775**	**£25,986,000**	**£3,350,225**	**-£30,040,324**	***-£1,600,000***	**-£31,640,324**
Farrells Option B	**-£22,636,281**	**£25,986,000**	**£3,349,719**	**-£28,533,173**	***-£1,600,000***	**-£30,133,173**

Combined Surplus/Deficit

Masterplan	Combined Deficit	Stadium Costs	Deficit less Stadium
The Urbanist *(LCR Appraisal)*	**-£58,314,114**	**£12,500,000**	**-£45,800,000**
Farrells Option A	**-£44,983,309**	**£12,500,000**	**-£32,500,000**
Farrells Option B	**-£43,476,158**	**£12,500,000**	**-£31,000,000**

It is clear from the feasibility study that the scheme is not viable and is unlikely to be deliverable on a conventional disposal delivery model. For the masterplan to deliver on the WGP objectives, the public sector partners will need to take on a more active role in delivery and therefore take more risk. This could be through a number of mechanisms including:

1. Underwriting investment assets through public sector taking on head leases of assets.
2. Grant funding for infrastructure.
3. Direct delivery of certain plots.
4. A combination of the above.

Early analysis indicates that intervention options 1 & 2 could improve the appraisal position by £11m - £28m depending on the level of intervention by the WGP, these are summarised as follows:

Intervention	Combined Deficit	Deficit less Stadium	Improvement from Baseline Appraisals
PubSec Head-Lease	**-£34,023,083**	**-£21,500,000**	**£11,000,000**
Infrastructure Grant	**-£27,923,953**	**-£15,400,000**	**£17,100,000**
Head-Lease & Infra Grant	**-£17,038,149**	**-£4,500,000**	**£28,000,000**

We have also run models on the basis of option 3, looking at direct delivery from the public sector with an appointed development management team. This improves viability substantially and we will explore this model in more detail, looking at specific assets for an early phase that are more risk averse and can help act as a catalyst for the masterplan.

More detail behind these figures can be provided on request.

Whilst future design optioneering and management of consultants should ensure that we arrive at a scheme that is closer to viable going forwards, there is unlikely to be any residual value to enable LCR to recoup costs spent. We are not, therefore, recommending that LCR commits further capital to the project beyond internal time in supporting the delivery of the project.

In financial terms, it is likely to be a cost-neutral venture to LCR, provided that we can reach agreement with WGP to recover costs under the terms of our existing agreement. However, this masterplan could produce in the region of £40m in public value which is a significant contribution towards LCR's public targets and with limited future cost exposure - we consider it to be a worthwhile venture to continue support to the WGP through the next stage of work.

Please explain the source and evidence for the costs set out above (provide separate detailed information as appropriate)

In accordance with LCRs requirements please provide a development appraisal, summary assumptions/evidence.

To be confirmed following feasibility study and design optioneering in the next stages.

Identify the areas where contingency has been applied and the reasoning behind the level of contingency. (approx. 100 words)

To be confirmed following detailed financial analysis in the next stages.

Part 5 - Management Case

5.1 Management Arrangements

Please summarise the project governance and management arrangements, including the organisation and management structure for the project and key roles and responsibilities. (approx. 300 words)

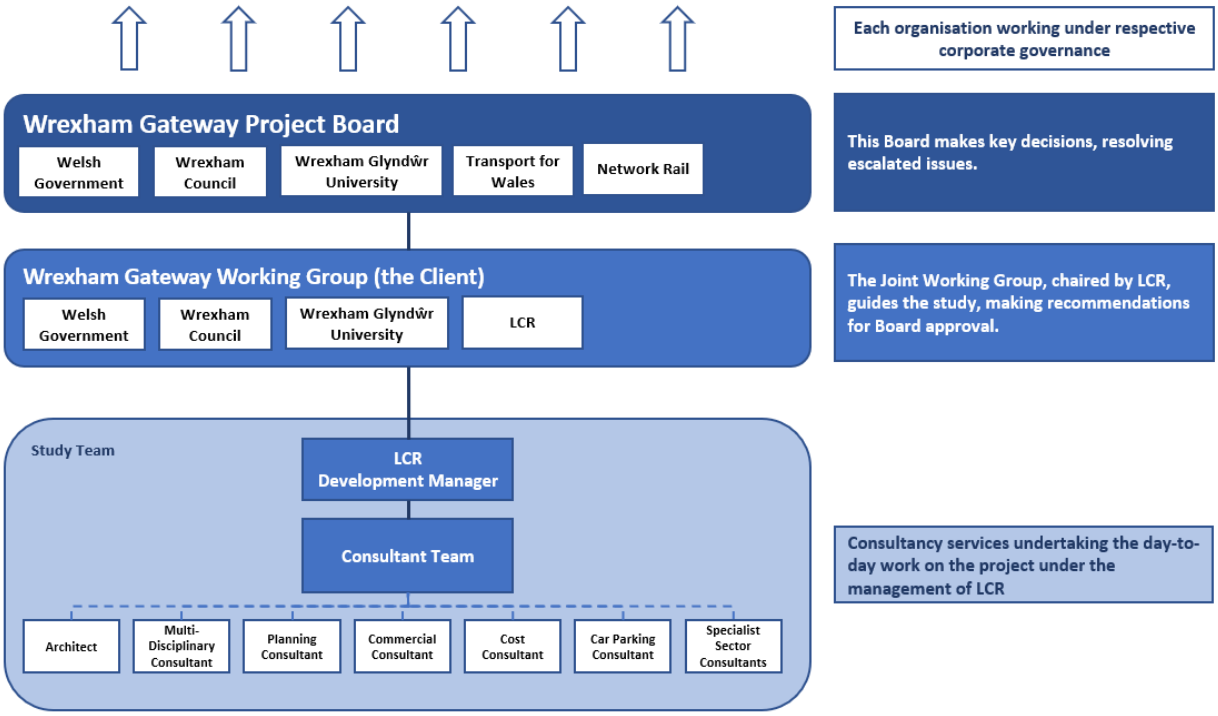
Please summarise the anticipated project governance and management arrangements, including the organisation and management structure for the project and key roles and responsibilities. (approx. 300 words) including

- *Outline Programme and Project Board. and reporting arrangements.*
- *Project manager and team.*
- *Project plan and agree deliverables.*
- *Budget allocation and resources.*

We intend to continue working under the terms of our existing Collaboration & Task Agreement in place between the LCR and the WGP for the proposed work programme. Programme, budgets and scope of work will be agreed between partners and formally noted at the Working Group, before being added as an addendum to the Task Agreement.

There is currently a monthly Project Board which governs the activities of the WGP and makes key decisions on the project. It is proposed that an additional layer of governance is introduced below this to provide a project Working Group, which LCR can Chair and provide updates as part of its development management service to the WGP. Key decisions will then be escalated up to Project Board level as and when required.

The organogram below illustrates how the structure is intended to work:



(If use has or will be made of external support in the development or delivery of the project, please provide details of the advisers and their role. (approx. 100 words)

The following services will procured to support LCR in undertaking the necessary due diligence work and understand the optimum route towards delivery, namely:

- masterplanning & design lead.
- transport, engineering and survey services.
- planning consultant.
- commercial support & delivery strategy advice.
- cost consultancy.
- car parking consultant.

(Please describe how you will engage with key stakeholders (e.g. do you have a communications plan and engagement strategy). (approx. 200 words)

A summary of the key project stakeholders and the future management of engagement is set out below:

Stakeholder	Interest	Summary of Engagement to Date	Summary of Planned Engagement
Wrexham Council	Local Authority and Planning Authority	Party to Collaboration & Task Agreement.	tbc
Welsh Government	Landowner and Potential Funder	Party to Collaboration & Task Agreement.	tbc
Wrexham Glyndŵr University	Landowner	Party to Collaboration & Task Agreement.	tbc
Wrexham A.F.C	Leaseholder of the Stadium	Engagement via Wrexham University as landlord.	tbc
Network Rail	Landowner and Rail Authority	Existing national Collaboration with LCR.	tbc
Transport for Wales	Train Operator	Not party to any governance structures but attendee at the Partnership Working Group.	tbc

5.2 Communication Strategy

(Please provide details of the communication and marketing strategy for the project. (approx. 200 words)

There is currently no defined communications strategy as proposals are still considered to be locally sensitive by partners and not yet suitable for the public domain. However, we understand that the WGP is eager to release some public communications in the near future once there is more certainty on how the project will be taken forwards.

A communications strategy and timescales will be agreed at the Partnership Working Group.

5.3 Milestones

Milestone activity	Target Timescales
Partner Approvals & Funding Secured	April 2021
Procurement	May 2021
Commencement of Feasibility & Due Diligence Studies (subject to procurement strategy & commencement)	May 2021
Studies Completed & Revised Scheme	September 2021
Land Promotion (or other governance) Heads of Terms	October 2021
Delivery Strategy Established in Principle	November 2021

5.4 OPEX Budget

It is proposed that that LCR does not fund the delivery of these services but retains a role and stake by way of providing a development management service to drive the project forwards, incurring resourcing costs only. The cost estimate for the next stage of work is a combined total of circa £217,588. This is broken down as follows:

Service Required	Consultant	Budget
Stage 4: Feasibility & Strategy (OBC)		
Architect / Masterplanner	tbc	£50,000
Transport & Access	tbc	£20,000
Flood Risk & Drainage Strategy	tbc	£3,000
Utilities	tbc	£10,000
Topography	tbc	£500
Phase 1 Geotechnical	tbc	£6,000
Cost Consultancy	tbc	£20,000
Planning Consultant	tbc	£10,000
Commercial Consultant	tbc	£15,000
Specialist Sector Consultant - early intervention tbc	tbc	£15,000
Specialist Sector Consultant - football stadium	tbc	£15,000
Car Parking Study	tbc	£7,500
	SUB-TOTAL:	£174,500
Contingency @ 10%	-	£17,450
Total Budget		£191,950
LCR Resource Costs	LCR	£25,638
Total Project Costs		**£217,588**
Total LCR Exposure		**£25,638**

It is anticipated that LCR will manage the project and consultants related to these services, but the appointment and funding will be led by one or more parties in the WGP.

Point of Clarification from LCR Property & Partnership Panel

- **Confirmation of the £25,638 of LCR costs to complete feasibility and initial due diligence studies.**

5.6 Risk Management

As detailed throughout the SOBC, there are a number of moving parts and uncertainties in the progression of plans in Wrexham. In LCR's role we continue to work at risk, ultimately until LCR, the WGP, other landowners and the developer / purchaser have fulfilled their obligations under a future land promotion & receipts are secured.

We are, however, mitigating against risk with our proposed role of just providing a development management support service; LCR's investment being by way of time only.

The follow sets out a series of project risks that will remain, our proposed mitigation / management and person / party responsible.

Risk Category	Risk Mitigation / Management	Action Owner
Grant Funding Requirement	Continued discussions with Welsh Government and exploring other potential grant funding opportunities to build the case for grant assistance.	LCR (Welsh Government and Local Authority Support)
Planning	LPA appetite to go below policy levels of affordable housing (25%) should grant funding not be available to part subsidise the delivery of this element.	LCR (Wrexham Council support)
Rail	Limited Network Rail engagement to date by WGP. Network Rail land holding is key to masterplan and so detailed engagement with various parts of Network Rail is critical and will be ongoing throughout the next stage, alongside the development of a station design brief to ensure a level of buy-in.	LCR (supported by Network Rail and Transport for Wales)
Governance	Requirement to establish future governance which fully captures all partners equity interests and establishes the future ways of working towards delivery. This will be raised with partners and worked through in the next stages.	LCR (WGP and Network Rail support)
Commercial	Commercial elements to masterplan such as workspace and hotel are challenging in a regional town in any case but are extremely uncertain in the current economic / Covid backdrop and so market conditions and movements will need to be monitored closely and regularly.	LCR (consultancy support)

5.5 Benefit Maximisation

Please explain how you will ensure that the benefits are maximised. (approx. 200 words)

The financial benefits of the project to LCR will be maximised in ensuring all necessary de-risking works are conducted as set out to provide a credible proposition when taking the opportunity to the market.

We will procure a design team that will help us to push the boundaries of the development

envelope within the context of the site location, to maximise the number of homes and public value in this sustainable location.

We will continue to look for opportunities of sustainable forms of transport within our proposal and look to provide sustainable, futureproofed car parking solutions with flexibility for repurposing beyond its life as a car park.

Building up to the market launch and at key millstones, we would look to leverage each and every opportunity to remind the market of LCR's role in delivery as and when taken forward, via a social media and company websites.

5.6 Monitoring and Evaluation Arrangements

Please explain the arrangements that will be put in place to monitor the progression of the project and delivery of benefits. (approx. 100 words)

To be confirmed and subject to nature of future LCR role to be defined.

Set out how and when the project will be evaluated. (approx. 100 words)

We propose to monitor the development through a continued relationship with local partners and overage provisions set in place with the developer. The progress will be updated on a quarterly basis. We would propose a more comprehensive update of the developments benefits at intervals in accordance with LCR's emerging policy.

Summarise the outline LCR exit strategy (approx. 100 words)

To be confirmed and subject to the delivery strategy.

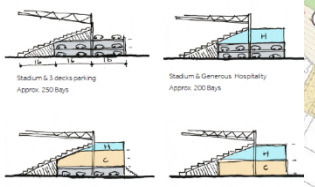
Appendix A: Masterplan Studies (full report can be provided on request)





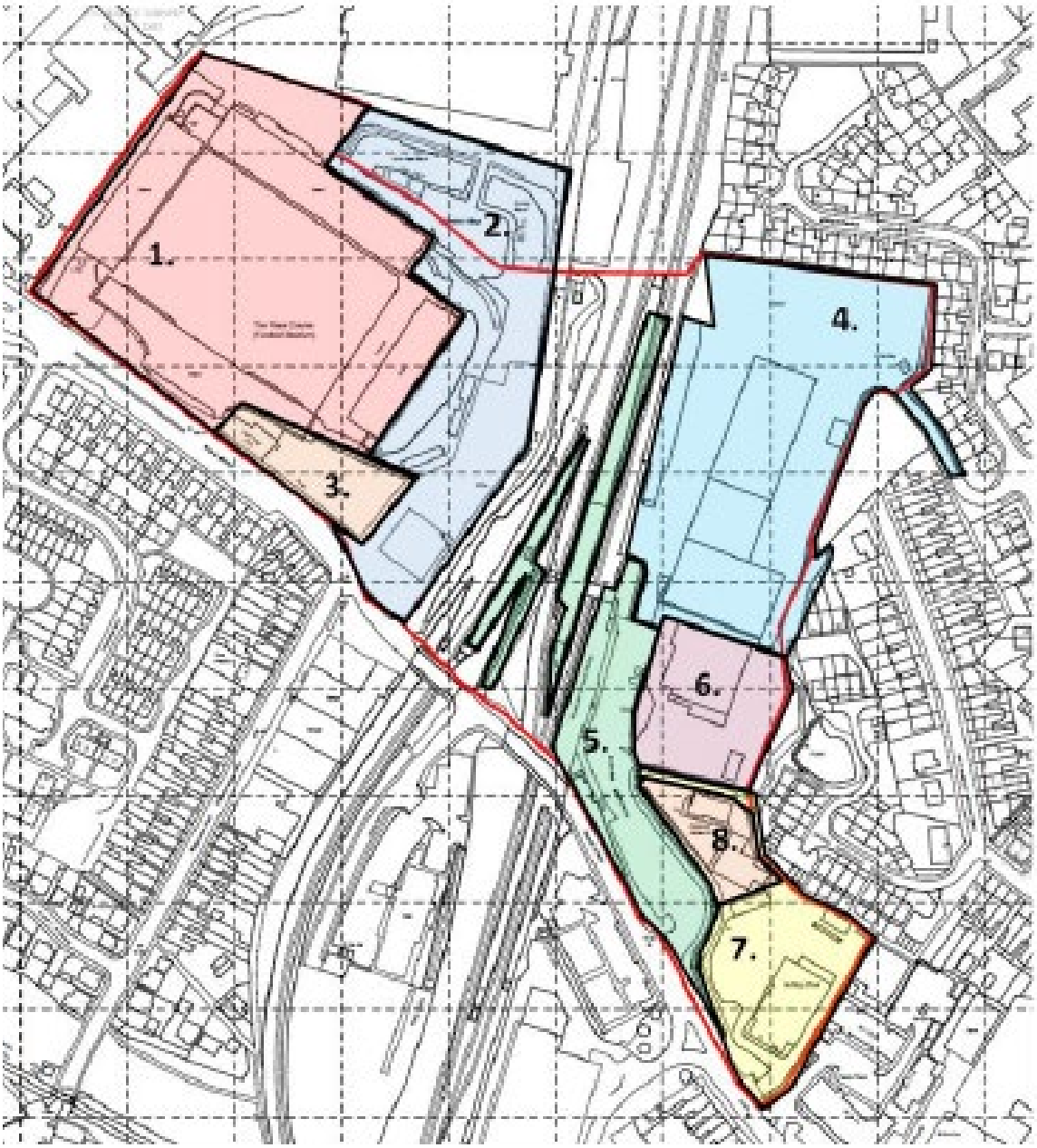








Appendix B: Landownership



Map Reference:	Land Registry No:	Freeholder:	Leaseholder:	Further Information:
1	CYM689981	Glyndwr university	Wrexham Supporters Trust Assets Limited.	Lease Term: 99 Years Commencement: Aug 2016
2	CYM454401	Glyndwr University	SP Energy Network	Sold: Aug 2018 for £11,000,000 Lease Term: 99 Years Commencement: Sept 2010 Electricity sub-station located on site with access required from AIB Group (UK) PLC
3	CYM274450	Newriver Trustee 7 LTD & Newriver Trustee 8 LTD		Marstons operate the public house known as The Turf.
4	CYM259613	United UK Propco	Cambrian Works / Jewsons	Sold: Dec 2018 for £4,113,000 *(For this title, CYM56164 and CYM259182)* Lease Term: 25 Years Commencement: Sept 2005 *This lease also comprises other land.* *(CYM56164 and CYM259182)*
5	CYM59754	Ownership Pending First Registration		
6	WA834578	Countrywide Farmers PLC		Sold: Nov 2004 for £592,000 Vacant and currently on the market.
7	CYM174451	Royal Mail Group Limited	Owner occupied	Sold: Jul 2017 for £91,773
8	Not registered	Scouts (presumed)		

Appendix C: LCR Progress



Exclusions
This initial findings report does not include assessment of:

- Footfall and any related benefits
- Transport effects
- University effects
- Sport effects
- Covid-19 impacts
- Benefits of public realm (look and feel)
- Spillover effects or catalysed investments
- Interactions between component parts

Initial Findings

Using the cost figures from the LCR reports, the baseline numbers from the Urbanists and Right Solution reports, and additional details from the literature the economic impact on GVA and jobs created/safeguarded has been estimated for the Wrexham Gateway scheme.

Due to the nature of the scheme, the various sites and two options proposed by LCR, the headline findings are broken down into their constituent parts. It is recognised however that there will be benefits from brining the different components of the Wrexham Gateway proposal together and some of these interactions inform basic assumptions. For instance, better transport links are likely to enable greater attendance to the Racecourse Ground. Other factors will have a large influence on the outcomes of the scheme but are not possible to consider given they remain outside of the control of any project stakeholder. The performance of Wrexham FC and the influence on attracting spectators to games, and the implications of a Covid-19 legacy on conference facility usage are two such examples.

Given the completion of the conference centre is likely to be some years away, the effects of any Covid-19 impact are likely to be nullified, but changed working practices may still have an impact. Several other assumptions have been made with the figures, such as the number of additional events brought about by a new stand at the Racecourse Ground and the attendance to conference facilities. Where appropriate, these have been based on available evidence for similar sites, though they include an element of uncertainty that would need to be addressed by demand and feasibility studies for the various sites.

The economic information presented includes the construction and end use impacts for both Gross Value Added and jobs created or safeguarded. This distinction between jobs created and safeguarded is indicative of whether a job is a newly created one which have not existed previously, compared to those that are going to be secured through the continued operation of a firm or activity, such as construction. Finally, a general cost benefit ratio has been

calculated based on the indicative investment costs for each part of the project and the expected economic outcomes in both GVA and employment. These relate only to the project and do not include a wider narrative around benefits that may be generated from the visual improvements, transport links and catalytic investments generated.

In calculating construction impacts we have used the initial investment figures developed by LCR in their latest Masterplan (and supported by the evidence presented from partners CBRE), for instance the stadium is expected to cost £12.5m. This starting point is then modelled into GVA and employment impacts through ONS ratios for the construction sector in Wales.[1] Multiplier effects from the UK input-output tables are then used to estimate how such spending indirectly impacts the supply chain. This produces a total GVA and jobs safeguarded/created figure.

Stadium

This covers the stadium separately from the conference facility which will be addressed below.

Construction impacts from the £12.5m estimated spend on the stadium (from LCR) will generate £4.7m in direct GVA and a further £4.9m through the supply chain for a total GVA impact of £9.6m. Over 84 Full Time Equivalent (FTE) job years will be safeguarded in the construction sector, and 98.8 more in the supply chain.

The stadium impacts are primarily driven from the reported ambition to use the new stand as an opportunity for attracting additional events to Wrexham, principally concerts and sporting events. The context is important here, with competition to other localities such as Liverpool and Chester likely to be a factor in whether such events choose to use the Racecourse Ground as a venue. Given this starting point an additional two large sporting events are hosted per year at the stadium and two concerts. In each case, 75% capacity is assumed. Outcome figures are only based on the additional spend brought by the attendees to these events which is based on the £16.75 average per person from available literature. This generates a GVA impact of £440k in the local food and drink sector and safeguards 55 jobs, both directly and through the supply chain. Depending on the scale of the event, this could be larger with further advantages arising from overnight stays for attendees. Further insight on returns for the football club / stadium from the ticket price for such events is needed to calculate this additional impact.

A cost benefit ratio of the stadium development and end use, for a 20 year use period, is £1.80 in GVA for every £1 invested using the current assumptions. Each job year created or safeguarded will be due to £9,776 of spend. No degradation or additional spend has been assumed over these 20 years.

[1] Turnover:GVA and Turnover:Employment ratios are taken from the GVA Balanced by NUTS Region data tables and the Business Register and Employment Survey, both 2019, following ONS best practice.

Conference Centre

Evidence shows that including facilities such as conference centres, health centres or leisure centres within stadiums can make significant savings compared to if the two were separate.[2] The construction cost of the conference centre at the Racecourse Ground is estimated to be £7.5m by LCR which will create £2.8m in GVA directly, with a further £2.9m through the supply chain for a total GVA impact of £5.7m. FTE job years safeguarded will be 50.5 for the construction and 59.3 through the supply chain, 110 in total.

The end use of the conference centre draws on figures provided in the Right Solution report which does not take into account the impact of the Covid-19 pandemic. Given the length of time between the pandemic and the likely build completion these assumptions are considered acceptable, however, a future demand report for conferencing facilities may be needed when the changed working practices brought about by the Covid-19 pandemic have been realised. The figures show that per year 205 events (of all sizes) may be expected at the conference centre which will generate £414k in GVA directly and a further £180k through the supply chain. Thirteen new jobs will be created, with 33 more safeguarded through the multiplier effect. Displacement is likely to be high as the new conference facility will compete for the trade of a fixed number of businesses with other locations. This may be as high as 50%, and would reduce these outputs by half.

There is potential overlap between the use of the conference centre and the stadium for activities including post game hospitality and events. The interplay between such activities has not been explored, though some is implicit in the events covered in the conference model, it could be that the attraction of more or larger stadium events could have further benefits to any mixed-use conference space.

The cost benefit ratio for the conference centre, operating for 20 years, is £2.40 GVA return for every £1 spent. Each job year created or safeguarded has a cost value of £7,231. This does not include any additional investment in the conference centre facility over the 20-year period.

Hotel

The construction of the hotel is estimated to be £9.5m by LCR and though this might be taken on in partnership with a hotelier the construction related impacts will remain the same. An anticipated £3.5m in GVA will be directly created with a further £3.73m through the supply chain. Nearly 64 FTE job years will be safeguarded during the construction period and an additional 75.1 will be produced by the multiplier effect.

The scale of employment generated by the hotel will depend on the number of rooms, and design adopted by the hotelier. Using the CBRE figures with 100 rooms suggests a hotel turnover of £425k, which would create 29 FTE jobs both directly and through the supply chain. Should there be a restaurant as part of the hotel this would increase. GVA impacts would be £396k per annum.

[2] https://democracy.york.gov.uk/documents/s19763/Annex%205%20Community%20Stadium.pdf

Office Space

A small amount of commercial space has been allowed for within the LCR Masterplan, though with options to substitute some of the housing allocation for additional office space as demand might require. The £3.75m construction will generate £1.4m in direct GVA and a further £1.4m through the supply chain. Twenty-five job years will be safeguarded in construction and a further 29.6 through the supply chain.

Based on the LCR Masterplan, 2100m² of office space will accommodate 161.5 FTE jobs. The rental income at £13f² would produce £294k in revenue, potentially generating returns for the investors and additional GVA. There may be additional economic impacts from the end use if the new office space has facilitated growth or expansion of businesses, but this comes with significant deadweight as businesses relocate from other areas.

Multi-Storey Car Park

The construction impacts of building a £2.4m MSCP are £906k in direct GVA and £940k indirectly. Sixteen FTE job years will be safeguarded in construction during the build phase, with a further 19 through the supply chain.

During operation, CBRE suggest that the MSCP is likely to be operated by a contacted party, which will generate revenue for the owner/investor. The terms of the lease agreement will determine this impact, but whether for the contractor or investor the revenue from a 400 space MSCP using £5 per day figures and 75% occupancy would create £196k in GVA and potentially support 3.2 jobs. There are further operational benefits that may be achieved from the location of the MSCP facilitating integrated use of onward transportation by bus or rail or encouraging use of the conference facility.

Student Accommodation

A £12.8m student accommodation block will principally only generate economic impact during the construction phase, though additional students will bring their own impact separately. Construction will safeguard 86.2 job years directly and a further 101.2 through the supply chain. GVA impacts are estimated to be £4.8m directly and a further £5m through multiplier effects.

Should the accommodation accommodate 50 new students, then this would lead to an estimated additional GVA from local services by £544k per year, though this is tied to the new students, not the use of the accommodation block. There may be some increase in cleaning and security required to cover the new accommodation block, but this will be negligible (<0.5 FTE).

Residential

There is a large allocation of residential usage across the East and West parcels of the site. These plots may be made available for commercial development with a partner but will generate economic impacts in their construction. Under LCR Masterplan Option 1, the residential configuration will cost an estimated £54m generating an GVA impact of £20.5m

directly and a further £21.4m in the supply chain. Nearly 370 FTE job years will be safeguarded during the construction and an additional 431 through the supply chain. Under Option 2, £38m is invested, resulting in £14.6m in direct GVA and £15m indirectly. The work will safeguard 261 job years in construction, and 307 through the supply chain.

Returns on investment based on house price estimates can be calculated, though these may be moot given the role of a developer compared to any ownership and sale from the Wrexham Gateway partnership.

Public Realm

The changes to Mold Road, Crispin Lane junction and public realm around the station will create additional economic impact during construction. Further benefits may be accrued by attracting footfall and encouraging residents and visitors to the area, though these are not quantified. Under LCR Masterplan Option 1, £16m in spending will generate £12m in GVA, both directly and indirectly, and safeguard 246 jobs in construction and in the supply chain. Under Option 2, £12m in direct and indirect GVA is created, while 173 job years are safeguarded in construction and through the supply chain.

Summary Table

Plots	Development Cost Estimates TOTAL	Construction GVA	Construction Job Years	Operation GVA	Operation Jobs	Years of operation	Cost/Benefit GVA	Cost/Benefit Jobs
Stadium	£ 12,500,000.00	£ 9,632,056.54	182.9	£ 668,853.72	54.8	20	1.8	£ 9,776.57
Multi-Storey Car Park	£ 2,400,000.00	£ 1,849,354.86	35.1	£ 196,914.85	3.2	30	3.2	£ 18,306.72
Conference Centre	£ 7,500,000.00	£ 5,779,233.92	109.7	£ 595,128.11	46.4	20	2.4	£ 7,230.99
Hotel	£ 9,500,000.00	£ 7,320,362.97	139	£ 396,550.19	29.1	20	1.6	£ 13,160.58
Student Accommodation	£ 12,805,000.00	£ 9,867,078.72	187	N/A	N/A	N/A	N/A	N/A
Commercial Office Space	£ 3,745,000.00	£ 2,885,764.14	55	N/A	161.5 Accom	N/A	N/A	N/A
Residential O1	£ 54,541,204.00	£42,027,516.85	798	N/A	N/A	N/A	N/A	N/A
Residential O2	£ 38,831,204.00	£29,921,948.20	568	N/A	N/A	N/A	N/A	N/A
Public Realm O1	£ 16,404,100.00	£ 12,640,417.49	246.1	N/A	N/A	N/A	N/A	N/A
Public Realm O2	£ 15,904,100.00	£ 12,255,135.23	173.9	N/A	N/A	N/A	N/A	N/A

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FIRST DRAFT
Report to Welsh Government
Conference and Event spaces study
Wrexham Football Club

August 2019

Prepared by Sally Greenhill

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Appendices (separate documents)

The UK Events Market

Design parameters for event facilities

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Introduction

The Right Solution were appointed by Welsh Government to undertake a preliminary feasibility study for new conference and event facilities within a new stand at Wrexham Football Club within the Wrexham Gateway project.

The preliminary layout/design prepared for a new stand suggests it would include a function area able to accommodate dinners or conferencing for up to 800 people, with the concourse also able to serve as exhibition area. The spaces allocated are included in the design for the redeveloped stand known as *The Kop* as part of the wider Wrexham Gateway project. The Welsh Government are interested in whether this may provide the opportunity to develop a regional conference centre for North Wales.

The tasks carried out to determine feasibility of new events facilities as part of the overall new stand building are as follows:

- Assessment of likely demand and usage of the facilities for different types of event
- Review of Wrexham's current conference, meetings and events business to assess the extent to which market share can be increased
- Outline of the UK meetings and events market to illustrate demand potential
- Discussion of potential with a sample of event organisers
- Assessment of Wrexham as a destination and potential for the future
- Assessment of supply and competition and impact on potential for new facilities
- Specification of new facilities to meet the demand
- Preliminary Financial forecasts.

The tasks included liaising with stakeholders for the project plus individuals and businesses in Wrexham. The Right Solution would like to thank everyone for their time, contribution, support and steer for the project. They include the following:

- Adam McDonnell, Welsh Government
- David Elcock, Glyndwr University
- Gavin Jones, Wrexham Football Club
- Haydn Hughes, Glyndwr University
- Joe Bickerton, Wrexham Council
- Phil Bennett, Wrexham Football Club
- Simon Stewart, Glyndwr University
- Spencer Harris, Wrexham Football Club
- Steve Bayley, Wrexham Council.

In addition to those listed above, organisers of meetings and events in the area were approached for their views and their feedback is included in this report.

This report outlines the findings of the tasks listed above and concludes with the specification for recommended events facilities together with a preliminary estimate of the income potential for those facilities.

It should be noted that the financial estimates are intended to provide a preliminary illustration of the potential and many different factors could influence their achievement. Therefore, they cannot be guaranteed. Most importantly it would require proactive marketing and selling to achieve these business levels. There may also be displacement of existing business from the Football Club and the University and other local venues.

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Executive Summary

- Wrexham has lower population than many popular conference destinations, however its location as gateway to North Wales and proximity to North West England and Manchester Airport are advantages in attracting meetings and events. Improving the rail access and frequency as part of the wider Wrexham gateway project would help to further improve its appeal.
- Volume of meetings and events held in a town is influenced by its major employers. Those around Wrexham include many in high tech manufacturing, biotech, finance and professional services and pharmaceuticals, all sectors that generate reasonable volume of meetings and events, although the number of employees based here is lower therefore demand and frequency of holding events will be lower than other larger cities. Only 6 out of 16 representatives from local corporates that we spoke to were positive about new facilities in Wrexham compared to their current choices of Chester, Liverpool, Manchester and London. One commented that it "would need to be a really amazing venue for us to consider it".
- North Wales also has Aerospace, Nuclear and Marine energy in the region and they would be a significant draw for events in those fields.
- In addition to local corporate organisations, Glyndwr University, the Council and the NHS also generate significant volume of meetings and events. More conference business leads to increased employment and other economic benefits for the town, supporting the relationship between the town, the Council and its people.
- The demand generated by Glyndwr University is particularly important to this study. Many academic and association conferences are attracted to a destination where that town or city's leading academics and professors or experts invite the association to hold the conference in that town or city. From the University's perspective their gains from conferences are raised profile and increased appeal for research funding, publications, students, academics and staff. The Faculty Dean for Social and Life Sciences is very supportive of development of new conference facilities at the Football Club as it would enable them to host more regional and national conferences, in turn helping the synergy between healthcare fields and their visiting professors and consultant physicians. New conference facilities would further aid the University's ambitions for the Estate as outlined in *Campus 2025* to adapt use of space as learning and teaching styles change.
- The University's existing facilities – the largest being the William Aston Hall (highly occupied for entertainment) and the Catrin Finch Hall -generate around £300,000 in revenue per year from conference and banqueting. However, the existing facilities do not provide the required facilities for many academic conferences and additional facilities at the Football Club would enable them to attract more of these prestigious events.
- The existing conference and banqueting facilities at the Football Club were designed as hospitality areas for match days at the time of the individual stand developments. They fall behind newer more up to date facilities and are preventing Wrexham from competing successfully with other destinations. The events revenue to date is £145,800 per year (This figure does not include match day hospitality).
- The other main facilities in the town currently are at the Ramada Hotel which has a typical hotel ballroom seating up to 200 theatre style but does not offer the combination of spaces needed for many conferences.
- Potential demand for new facilities would come from many different types of events including conferences, meetings, seminars, workshops from both the corporate and not for profit sectors, some stand-alone exhibitions plus banqueting from private and corporate events.
- There were 1.48 million Business Events in the UK in 2018 generating £18.3 billion in direct spend. Many more of these events are for up to 400 than larger, with 65% being for 1 day or less. The top factors influencing destination choice are access, location, price and capacity of conference facilities.
- The selection of existing local supply that we researched shows that those venues around Wrexham do provide facilities for up to 700 – at Chester Racecourse- but the quality of facilities is equally important

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as the space available. Although the competitive nature of this market should not be underestimated, new high quality facilities able to meet market needs for many different types of events could attract reasonable levels of demand. Good quality facilities often generate their own demand. Wrexham being the oldest Football club in Wales and the third oldest in the world (particularly if it is able to accommodate the Football Museum for Wales) may also help generate demand.

- The results of the research carried out (although preliminary at this stage) have led to specification totalling just over 2,000 square metres which includes a divisible main space of 720 square metres plus there further meeting rooms and support spaces for successful operation.
- A hypothetical diary for stable year of operation has been prepared based on potential demand for the specified facilities. Two options for pricing have been applied to this diary to illustrate revenue potential of £598,729 for Pricing Option 1 and £732,889 for Pricing Option 2.
- Estimating marketing, staff costs and overheads for the specified space results in a potential surplus of -£65,209 for Option 1 and £68,951 for Option 2. It is important to note that these all show the Conference Centre alone. As the Conference Centre will be part of the whole Wrexham Football Club operation, there could be economies of scale and therefore the surplus shown above may improve.
- Many factors will influence the achievement of revenue and the surplus. These include the infrastructure, the appeal of the destination, the supply of hotel accommodation and style and standard of operation. Building new facilities is only one element of ensuring success. They will also have to be well managed, well marketed, offer high quality catering and guarantee friendly efficient service at the right price.

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1. The current meetings and events business in Wrexham

1.1 Background information on potential meetings business for Wrexham

In comparison to many popular meetings and events destinations (see later section on the UK events market for city rankings) Wrexham is a smaller town with population close to 62,000 (120,000 in the wider vicinity). However, its location at the gateway to North Wales, within easy reach of North West England and 45 minutes to/from Manchester Airport is a major advantage in attracting meetings. In addition, improving the rail access and frequency is an objective for the wider Wrexham Gateway project which would further enhance its appeal.

The volume of meetings that may provide demand for new facilities at the Football Club are very often influenced by the presence of corporate and public sector organisations in a town or city who look for external venues for events in addition to those they hold within their own facilities.

The following major employers - listed with their sector/industry -are located in the vicinity of Wrexham:

Airbus - aerospace	Kronospan – Wood Reprocessing
Annyalla Chicks - Agriculture and Food	Magellan – Engineering – Predominantly Aerospace
Ardagh – Can Manufacturing	Mondelez – Food Manufacture
Ash Manor Cheese - Food Manufacturing	Moneypenny – Services – Call Handling
Brother - electronics	Pendine – Care Facility
Cott – Drinks Manufacturing	Plastipack – Manufacturing – Packaging
Demon Tweeks – Motorsport Retail and Wholesale	Sharp - electronics
Development Bank of Wales	Solvay – Manufacturing Composite Materials
DTCC (Depository Trust and Clearing Corporation) - Data Analysts	Tomlinsons Dairy - Food Manufacturing
Fibrax – Engineering – Predominantly Automotive	Transcontinental Advanced Coatings - Manufacturing - specialist coatings
IPSEN – Pharmaceuticals	Tritech – Engineering – Predominantly Aerospace
JCB – Manufacturing -Agricultural Products / Automotive	Village Bakery – Food Manufacture
Kelloggs – Food Manufacture	Wockhardt – Pharmaceuticals

Source: Wrexham Council plus Wikipedia

This list includes many in high tech manufacturing, biotech, finance and professional services and pharmaceuticals - all sectors that tend to generate reasonable volume of meetings and events, although the number of employees at these bases is lower than many major cities therefore demand is likely to be lower in volume of meetings generated. Many of the above organisations were approached to gain feedback on their meetings and events business. The results are outlined overleaf.

In addition to aerospace, other major sectors present in North Wales are Nuclear and Marine Energy and the expertise and experience of the projects in the region would be a significant draw for conferences in these fields. Research we have undertaken previously for Business Events Wales has identified opportunities for events in these fields.

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The Maelor Hospital is the region's major acute district hospital, the largest of the three core hospitals in North Wales. This and the NHS departments in the region also generate meetings and events.

The Council also generate significant volume of meetings and use many local venues including the existing facilities at the Football Club and the University, albeit price sensitive business.

It is understood that Wrexham is keen to be selected as the destination for a new Museum of Football for Wales. Although this is beyond the scope of the brief for this study, it may be worth noting that should such a facility be located at the Football Club it would provide a further attractive area for functions and receptions with the added appeal of a different environment to offer attendees that may encourage all events.

The economic impact of tourism in Wrexham grew by 10% from 2014 to 2015. However, growth has since reduced to an increase of between 1.6% and 2.1% to 2017 (Source: STEAM figures for Wrexham Borough Council). Increasing conference and event tourism would help raise this growth in future.

The focus of this study is Business Events. However, new multi-purpose facilities would be attractive for all types of events. The new stand and enlarged capacity of the whole stadium would also enable the Football Club to attract more entertainment.

1.2 Feedback from local organisations on the development of new conference facilities

All the local organisations were approached to ask their views on new conference, meeting and banqueting facilities within Wrexham. Many were unwilling or too busy to comment, and often it is difficult to get beyond their switchboards. Feedback from those we did speak to varied. 16 telephone interviews were completed, 6 were positive about the opportunity for new facilities for their needs and the remaining 10 did not think Wrexham would be an option compared to their current destinations of choice which include Chester, Liverpool, Manchester and London. One comment was “it would need to be a really amazing venue for us to consider it!”.
It is recommended that further similar research is undertaken if the development of conference facilities is to be progressed.

1.3 Wrexham Football Club -existing facilities and the business they are doing now

The existing facilities available for events at the Racecourse ground used for meetings and events are shown in the table below. The events income they generate currently is £145,800.

Name of room	Capacity in persons	Match day hospitality income 2018 £
1864 Suite	80	18,988
Altitude Suite	40	1,260
Bamford Suite	140	96,579
Centenary Club/supporters bar	400	54,190
Hospitality boxes x 7	10	
Concourse area	1000 (max estimated)	
Match day hospitality income 2018	£358,024	
Events income	£145,800	

N.B. Another suite was opened mid July 2019 with space for approx. 30 people but no income for this suite has yet been recorded.

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The events income (room hire plus Food and Beverage) for non-match days for the year to 2018 includes 91% generated by private events (parties, funerals etc) and 9% from corporate or public sector events.

In addition to the figures quoted above, the Football Club has hosted large entertainment events in the stadium, for example the Stereophonics. The hospitality income associated with such events is significant. The addition of the new stand would enable the club to attract more of these events due to the increased capacity to 15,000 in total being more attractive to promoters. High quality new conference and banqueting facilities would help market the Stadium for these events as it would enable a more upmarket hospitality package to be hosted.

In our view, the spaces available currently were designed as hospitality areas for the core business of match day hospitality at the time of the individual stand developments. In comparison with newer more up to date facilities they are adequate, but they are preventing Wrexham from competing successfully with other destinations. Feedback we have received suggests that they do not compare favourably with many of the facilities local organisations have in their own buildings, or those in venues in Chester.

Modern facilities with up to date technical and technological infrastructure, and entrance and arrival areas with more presence could transform the offer for the club for events demand and match day hospitality.

1.4 Wrexham Glyndwr University – opportunities for conferences and events and assessment of the existing facilities

The information in the next section on UK demand for meetings and events outlines the characteristics for the two main sectors of meetings and conferences– not for profit and corporate. It is of interest to this study to note that many academic and association conferences within the not for profit sector are attracted to a destination when that town or city's leading academics, professors or experts in their field lead the bid and invite the association to hold the conference in their town or city. The involvement of that academic in the conference is often a key reason why people choose to attend the conference.

From the University's perspective there are advantages in raising the profile of their academics through conferences as it helps to attract research funding, increases the awareness of their publications and helps to market the University for students, academics and staff. More conference business also leads to increased employment and other economic benefits for the town, thereby further supporting the relationship between the town and its people, the Council and the University.

Synergy of University subjects for conferences

The University has four schools:

- North Wales Business School
- School of Applied Science, Computing and Engineering
- School of Creative Arts
- School of Social and Life Sciences.

The main categories of subjects for the Faculty of Social and Life Sciences are as follows:

- Health, Psychology and Social Care
- Education, Family and Childhood Studies
- Society including Criminology and Social work
- Sports
- Business.

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All the above are subjects for which many conferences and meetings are held, with healthcare and medical sciences the leading generator of association and academic conferences/meetings. The Welsh Government is investing further into Health education programmes over the next 5 years which should lead to additional conferences and meetings.

Technology and digital is a major sector for generating meetings and events and the Fintech Innovation Centre at the University should generate further opportunities.

The University has partnerships with Social Care Wales, Royal College of Occupational Therapists, the British Psychological Society and the British Horse Society, all of which hold regular conferences and events.

The Faculty Dean for Social & Life Sciences is very supportive of the development of new conference facilities at the Football Club saying "a new centre with gravitas would be met with enthusiasm enabling us to move to hosting more regional and national conferences/events from local. More upmarket facilities and the synergy between healthcare fields and their visiting professors and consultant physicians would really help the University."

The Estates and Learning Environment Strategy *Campus 2025* outlines the ambition for adapting the use of space in the University as learning and teaching styles continue to develop. New conference facilities within the new stand development at the Football Club would further aid this ambition and support the University's plans for the Estate. They would help develop further cross border relationships and widen the University's profile across North West England as well as North Wales.

N.B. Bangor University also has a campus in Wrexham which focuses on Nursing, Radiography and Midwifery – other key subjects for meetings and conferences. The opportunity for student nurses to attend events would be popular with the Royal College of Nurses and other medical associations.

Existing conference business and facilities at the University

The University is already generating significant levels of meetings and conferences from both the not for profit and corporate sectors, with over 600 individual events having taken place in the academic year 2018/19 generating approximately £300K in revenue. These include small meetings, training courses, academic and association conferences, public sector meetings and banqueting events. Many of the local organisations contacted for comment on the proposition are using the University facilities regularly.

The conference and meeting facilities at the University include the following larger spaces:

- The William Aston Hall seating up to 800 £275 +VAT for 4 hours
- Catrin Finch Hall seating 250 and divisible into 2 spaces for 120 £400 +VAT per day

There are many smaller rooms including lecture theatres and flat floor spaces available and despite occupancy for teaching during term time, there is availability for rooms for other uses. The largest space is the Sports Hall which can be used for exhibition space of approximately 1,000 square metres. This is used for Wedding fairs etc around 12 times per year. However, the University's current facilities do not offer all the required facilities for many academic conferences and additional facilities at the Football Club would enable them to attract more prestigious such events.

The largest event held at the University to date is Comic CON which used the facilities together with temporary structures as it attracted up to 8,000 people per day. This has now moved to Telford where larger permanent facilities are available.

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As the William Aston Hall is largely used by an external organisation for entertainment, the Catrin Finch Hall is the main conference space available currently. The University's Conference Manager favours the development of larger facilities at the Football Club, as he believes there is demand for larger flexible flat floor meeting and catering space able to accommodate awards dinners and many other types of events.

The specification outlined later in this document takes into account the opportunity to attract some events that will require all the existing facilities at the University together with the new facilities, such as for larger association conferences.

1.5 Hotels and other venues in Wrexham - (also see section 3 Competition and supply)

Ramada Hotel

Apart from the existing facilities at the University and the Football Club, the main conference and function space in Wrexham currently is at the Ramada Hotel. The Pontcysyllte Suite seats up to 200 theatre style and 170 for banqueting. It divides into three sections seating up to 50 in each section. The hotel's total meeting facilities are shown in the following table. (Rates for these are outlined in the section on competition and supply). These are typical for a hotel of its size with one medium sized divisible function room and some further smaller rooms. They cannot provide all the facilities for many academic and association conferences.

Room	Theatre style	Banqueting	Boardroom
Pontcysyllte Suite	200	170	n/a
2 sections of Pont' Suite	120	100	50
1 section of Pont Suite	50	50	25
Yale/Yorke	20	n/a	12
Executive Boardroom	n/a	n/a	12
Executive Lounge	30	n/a	n/a

In addition to conference facilities, the Ramada together with the Premier Inn are the primary hotels in Wrexham (providing 171 rooms in total). Anecdotal information suggests the occupancy is high for the two hotels – averaging over 80% compared to the UK national average of 68%. The Ramada is achieving an Average Room rate of £85 and the Premier Inn £65[1]. These rates are low in comparison to other parts of the UK. Increased demand from business events visitors would help to increase average room rates and create additional demand for hotels.

Other serviced accommodation options are:

-Berwyn House
-Holt Lodge
-Lemon Tree
-Rossett Hall
-Trevor Arms
-Wynnstay Arms

There are some apartment options in addition to serviced accommodation. The total does not provide sufficient quantity of rooms of the required standard to meet the needs of all business events visitors.

Although the university halls of residence will be available in vacation time these do not follow peak periods of demand for conferences and meetings

It is understood that an application for an additional hotel on the Industrial estate has been made. Even if this is successful, this total of accommodation of appropriate standard would be inadequate if

[1] Source: Wrexham Council

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conference business in Wrexham increases. Pushing delegates to stay overnight in Chester could result in the organiser considering Chester as the better option location for the event.

All these factors plus the fact that Conference organisers generally prefer an onsite 'headquarters' hotel suggests there will be a need for at least one additional hotel to support the new facilities at the Football Club.

2 UK Market Demand: potential for conferences, meetings & events

The potential demand for the new events facilities at Wrexham Football Club will come from many different types of events including conferences, meetings, seminars, workshops and others (often collectively known as Business Events). In addition, there are exhibitions and entertainment plus private and corporate banqueting and hospitality. The characteristics of these events are outlined here to help identify the appropriate facilities to maximise demand. The core business of the Football Club and the hospitality associated with it is separate to this market.

2.1 Market Groups & potential for increased Business events

Business events comprise different market groups (N.B. for further detailed information, see the *Appendix UK Conference Market Demand*). The potential target event types for new facilities at the Football Club are as follows:

- Not for profit sector conferences and meetings –academic conferences such as those being organised already plus those being organised by national and international associations, public sector governmental and NGO organisations, charities and institutions
- Corporate - profit making sector conferences and meetings – those being organised by local, regional, national and international corporate companies – some are also being held at the Football Club already
- Small stand-alone exhibitions (not related to conferences) – business to business/ trade and consumer. The Concourse area of the new stand would enable small exhibitions to be held here.
- Banqueting and social events – receptions, parties, dinners etc.

Increased revenue from the hospitality associated with the football itself is included in the revenue forecast as it is generated by the new facilities being available. It is believed to be achievable according to discussions with the management of the club, but this was not the focus of this study and will need further exploration at a later date.

Each of these sectors is summarised briefly here in relation to potential for the new facilities.

- Not for profit sector - National Associations: comprise groups with similar interests – either professional (including specialised medical and academic groups but also other professional groups), hobby and special interest, or religious groups. In many cases their main annual event rotates around the country to reach as many members or potential members as possible. The relevance of the destination to the subject matter and the presence of experts (such as the University professors, doctors and surgeons etc.) in a particular field are very important to the choice of venue and destination. Increasingly, the ability to set up legacy projects with the local community are also impacting on that choice. For example, if a conference is discussing a particular medical field, the ability to involve the local population in tests or promotions, and the help given by that destination in setting this up is very influential.

  Associations often look for support from a destination in terms of help with attracting attendees, subvention funding, reduced venue rates, add-ons and this can influence destination and venue

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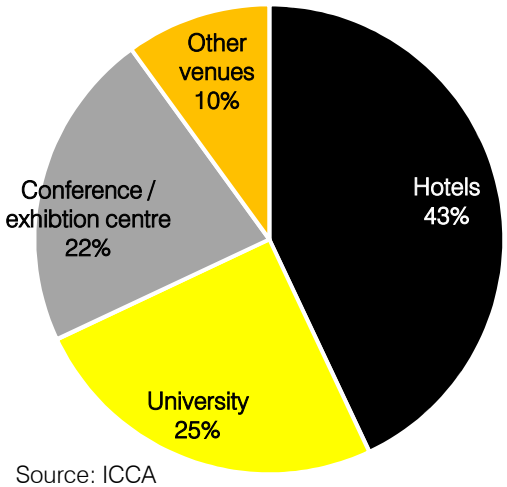
choice. Accommodation requirements are varied – again depending on the type of association (and whether fees are covered by an employer or the delegate themselves).

Events last from 1 day to 3 days on average.

- International Associations: share many of the characteristics of national associations. However, their members will be from many countries, and events will rotate from country to country (or even continent to continent). They are typically higher spending, larger, longer and with longer lead in times than national associations.

  This market is very competitive with 1,593 destinations overall attracting these events[2]. The UK tends to be in the lower reaches of the top 10 countries for international associations. They tend to be held in major cities with London, Edinburgh, Glasgow and Manchester the most popular UK cities in 2018.

Venue type used by International Associations



Source: ICCA

Size of the association sector

Together national and international associations account for 19% of conferences and meetings in the UK[3] but generate a higher proportion of spend and additional benefits. The chart (right) shows the breakdown of venues typically used by international associations.

Although this segment encompasses a wide range of organisations, the medical, scientific and pharmaceutical meetings tend to be the most attractive both in terms of numbers attending and revenue generated by attendees. The destination decisions are also driven by Universities' local 'experts' and specialists who invite the conference to their city and country. The top ten subjects generating international association meetings are shown in the table (right).

international meetings	association meetings 2017 (%)
Medical sciences	16.7
Technology	14.5
Science	13.6
Industry	6.5
Education	6.3
Social sciences	5.1
Economics	4.2
Management	4.2
Transport and communication	3.5
Culture and ideas	3.1

- Public, government and third sector. This sector covers events held by government departments and agencies, local authorities, the National Health Service, charities and similar public bodies. It accounts for 27% of UK events. It shares some of the characteristics of associations in terms of being more price sensitive than the corporate sector. Events can be locally, regionally or nationally driven and tend to be small with relatively short lead in times.

- The profit-making sector (corporate companies and organisations) generates 54% of the UK's conferences and meetings. These can include company meetings and training courses, annual general meetings, board meetings, sales meetings, product launches.

[2] Union of International Associations
[3] UKCAMS

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Traditionally the sectors that generate most meetings and events are pharmaceutical/healthcare; financial services/banking/insurance; ICT; automotive; manufacturing & industrial; retail/FMCG; utilities/oil & gas; construction and engineering. Many of these have links to the faculties at Wrexham Glyndwr University.

Corporate sectors anticipated to generate more meetings in future include biotechnology, life sciences, creative industries and retail sectors which relate to specialist subjects at the University and local employers in Wrexham and North Wales.

There are local, regional, national and international corporate events but the majority of corporate business for a venue is generated from the immediate locality.

Lead times for corporate events are relatively short – typically 2 to 3 months and they tend to involve lower numbers of delegates and therefore require smaller facilities. Budgets per delegate are sometimes higher and accommodation preferences will tend to be higher end (4*). Residential venues and hotels are popular for this market.

- Exhibitions form the next largest sector accounting for approximately £11bn economic benefit for the UK. These can be trade events (business to business shows) and consumer exhibitions (for the general public). Key UK destinations for this market are London and Birmingham (and the West Midlands), and to a lesser extent Manchester and Glasgow – partly a reflection of their venue supply - but also their accessibility, populations (many exhibition organisers look for a target audience of at least 1 million) and the supporting infrastructure for such events. Many of these require several thousand square metres of space. The visitors to exhibitions are in the main local - within one and half hour's drive and they spend little at the venue or in the destination. Some small exhibitions could be targeted for the Concourse area of the new stand such as Wedding Fairs, Antique Fairs or those also requiring outdoor space such as Camping and Caravanning.

- Banqueting. This includes the hosting of both corporate and private receptions, dinners, parties, weddings and all catering related events without a meeting element. This is a significant generator of events for all towns and cities. The University and the Football Club host many such events already. More of these may be attracted to the new facilities particularly if they have pitch views.

The UK Conference and Meetings Survey (UKCAMS) 2019 states that 66% of conference and meeting business is generated from the region in which a venue is located so the ability to generate business from partners in the project -the University, the Council, the Football Club and Welsh Government is very important as is the indications of potential demand from local organisations.

Appendix 1 -The UK Events Market - provides a more detailed overview of these sectors.

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2.2 Factors influencing venue and destination

The key elements that make a successful business event venue and destination vary for different events but there are common factors such as access and transport links, and location. The top ten influencing factors for conferences and meetings in the UK are as follows:

1. Access (road, rail and air links)
2. Location (are of the country)
3. Price/value for money
4. Capacity of conference facilities
5. Availability
6. Quality of conference facilities
7. Free WiFi
8. Quality of service
9. Quality of Food
10. Style of venue that suits the organisation.

Source: BMEIS 2019

In summary, events will use facilities of the right price, format, quality and capacity if they are easily accessible. The venue standards and those of the supporting hotels are very important.

Although it has already been mentioned, it is particularly relevant to the new facilities to reiterate that key factors for associations include:

- Local academics and contacts for association events - an expert in that field with a connection to the venue and destination - particularly academics or industry specialists.
- The attractiveness and appeal of a destination is a key element in persuading delegates to attend an event. The venue can play a large part in this and buildings 'with a difference' (such as a Sports venue) can have an advantage if the capacity, quality and other client requirements are all met.
- The table below shows that Sports venues experience quite low levels of demand in contrast to other venues, but this is often because their facilities do not meet market needs. Multi-purpose venues, unusual venues and dedicated conference centres are more popular.

The venues types used for each sector's events are shown in the table below:

Preferred venues Venue type	Sector holding events in this venue type (%)	
	Not for profit / Associations	Corporate
City Centre Hotel	59%	61%
Dedicated conference centre/management training centre, residential	45%	33%
Luxury venue	28%	45%
Multi-purpose venue	30%	32%
Unusual venue	20%	39%
Purpose-built convention centre	34%	21%
University/Academic Venue	41%	13%
Out of Town (Seaside/Country) Hotel	17%	19%
Sporting Venue	7%	19%
Business centre e.g. Regus	7%	14%
Airport Hotel	9%	13%

Source: BMEIS 2019

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2.3 Volume and Value of the market

The potential overall UK target market achieved a total of 1.48 million events in UK during 2018[4] of which

- 281,200 (19%) were for associations. Of these 574 were international
- 399,600 (27%) for public sector organisations
- 799,200 (54%) for corporate organisations.

The value of all business meetings and events totals £18.3 billion in spend generated.

The characteristics of those events that are relevant for developing new facilities at Wrexham Football Club are as follows:

Key market characteristics relevant to new conference facilities at Wrexham

Key factors	Associations and public sector	Corporate	Implications for Wrexham
Average number of delegates main annual event	403	368	Size and combination of facilities
Average size other regular events	121	130	
Average budget Daily Delegate Rate - organisers budget (inc VAT) Venues experience' UK wide	£51.78 £40	£58.71 £40	Potential for good value offer
Percentage change in budget for 2019	-7.5%	+7.5%	Sensitive to pricing
Percentage organising more events in year ahead	28	34	Stable market with low growth which varies for different corporate sectors
Most used UK cities	London, Birmingham, Manchester, Leeds, Glasgow		
Average event duration	1.6 days (65% up to 1 day)		
Influencing factors	Access, location, price, capacity of conference facilities		

Sources: BMEIS 2019 and UKCAMS 2019

The characteristics suggest that new facilities able to provide the formulae of facilities able to meet the needs of many different types of events at the right price could gain market share.

2.4 Top Trends affecting meetings venues

Conferences and meetings are experiencing the following trends influencing the facilities required to host them.

- More interactive communication is influencing the style of facilities with less formal layouts and they are used for shorter periods of time
- More cabaret style meetings (at round tables rather than in rows)
- More breakout sessions
- Less formality to all meeting sessions, with layout often decided or changed on the spot (requiring flexibility and responsive staff)
- Exhibitions and poster display alongside conferences require smaller amounts of space and are more digital in format.

2.5 Other trends affecting venues

- All meeting organisers are working to tight budgets which requires efficient negotiation

[4] UK Conference and Meeting Survey 2019

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techniques and flexibility with options proposed.

- The very competitive market and over supply (of meeting spaces) in most parts of the UK requires venues to keep innovating to gain competitive advantage
- Many venues are investing in keeping facilities up to date – UKCAMS 2019 records 73% of venues had invested in their property in 2018, 17% spending more than £500,000.
- Lead times are very short due to uncertainty in different market sectors and economic influences.
- Interactive and informal meeting styles requires different meeting room layouts - fewer theatre style and more cabaret or informal.
- More fluid requirements (changing continually) means venue staff need to react quickly to change formats on site
- Flexible meeting rooms with adjustable sizes help maximise occupancy.
- Excellent technological infrastructure is essential for data and telecommunications plus experienced and knowledgeable technicians and/or staff.
- More varied dietary and catering requirements need to be catered for with imagination – vegan, gluten/dairy free, local food suppliers.
- Experience of attending needs to justify time invested for attendees (personally as well as for their organisation). This often leads to extra elements to meetings and networking opportunities to create interest.

Further details of the market characteristics are outlined in the Appendix: The UK Market Demand. This explains more about the different characteristics of the not for profit and corporate sectors.

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3 Supply and competition

3.1 National Supply

There are at least 3,500 conference venues in the UK in total[5]. This is based on a definition of a venue having at least three meeting rooms with a minimum capacity of 50 delegates theatre style. The breakdown of venue type is shown in the table below with the comparison drawn between this and the low levels of supply in North Wales. The one purpose-built convention centre is Venue Cymru in Llandudno.

Venue type	Venues (%)	Actual number for North Wales	Percentage of all UK supply
Hotel	52%	13	0.7%
Unusual/multi-purpose venue	30%	5	0.5%
Academic*	4%	6	4%
Conference/training centre	12%	3	0.7%
Purpose built convention centre	2%	1	1.4%

Source: UKCAMS *facilities available year round

The list of supply includes venues that are not pro-active in the market.

In addition to quantity of supply, the other consideration is quality, which varies hugely. Venue Cymru was opened in 1982 and provides the style of facilities of that time. Although it has a wide range of facilities, its core business is entertainment and it struggles to meet the breakout requirements for many association conferences.

If a destination's venues are not totally appropriate to market needs, they limit the ability to attract more demand. Good quality facilities often generate their own demand.

Other key points relevant to the success of new facilities at the Football Club are:

1. It's a competitive marketplace – there are some excellent facilities within easy reach -particularly in North West England - and competition from a wide range of venues.
2. Dedicated conference space that is purpose designed with state of the art technical and technological infrastructure is required to enable return from pro-active sales in this competitive marketplace.
3. Commitment is key. Successful conference functions are not only defined by dedicated spaces but also by a top down commitment which recognises and empowers conferencing as an important function within the overall businesses (in this case the Football Club and the University).
4. Marketing the new facilities internally to the stakeholder organisations of the University, the Football Club, the local council and the Welsh Government, who are likely to be its most important customers, will help ensure that economic, reputational and recognition benefits from conferences are realised. There will be an educational process to go through internally to explain the value of developing additional conference facilities.
5. Continued investment in the offer, sales/marketing and systems is important beyond the initial capital investment.
6. The benefits can be substantial but are often realised in economic impact to the town rather than in profit from the facilities themselves.

[5] UK Conference and Meetings Survey

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A selection of venues comparable for planning new facilities at the Football Club were researched to explore pricing and to identify any gap in facility provision that may exist. The results are shown in the table on page 17.

This shows that facilities for up to 700 theatre style are provided at this small selection of venues. However, as stated earlier, the quantity of facilities is not the only consideration. The quality to meet market needs is equally if not more important. In particular the association and academic conferences require a formula of facilities for meet/plenary, breakout, catering and exhibition space.

3.2 Association conference facilities

One example of the possible requirements for an association conference for 500 in net space terms is as follows:

Element	Minimum space requirement*
Theatre style seating assumed lenary session for 500	432 sq. m. minimum
Possible varying combination of breakouts:	
2 x 200	350 sq. m
3 x 150 (sizes required vary day to day)	390 sq. m
2 x 100	200 sq. m.
4 x 50	173 sq. m.
4 x 25	86 sq. m.
Catering area for 500 (included in space shown below as can be dual use)	700 sqm. (@1.4 sq. m pp)
Exhibition space, minimum	500 sq. m.
Poster display space	300 sq. m.
Total	2,432 sq. m. lettable space

*estimate approx. 0.864 sq. m. per person theatre style or 1sq m for classroom style although other styles will also be used

It is particularly important for associations to include exhibition space as this is the element from which they earn revenue from the exhibitors.

Although the earlier section on demand showed that Sporting Venues tend to be less popular than other venue types, there are many examples of Football Clubs who have made a success of their events facilities by developing flexible facilities able to accommodate their match day hospitality requirements and those for conferences, meetings and banqueting. Examples include Manchester United, Manchester City, Chelsea and Leicester City (King Power Stadium has facilities for up to 650). Being in the Premiership and in popular destinations adds to the appeal for events. However, it is possible that Wrexham being the oldest club in Wales and the third oldest club in the World, and its strong local following, may compensate to some extent.

The pricing shown overleaf has been used as a basis for the preparation of the pricing for the proposed facilities outlined in the later financial forecast in this document.

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3.3 Pricing for a selection of competitive venues					
NAME OF VENUE	LARGEST ROOM	CAPACITY OF LARGEST ROOM	DDR INC. VAT	ROOM HIRE PER DAY INC. VAT	INCLUDED IN DDR
RAMADA WREXHAM	PONTCYSYLLTE SUITE	200 THEATRE	FROM £38.00	£900	Flipchart & stand, OHP & Screen, 2 course lunch, 3 x tea/coffee breaks with light snack, car parking.
CHESTER RACECOURSE	PAVILLION	700 THEATRE, 270 CABARET	£43.20 (hot buffet) £48 (finger buffet)	£1,800	Projector/Screen, Flipchart, Free WiFi, 3 x coffee break with biscuits, Hot Buffet Lunch, Free car parking
CHESTER GROSVENOR HOTEL	WESTMINSTER SUITE: BELGRAVE	250 THEATRE, 128 CABARET	£40	£1,500	Built in A/V, Flipchart, free WiFi, Morning coffee/tea with Danish pastries, tea/coffee with biscuits, afternoon tea/coffee with French Fancies, lunch.
CROWNE PLAZA, CHESTER	KINGS SUITE	600 THEATRE, 272 CABARET	£32	£4,250	LCD Screen/Flipchart, 3 x coffee breaks, hot and cold buffet, car parking.
CARDEN PARK	CARDEN SUITE	400 THEATRE, 280 CABARET	£70	£12,000	Built in A/V, Flip chart, 3 x coffee breaks, 2 course hot/cold buffet, free wi-fi, complimentary car parking
HALLMARK THE QUEEN HOTEL	COLONNADES BALLROOM	250 PAX	£32	£995	LCD Projector/Screen, Flipchart, 2 x coffee breaks, lunch, WiFi
AINTREE RACECOURSE	SUNLOCH SUITE AND GOLDEN MILLER SUITE	600 THEATRE 360 CABARET	£45.60	£4,800	Data Projection, Screen, 3 x coffee breaks, lunch,
ROWTON HALL	BALLROOM	130 THEATRE	£40	£500	LCD projector and Screen, 3 x coffee breaks, 2 course lunch, Free WiFi, Free car parking

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4 Specification of facilities

4.1 Proposed events facilities

The research into potential demand, the characteristics of event demand generally plus the availability of existing supply locally have led to the proposed event spaces as follows.

The total net internal floor area of just over 2,000 square metres shown below allows for a divisible main events space of 720 square metres plus three further meeting rooms and the support spaces for successful operation. These new areas can be used in conjunction with existing facilities (such as the 1864 suite and the Directors Suite at the Football Club or the existing facilities at the University) for some events. However, this would also stand alone to form a Regional Conference Centre. The specification aims to accommodate maximum demand for events of all types and provide a higher quality facility than those existing in the older areas of the Football Club.

POTENTIAL EVENT SPACE CONFIGURATIONS

Description	Capacity		Area	Dimensions (m)		
	T/S	Banq.	(m^2)	Width	Length	Height
Multi-Purpose Hall (Divisible)	800	500	720	21	34	6
Multi-Purpose Hall - Potential Divisibility						
Section A	243	146	210	10	21	4
Section Ai	116	69	100	10	10	4
Section Aii	116	69	100	10	10	4
Section B	243	146	210	10	21	4
Section Bi	116	69	100	10	10	4
Section Bii	116	69	100	10	10	4
Section C	243	146	210	10	21	4
Section Ci	116	69	100	10	10	4
Section Cii	116	69	100	10	10	4
First floor meeting rooms x 3 each	30	25	30	10	10	3

Area Assumptions	m^2		Notes:
Total Function Area (Max) level 1	720		
Function space above foyer	340		
Registration (800 people)	340		Optimum room ratio = 1:1.6
Toilets	160		Room heights should be clear floor to ceiling (not soffit) and may need adjusting for divided spaces
Plant and storage	250		Kitchen areas to be provided by catering consultant
Kitchens and serveries	250		Nett to Gross factor 1:1.3, due to fire exit widths and wall thicknesses. Architect to confirm.
			Toilet areas based on TRS Calcs (male) & BS6465 (female)
			Maximum capacity conference 800 people, in terms of ancillary facilities
			Section A + B = banq. for 250 pax
			Section C = theatre style for 250 pax
Total Area (Nett Internal Floor Area)	2,060		
Total Area (Gross Internal Floor Area)	2,678		

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The bases for all calculations are:

1. Theatre style 0.864m² per person
2. Banqueting 1.44m² per person
3. Reception 0.72m² per person
4. Cloaks 0.098m² per person
5. Lavatory numbers as 150% theatre style capacity split between male and female
6. Urinals 1 per 25 people (as per restaurant provision)
7. Male WC 1/100 up to 400 and 1/250 thereafter (restaurant)
8. Male WHB 1/WC +1/5 urinals (theatre)
9. Female WC = 2 up to 75 then 1/50 thereafter (theatre)
10. Female WHB 1/WC (theatre)

4.2 Support spaces

Space	Description	Area (m2)	Notes
Loading Bay #1	Easy access to all areas	300	Width should be enough for 44 tonne articulated lorries to manoeuvre to include storage
Locker/changing space	For staff such as caterers	100	Split between male & female
Audio Visual/technical rooms	Projection/sound/lighting rooms	75	Adjacent to main meeting rooms
Medical Room	First Aid and ambulance reception	30	Located with a back-of-house route to the loading bay for ambulances
ICT Rooms	Comms room and hub rooms	100	Distributed throughout building
	TOTAL:	605	

4.3 Toilet requirements Calculation

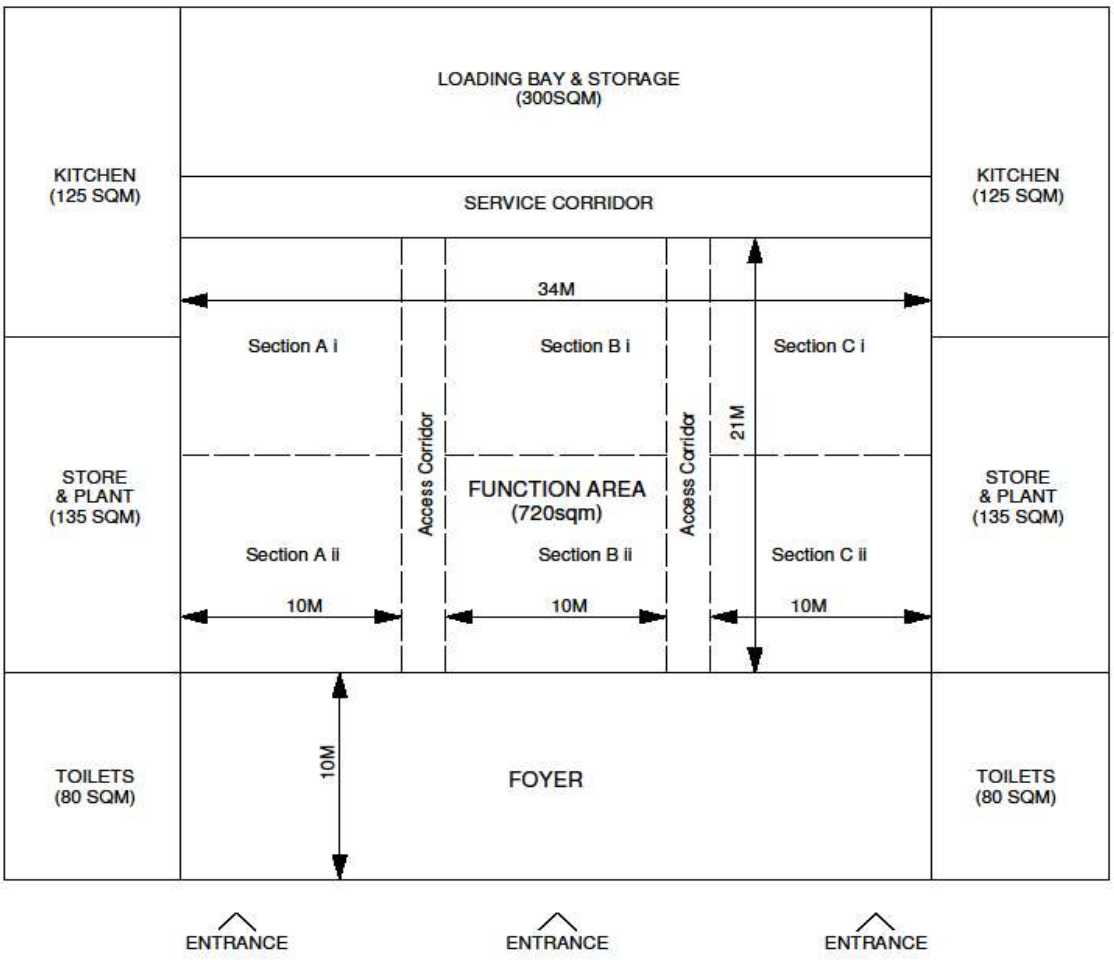
Location	Area (m²) (Approx.)	Theatre Style	Banquet Style	Reception	Cloaks Capacity	Urinals	WC	WHB
Function Room	720	833	500	1000				
Cloakroom	82				833			
Male Toilets	70					25	5	10
Female Toilets	70						13	13
Disabled	24					Min. 1/toilet block, unisex		

The block diagram overleaf illustrates how the space may be laid out. It is not intended to be a design, just an indication of the space required.

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4.4 Block diagram of Proposed Events Spaces

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POTENTIAL FLEXIBLE CONFERENCE CENTRE LAYOUT
(NOT TO SCALE)

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5 Financial forecasts

5.1 Hypothetical diary

The research results outlined in this report and the specification of facilities in the previous section have led to the preparation of a hypothetical diary believed to be realistic for likely levels of demand in stable year of operation (year three or four after opening) as follows:

Event	Number of times per year	Average Number of days	Facilities	Average No of people	Average Catering income per head £	Total days
Match day hospitality	20	1	Main space	400	£25	20
Academic or association conferences	12	3	All new spaces plus 1864 and directors suite	200	20	36
Gala dinners for conferences	12	1	All main space	250	40	12
Private Banqueting - weddings, parties, funer	40	1	All main space	200	30	40
Corporate awards dinners etc	20	1	All main space	200	50	20
Public sector meetings	15	1	One Section e.g. A	70	20	15
Medium to large Corporate meetings	12	2	All new spaces	100	30	24
Xmas parties Thurs, Fri, Sat	12	1	Main space	300	40	12
Hospitality during entertainment	6	1	Main space	400	50	6
Small corporate meetings	20	1	2 first floor meeting rooms	15	10	20
	169					205

In addition to the events above, 6 exhibitions in the Concourse area of the new stand have been assumed and the concourse area has been added for exhibition space for some academic and association conferences.

It should be noted that these are estimates intended to illustrate the potential and many different factors could influence their achievement. Therefore, they cannot be guaranteed. Most importantly it would require proactive marketing and selling to achieve these business levels. There may also be displacement of existing business from the Football Club and the University.

5.2 Pricing policy

Two options for pricing have been applied to the diary based on the research undertaken and what may be achievable in the location. This is shown below:

Proposed Pricing	Option 1 £	Option 2 £
Multi-Purpose Hall (Divisible)	1200	1750
Sections of multi-purpose hall		
Section A	450	600
Section Ai	250	300
Section Aii	250	300
Section B	450	600
Section Bi	250	300
Section Bii	250	300
Section C	450	600
Section Ci	250	300
Section Cii	250	300
First floor meeting rooms x 3 each	100	150
	1500	2200

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Concourse for exhibitions	3000	3000

5.3 Revenue forecast

Set up days at 50% of the room hire revenue have been added to those events where they are likely to be required. Catering/F&B revenue has been estimated at a budget per head for each event type as shown in the table above x number of attendees x open days. A margin of 15% has been assumed for Food and Beverage revenue. This has been used as an appropriate figure whether catering is serviced in house or whether commission is earned from an outsourced contract. It is possible this may be higher if serviced in house. Please note all prices are based on current rates and are exclusive of VAT.

The results in potential revenue are as follows:

	Room hire Revenue	Ancillary revenue* @30%	Food and Beverage revenue	Margin from F&B @15%	Total income**
Pricing Option 1	£313,330	£93,999	£1,276,600	£191,400	£598,729
Pricing Option 2	£416,530	£124,959	£1,276,600	£191,400	£732,889

*ancillary revenue is earned from technical services, a/v equipment, entertainment for dinners etc.
**Room hire revenue, ancillary revenue and F&B margin combined.

This illustrates the potential increase in income from achieving slightly higher room hire. However, in the initial years Option 1 is more appropriate particularly when compared with the prices being achieved for current facilities. Although higher quality facilities often demand higher prices, the local market will be sensitive to increases on what they are currently budgeting and there is little indication of latent demand.

5.4 Resources and operating options

The achievement of the forecast revenue will be dependent on proactive marketing, effective management and operational expertise that builds up trust with clients, understands yield management and is able to drive sales and profitability from the potential business.

Sales and Marketing

It has been outlined earlier in this report that this is a competitive market which requires aggressive marketing and sales to realise the potential revenue. There will be a need for a marketing budget with a suggested figure between £70,000 and £100,000 (it will vary each year) to cover:

- Collateral -with branding applied to all marketing
- Digital marketing, website and social media
- Exhibitions and promotional events
- PR and advertising
- Research and database generation
- Membership of associations and networking.

Staff costs

There would be a need for staff to operate the new conference facilities. Although the management and staff are likely to be integrated into the whole Football Club enterprise and therefore some positions may have a dual role, indicative salaries for the recommended staff for the Conference Centre are shown below:

Position	Indicative salary	+25%	Total £
Head of Events (possibly dual role with FC)	£70,000 +	£17,500.00	87,500.00

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Position	Indicative salary	+25%	Total £
Sales manager	£38,000 +	£19,000.00	57,000.00
Sales administrators x 2	£23,000 +	£11,500.00	57,500.00
Event planner	£38,000 +	£9,500.00	47,500.00
Technicians x 2 (for IT and AV)	£38,000 +	£19,000.00	95,000.00
Reception X 3 (2 shifts to be covered)	£16,000 each	£12,000.00	60,000.00
Floor services x 3 (2 shifts to be covered)	£15,000 each	11,250.00	56,250.00
Total			460,750.00

Overheads

In addition to utilities for power, heating and lighting, there will be cleaning, maintenance and security costs. There will also be a need to cover administration including office costs for staff, telephone, printing, internet, legal, IT and accounting fees, hospitality and travel. Preliminary estimates for 2,678 square metres (GIFA of the conference facilities) are as follows:

Item	Rate per square metre for 2,678 sq. m £	Total cost for 2,678 sq. m £
Utilities	14.00	37,492
Maintenance	£6.00	16,068
Cleaning	£9.00	24,102
Security	£7.00	18,746
Administration and general	£10.00	26,780
Total		£123,188

Total costs and potential surplus/deficit

	Revenue Option 1	Revenue Option 2
Revenue	£598,729	£732,889
Payroll	£460,750	£460,750
Overheads	£123,188	£123,188
Marketing budget	£70,000	£80,000
Total costs	£653,938	£663,938
Potential surplus/deficit	**-£65,209**	**£68,951**

Please note all figures are at current values and exclude VAT.

It is important to note that these are all shown in isolation for the Conference Centre alone. In reality, the conference facilities will be part of the whole Wrexham Football Club operation and as such there could be economies of scale and therefore reduction in the costs shown above. However, it is essential that quality is not compromised. **If the quality of facilities, service or marketing are reduced in order to minimise costs, this will result in reduced revenue.**

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Other factors for success

There are other factors beyond the scope of this preliminary study that will impact the success of the Conference Centre. They are as follows:

1. Infrastructure – transport/travel. The Wrexham Gateway project includes improvements to the transport and travel options for the Football Club. These will be essential to its future success. The quicker, easier and cheaper it is for people to arrive and depart from the venue, the more likely it is to be used for all kinds of events including short meetings of less than one day that will help to maximise occupancy.

2. Hotel accommodation. The hotels in the vicinity have been outlined on page 8. The primary providers of Ramada and Premier Inn have a total of 171 rooms. Once the conference and events business has increased, together with the Football Club hospitality and entertainment business, and allowing for the hotels existing regular demand, this will be insufficient. If the supply of hotel accommodation of appropriate standard for business events visitors is not increased, this could limit the achievement of the revenue forecast above.

3. Appeal of the destination. It has already been explained that the links through the University, the local industries, the Council and the Welsh Government will be most influential in driving business events to the facilities. However, there is no doubt that the more attractive the destination, the more likely organisers are to select it for their events, as they want to be sure that their delegates will want to attend an event held there. This is particularly true of association and similar events where delegates pay the attendance fees themselves. Going to an attractive town or city, that they will enjoy visiting will influence their decision to attend the conference or meeting. The future development of Wrexham, the product offer for visitors including restaurants, retail, entertainment and other attractions (e.g. the Museum, Erddig, Chirk Castle, Pontcysyllte Aqueduct, Alyn Waters etc) will also be important to enable the target business to be achieved.

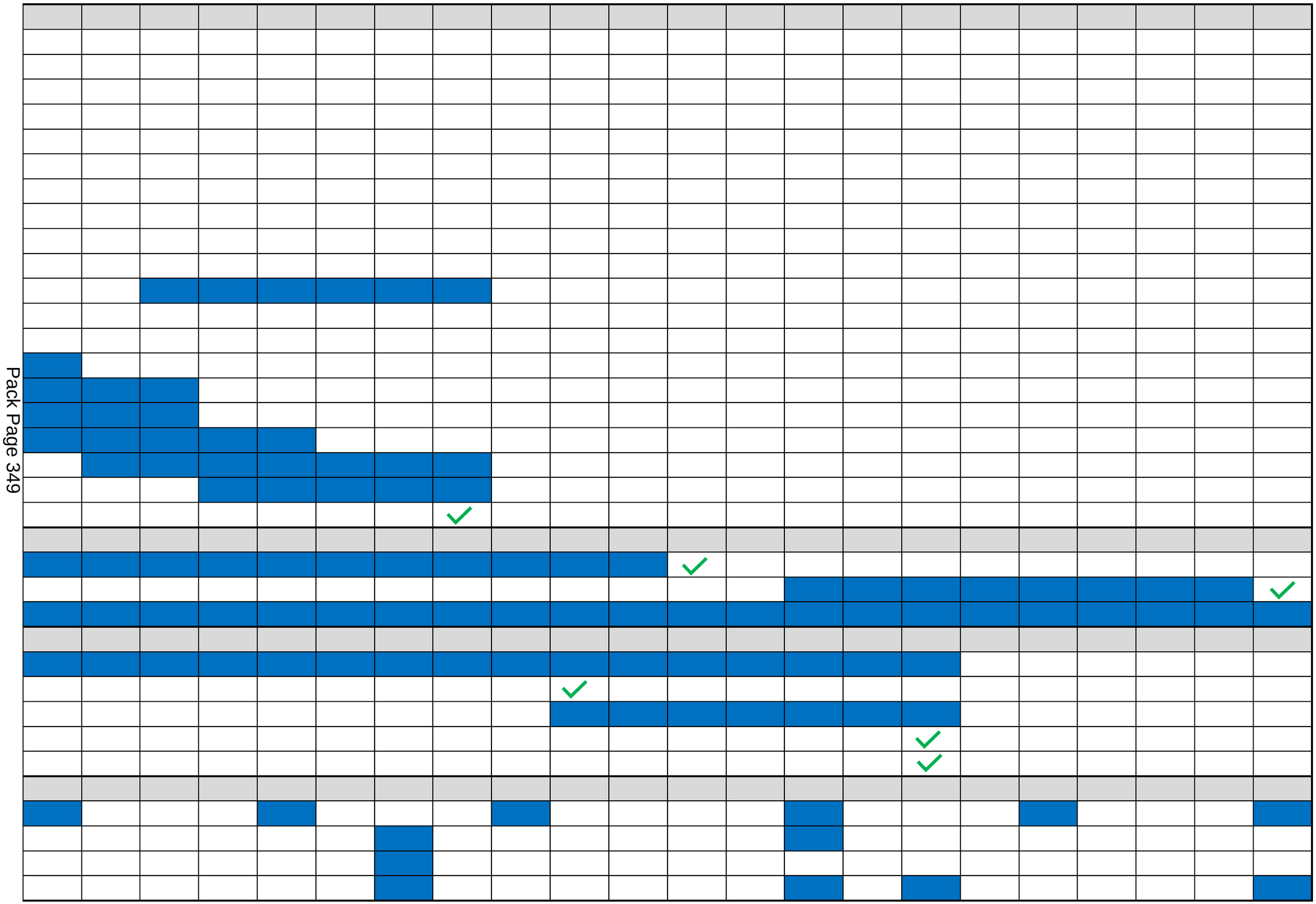
   There is the added benefit that the longer attendees and their accompanying partners or families want to stay in the vicinity, due to the appeal of the town and what there is to see, the greater the economic benefit to the region. This potential benefit could easily be lost to Chester if there is not enough to retain them in Wrexham and North Wales.

4. Style and standards of operation. Business events and their attendees are demanding. They require high standards of facilities, service, food, technical equipment and knowledge to ensure their events are successful. It has been outlined earlier in this document how competitive this market is. Unless the required standards are provided, it will be difficult for a new conference centre at Wrexham Football Club to compete successfully. Building new facilities is only one element of ensuring success. They will also have to be well managed, well marketed, offer high quality catering and guarantee friendly, efficient service.

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Wrexham Gateway Work Programme	*Week Commencing*																
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	15/04/21	22/04/21	29/04/21	06/05/21	13/05/21	20/05/21	27/05/21	03/06/21	10/06/21	17/06/21	24/06/21	01/07/21	08/07/21	15/07/21	22/07/21	29/07/21	05/08/21
Due Diligence																	
Procurement & Mobilisation	■	■	■	■	■												
Inception						✓											
Utilities Searches						■	■	■	■	■							
Flood Risk RAG Assessment						■	■	■	■	■							
Phase 1 Geotechnical - Remediation Strategy						■	■	■	■	■							
Preliminary Cut & Fill Assessment						■	■	■	■	■							
Transport Analysis & Access Points Review						■	■	■	■	■							
Rail Parking Study						■	■	■	■	■							
Planning Appraisal & Strategy						■	■	■	■	■							
Site Constraints Plan										✓							
Rail Stakeholder Engagement	■	■	■	■	■	■	■	■	■	■	■	■	■				
Station Improvements and Footbridge Feasibility & Design Brief						■	■	■	■	■	■	■	■				
Stadium Feasibility Study & Commercial Brief						■	■	■	■	■	■	■	■				
Architect Option Testing and Masterplan Refinement										■	■	■	■	■	■	■	■
Drainage Strategy																	
Utilities Capacity & Loading Assessment																	
Incoming Services Cost Estimates																	
Order of Cost Estimates																	
Financial Appraisals																	
Completion of Due Diligence Exercise																	
Land Strategy																	
Agree Heads of Terms for Land Promotion						■	■	■	■	■	■	■	■	■	■	■	■
Documentation of Land Promotion Agreement																	
3rd Party Land Discussions & Negotiations	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Delievery Strategy																	
Soft Market Testing											■	■	■	■	■	■	■
Delivery Strategy Workshop 1																	
Delivery Strategy Options Paper																	
Delivery Strategy Workshop 2																	
Emerging Preferred Strategy Established & 1st Phase Defined																	
Stakeholder Engagement / Key Meetings ***(indicative only)***																	
Wrexham Gateway Partnership - Project Board	■			■					■				■				
Planning Engagement											■						
Highways Engagement											■						
Potential Funding Partners Engagement																	

17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38
12/08/21	19/08/21	26/08/21	02/09/21	09/09/21	16/09/21	23/09/21	30/09/21	07/10/21	14/10/21	21/10/21	28/10/21	04/11/21	11/11/21	18/11/21	25/11/21	02/12/21	09/12/21	16/12/21	23/12/21	30/12/21	06/01/22



Task Ref	Wrexham Gateway - recommended next steps	Consultant	Budget	Comments
1.1	**Professional Fees**			
1.1.1	Architect	tbc	£50,000	*includes station brief*
1.1.2	Transport	tbc	£20,000	*baseline transport assessment and design support*
1.1.3	Utilities	tbc	£10,000	*existing constraints, loading assessment of masterplan proposal, allowance for diversion and incoming services quotations*
1.1.4	Topography (desktop / LIDAR of outstanding areas)	tbc	£500	*understand we have topo info for west side but for where we don't and can't access the land*
1.1.5	Flood Risk & Drainage	tbc	£3,000	*flood risk RAG assessment & desktop drainage strategy for masterplan*
1.1.6	Phase 1 Geotechnical	tbc	£6,000	*existing ground conditions, preimlinary cut & fill assessment & desktop remediation strategy*
1.1.7	Cost Consultancy	tbc	£20,000	*order of cost estimate and infrastructure phasing support*
1.1.8	Planning Consultant	tbc	£10,000	*planning appraisal & strategy for adopting planning document (SPD, SRF etc)*
1.1.9	Commercial Support	tbc	£15,000	*ongoing market advice, phasing & delivery strategy support*
1.1.10	Sector Specialist Consultant - 1st Phase (hotel/office)	tbc	£15,000	*detailed feasibility study for 1st phase land use, likely to be hotel or office based on existing occupier/operator interest*
1.1.11	Sector Specialist Consultant - Leisure (football stand)	tbc	£15,000	*detailed feasibility study for football stand and potential integrated uses to part subsidise*
1.1.12	Car Parking Study	tbc	£10,000	*demand assessment, commercial assessment of charging and future ownership / operational structure*
1.1.13	Development Manager	LCR	£25,638	*see LCR costs calc - NOT fee - future equity / cost recovery*
1.2	**Contingency**			
1.2.1	Contingency @ 10%		£17,450	
	External Costs		£191,950	
	LCR Costs		£25,638	
	Total Costs		£217,588	
STOP / GO				

Wrexham Gateway - LCR Resourcing
LCR Resource Fees

Resource	Name	Daily Rate	Week						
			1	2	3	4	5	6	7
Chief Executive	Peter Hawthorne, LCR	£1,400							
Director	Rick, Lawrence, LCR	£1,200							
Regional Director	Adam Wisher, LCR	£900	0.50	0.25	0.13	1.00	0.25	0.25	0.13
Development Manager	James Howard, LCR	£500	1.50	1.00	0.25	2.00	1.00	0.50	0.50

Resource	Name	Daily Rate	Week						
			1	2	3	4	5	6	7
Chief Executive	Peter Hawthorne, LCR	£1,400	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Director	Rick Lawrence, LCR	£1,200	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Regional Director	Adam Wisher, LCR	£900	£ 450	£ 225	£ 113	£ 900	£ 225	£ 225	£ 113
Development Manager	James Howard, LCR	£500	£ 750	£ 500	£ 125	£ 1,000	£ 500	£ 250	£ 250

8	9	10	11	12	13	14	15	16	17	18	19	20	21
0.25	0.13	0.50	0.13	0.13	0.13	0.25	0.13	0.25	0.50	0.25	0.13	0.25	0.13
0.50	0.50	2.00	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.25	0.25	1.50	1.00

8	9	10	11	12	13	14	15	16	17	18	19	20	21
£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
£ 225	£ 113	£ 450	£ 113	£ 113	£ 113	£ 225	£ 113	£ 225	£ 450	£ 225	£ 113	£ 225	£ 113
£ 250	£ 250	£ 1,000	£ 125	£ 125	£ 125	£ 250	£ 250	£ 250	£ 250	£ 125	£ 125	£ 750	£ 500

22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38
0.50	1.00	0.25	0.50	0.25	0.25	0.50	0.50	0.25	0.25	1.00	0.25	0.13	0.25	0.13	0.25	0.5
1.50	2.00	2.00	1.50	1.00	0.25	0.25	0.25	0.50	0.50	1.50	0.25	0.25	0.25	0.25	0.25	1

22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38
£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
£ 450	£ 900	£ 225	£ 450	£ 225	£ 225	£ 450	£ 450	£ 225	£ 225	£ 900	£ 225	£ 113	£ 225	£ 113	£ 225	£ 450
£ 750	£ 1,000	£ 1,000	£ 750	£ 500	£ 125	£ 125	£ 125	£ 250	£ 250	£ 750	£ 125	£ 125	£ 125	£ 125	£ 125	£ 500

£ 25,638

Phase	Asset	Why?	Potential Capital Cost (as developer - costs today)*	Potential Gross Income (as developer - values today)	Potential Capital Value (as developer - values today)
Phase 0	Infrastructure Enabling: Crispin Lane realignment & rail footbridge	Footbridge provides key connectivity to fully open up station. Road realignment defines the development plots.	£2,400,000	-	-
Phase 1	Hotel	Land under WGP control Existing operator interest Can help act as a catalyst/anchor for the regeneration	£11,100,000	£425,000	£4,250,000
Phase 2	Office	Occupier interest (TfW) although spatial requirement tbc Not WGP land but appears to be within NR land who should be collaborative	£4,400,000	£223,600	£2,800,000
Phase 3	Stadium & MSCP	Could be delivered earlier or later but all subject to funding, however key objective to deliver stadium and helps create the place so hoping to be a relatively early phase	£17,400,000	£120,000 (MSCP only)	£2,000,000 (MSCP only)
Phase 4	Apartment Blocks 2 & 3	Could be delivered earlier if viable on PRS tenure but allow some value growth from placemaking to make apartments a more viable land use	£17,000,000	£697,200	£10,900,000
Phase 5	Student Accomodation	Understand not currently demand for additional student resi block but could be by mid 2020s	£15,000,000	£1,000,000	£17,300,000
Phase 6	Residential (Jewsons)	Complex & long term to get VP, however should be strong developer interest once VP secured	£11,000,000 (excludes relocation costs)	£602,400	£12,700,000
Phase 7	Conferencing	Could be delivered in phase 3 if sufficient funding, if not could be incorporated into structure at later date once sufficient capital generated	£8,800,000	£300,000	£2,500,000
Phase 8	Residential (Royal Mail)	Complex and expensive intervention, place to be established first and values need to grow. Also plot less integral than other areas of masterplan but also not one to lose sight of	£21,100,000 (includes costs to relocate RM)	£670,800	£10,800,000

* excludes financing costs

*build costs only unless specified

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Wrexham Station Gateway

Feasibility Study: Financial Analysis

December 2020

Cost Assumptions Comparison

Cost Item*	Colliers Appraisal	Arcadis Order of Cost
MSCP	***No allowance***	£15k per space *(MSCP option)*
Housing	£100 psf	£110 psf
Apartments	£100 psf	£156 psf (£160 psf for BtR)
Retail	***No allowance***	£75 psf
Hotel	£135 psf	£95k per key
Student Accommodation	£100 psf	£65k per room
Office	£160 psf	£159 psf
Public Realm	***No allowance***	c£8m
Site Wide Infrastructure	***No allowance***	c£4.5m
Kop Stand	£15m	£12.5m *(just seating / terraces)* £20m *(seating / terraces + conferencing facilities)*
Mold Road Junction Works	£1.25m	£1.25m
Crispin Lane Realignment	***No allowance***	£500k
Contingency	3%	5%
Professional Fees	7.5%	8%
DM Fee	***No allowance***	4%

**based on the Urbanist Masterplan for like-for-like comparison.*

Value Assumptions Comparison

Land Use*	Colliers Appraisals	LCR Appraisals
MSCP	***No allowance***	£600 per space @ 6%
Housing	£205 psf	£205 - £220 psf
Apartments	£205 psf	£195 - £205 psf
Retail	£15 psf @ 8%	£15 psf @ 10%
Hotel	£3,500 per key	£4,250 per key
Student Accommodation	£205 psf	£5,280 per room
Office	£15 psf @ 5%	£13 psf @ 8% *(assume TfW pre-let)*
Refurbished Workspace	***No allowance***	£12 psf @ 10%
Conferencing	£300k pa @ 12%	£300k pa @ 12%

**based on the Urbanist Masterplan for like-for-like comparison.*

Appraisal Key Assumptions

The following list is not exhaustive but below are some further assumptions beyond the cost and value assumptions stated in the previous slides:

- Developer profit on cost = 17.5% on private sale, 15% on commercial & 12% on student accommodation.
- s106 contributions based on 'Developer Contributions to Schools' guidance note. Further guidance being sought by Wrexham Council colleagues.
- Royal Mail site & relocation excluded from study area and appraisals.
- affordable housing currently excluded but requires consideration going forwards.
- Kop stand cost only relates to requirement to bring stadium into international capacity standards.
- Office yield reflecting a pre-let to TfW.
- Station works excluded but will require consideration in future funding & delivery strategy.

Residual Appraisals

Disposal Model - Build & Sell All

East Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
The Urbanist *(Colliers Appraisal)*	-£30,282,378	£35,626,327	£5,343,949	**£1,203,978**	*inc. in appraisal*	**£1,203,978**
The Urbanist *(LCR Appraisal)*	-£30,604,997	£35,552,509	£4,947,512	**-£15,883,035**	*-£3,150,000*	**-£19,033,035**
Farrells Option A	-£22,653,935	£26,363,873	£3,709,938	**-£10.192,985**	*-£3,150,000*	**-£13,342,985**
Farrells Option B	-£22,653,935	£26,363,873	£3,709,938	**-£10.192,985**	*-£3,150,000*	**-£13,342,985**

West Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit	Combined Surplus/Deficit
The Urbanist *(Colliers Appraisal)*	-£35,727,171	£17,480,650	£1,748,065	**-£18,246,521**	*inc. in appraisal*	**-£18,246,521**	**-£17,042,543**
The Urbanist *(LCR Appraisal)*	-£20,649,125	£23,586,000	£2,936,875	**-£37,681,079**	*-£1,600,000*	**-£39,281,079**	**-£58,314,114**
Farrells Option A	-£22,653,775	£25,986,000	£3,350,225	**-£30,040,324**	*-£1,600,000*	**-£31,640,324**	**-£44,983,309**
Farrells Option B	-£22,636,281	£25,986,000	£3,349,719	**-£28,533,173**	*-£1,600,000*	**-£30,133,173**	**-£43,476,158**

Delivery Model Options

Land Promotion / Disposal

land sale/agreement with contract conditionality where public sector requires (p.g.6)

Land Promotion / Disposal

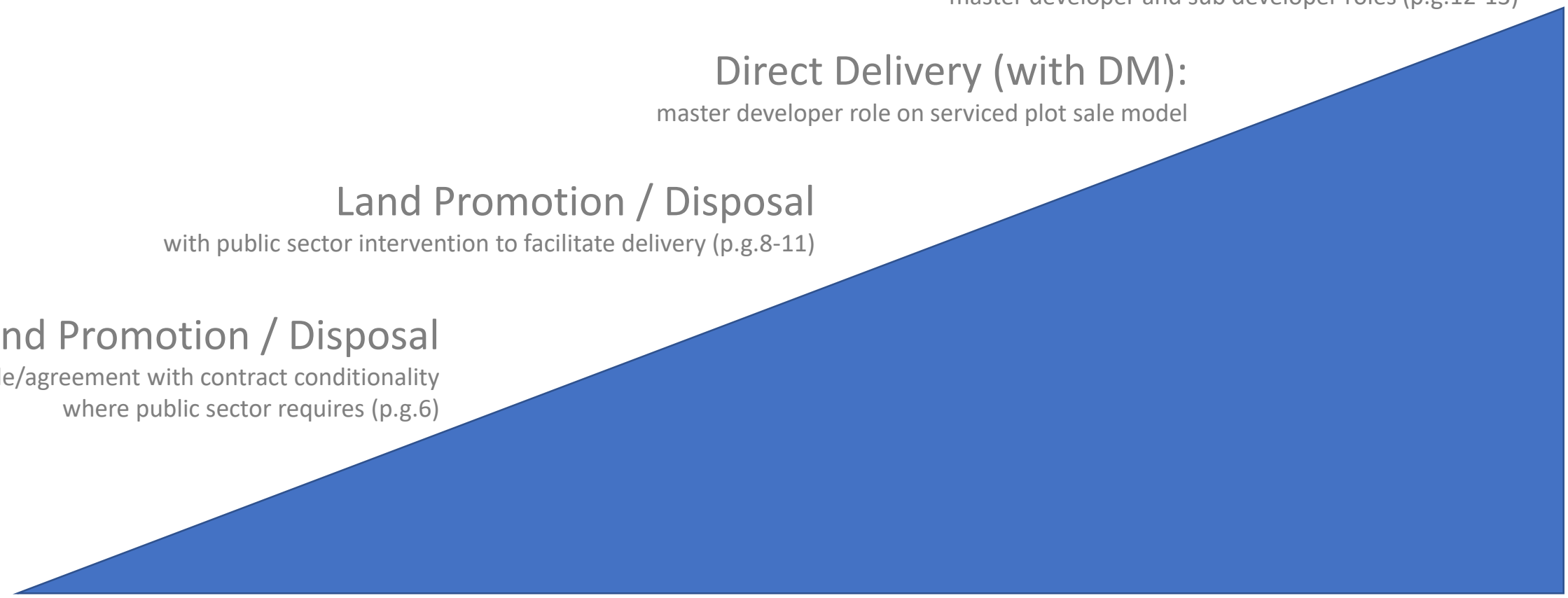
with public sector intervention to facilitate delivery (p.g.8-11)

Direct Delivery (with DM):

master developer role on serviced plot sale model

Direct Delivery (with DM):

master developer and sub developer roles (p.g.12-13)



LOW — ***RISK*** — HIGH

Appraisal Optimisation: PubSec Support

(1) Public Sector Lease Underwriting to Guarantee Investor Income

- Applying a public sector head-lease to an income generating asset vastly reduces risk for a prospective investor, therefore the yield achievable is much more attractive and creates significant additional value in the appraisal.
- Typical head-lease term dependant on asset type but usually a minimum of 15-20 years.
- Comes at risk to public sector however as it is obliged to pay head-lease rent regardless of if there is an occupier in place, therefore not generally advisable on assets where changes in tenant/operator is frequent and voids likely.
- Applied in appraisals to office, hotel & MSCP to illustrate impact. Assuming an office pre-let to TfW these assets are considered to be most reliable in terms of attracting a single, long term tenant and operator. Could also be considered on conferencing and rental residential products if there is appetite to explore.

(2) Infrastructure Grant Funding

- Current infrastructure estimate in order of cost is c£14.29m. Adding in associated fees & contingency gives a potential infrastructure funding ask of c£16.7m. This figure will no doubt evolve as we complete further due diligence on the site.
- **Point for Clarification:** Welsh Government to clarify local application of grant funding model.

Residual Appraisals

Disposal Model with PubSec Headleases

East Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
Farrells Option A	-£25,778,781	£29,957,444	£4,178,663	**-£7,146,177**	*-£3,150,000*	**-£10,296,177**

West Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
Farrells Option A	-£30,740,567	£35,307,429	£4,566,861	**-£22,126,906**	*-£1,600,000*	**-£23,726,906**

Includes stadium cost of £12.5m

This produces a net improved position of c£11m. However this model gives potential exposure to the public sector in a worst case scenario of £770k per annum, in a circumstance whereby all underwritten assets are fully void for a year.

Residual Appraisals

Disposal Model with Infrastructure Grant

East Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
Farrells Option A	-£22,653,936	£26,363,873	£3,709,937	**-£2,006,412**	*-£3,150,000*	**-£5,156,412**

West Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
Farrells Option A	-£22,638,756	£25,986,000	£3,347,244	**-£21,167,541**	*-£1,600,000*	**-£22,767,541**

Includes stadium cost of £12.5m

This produces a net improved position of c£17m but with gap / infrastructure funding requirement of £16.7m.

Grant requirement of £16.7m

Residual Appraisals

Disposal Model with Infrastructure Grant + PubSec Headleases

East Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
Farrells Option A	-£25,744,906	£29,957,444	£4,212,538	**£965,973**	*-£3,150,000*	**-£2,184,027**

West Side

Masterplan	Cost	Revenue	Developers Profit	Residual Land Value	Land & De-Risking Costs	Total Surplus/Deficit
Farrells Option A	-£30,743,550	£35,307,429	£4,563,879	**-£13,254,122**	*-£1,600,000*	**-£14,854,122**

Includes stadium cost of £12.5m

This produces a net improved position of c£28m. However this model gives potential exposure to the public sector in a worst case scenario of c£770k per annum, in a circumstance whereby all underwritten assets are fully void for a year.

Grant requirement of £16.7m

Alternative Model: Direct Delivery

Delivery Model Principles

- Public sector takes on development risk and funds delivery of masterplan using Prudential Borrowing Facility (PWLB).
- Public Sector appoints development manager(s) to lead on day-to-day project work.
- Assets retained as income strip to repay debt over time, option to exit at point by which receipt of asset will repay outstanding debt.
- More detailed study on phasing required to optimise cash-flow and reduce borrowing costs.

Appraisal Assumptions

- All options are 'all in' scenarios as a simplistic example. In reality would not expect this level of public sector borrowing and would instead be adopted on certain assets when de-risked to appropriate level (CBRE have provided a hotel case study which we will share).
- For simplicity all assets held over fixed period of time and then sold at same point in time.
- Could be models whereby certain assets held for longer and other assets disposed of sooner. Many variations to explore.
- Housing disposed to developer upfront to reduce borrowing costs as they are viable assets. Could also be tested for PRS.
- Apartments modelled on build to rent tenure. Build cost increased to reflect better internal spec and building efficiencies decreased to allow for more amenity space. Annual value growth of 0.5% in excess of cost inflation.

*additional grant requirement of £16.7m

Development Cash-Flow

Direct Delivery

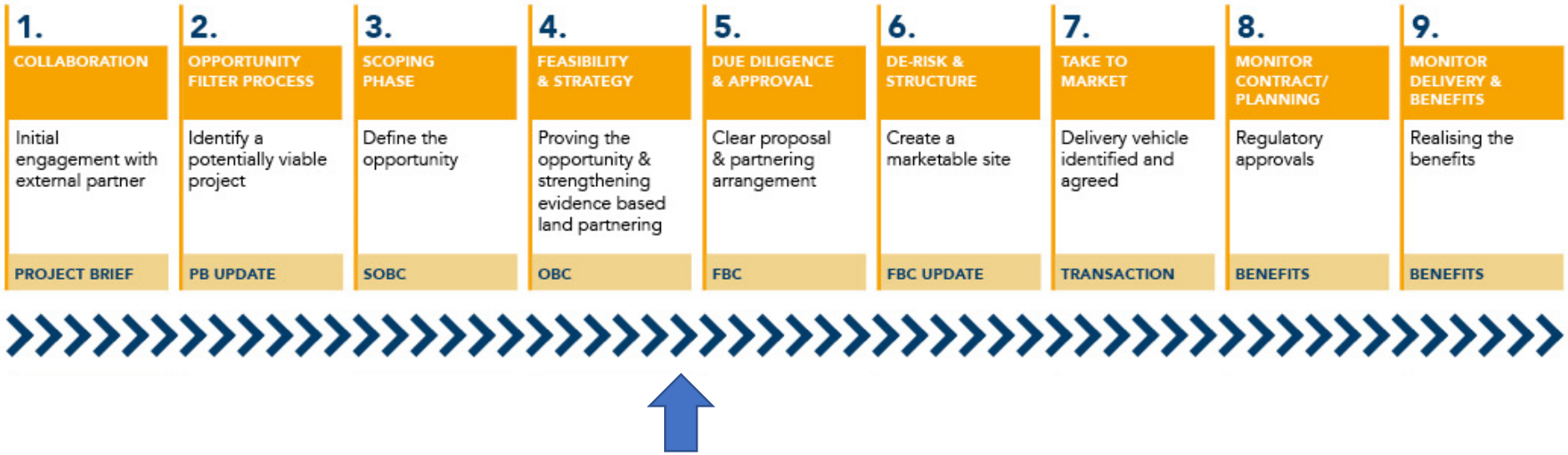
Heading	Apr 34-Mar 35	Apr 35-Feb 36	Apr 39-Mar 40	Apr 40-Feb 41	Apr 49-Mar 50	Apr 50-Aug 50
Project Costs	£0	-£9,945,731	£0	£0	£0	£0
Financing / Interest	-£1,302,466	-£1,155,649	-£1,066,382	-£850,466	-£1,037,412	-£334,206
Total Costs	-£1,302,466	-£11,101,380	-£1,066,382	-£850,466	-£1,037,412	-£334,206
Income	£3,507,490	£66,055,954	£3,569,075	£52,975,902	£3,701,488	£50,941,278
Net Cash Flow	£2,205,024	£54,954,573	£2,502,693	£56,178,385	£2,664,076	£56,803,987
Cumulative Net Cash Flow	-£62,297,431	**-£7,342,858**	-£50,334,076	**£5,844,309**	-£48,815,712	**£7,988,275**

Hold Period	10 Years with infra grant*	15 Years with infra grant*	25 Years including infra costs
Total Financing Costs	-£17,200,784	-£22,710,608	-£40,877,583
Peak Borrowing	£82m, Dec 2025	£82m, Dec 2025	£99m, Mar 2026
Year 9/14/19 Project Position	-£62,297,431	-£50,334,076	-£48,815,712
Year 10/15/20 Project Capital Value	£54,954,573	£56,178,385	£56,803,987
Total Project Profit	-£7,342,858	£5,844,309	£7,988,275
Land and De-Risking Payback	*-£4,750,000*	*-£4,750,000*	*-£4,750,000*
Net Profit	**-£12,092,858**	**£1,094,309**	**£3,238,275**

Summary & Conclusions

- Wrexham Station Gateway is an unviable scheme in conventional terms as is commonplace with significant, station regeneration proposals.
- Significant public sector backing and intervention will be required in some form; there are a number of ways to do this with different levels of risk & reward profiles. Careful consideration required in terms of appetite.
- Grant funding options need to be explored, particularly for infrastructure as an enabler and value generator.
- Detailed funding & delivery strategy key in next stage of work, alongside due diligence studies, design optioneering and value engineering.
- All appraisals and supporting work comprising this study will be provided to the partnership for review.

Steps to Delivery



Proposed Next Steps & LCR Role

- LCR has enjoyed working on this project and hopefully provided with the Partnership with clarity on the scale of the challenge, a few new ideas and emerging direction on steps to fund the gaps that will exist to realise the vision of the Partnership.
- LCR remain committed to support in the next stages and further work up the structure to engage with the market, PubSec funding solutions and have opportunity to submit our Strategic Outline Business Case in February 2020.
- Important feedback will be needed on likely appetite of Welsh Government & Wrexham Council to explore and potentially participate in the delivery structures identified.
- We would welcome feedback on this proposition and future collaboration at the next partnership meeting in January 2021.

QUESTIONS AND DISCUSSION…

December 2020

A Fiscal Stimulus Package for the Mersey Dee Economy

A Strategic Proposition

HATCH

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Foreword

Foreword

Foreword by Councillor Mark Pritchard, Chair of the Mersey Dee Alliance and Leader of Wrexham County Borough Council

To add once complete.

PARTNER LOGOS HERE

01: Our Proposed Fiscal Stimulus Package

INSERT IMAGE IN BACKGROUND

01 Our Proposed Fiscal Stimulus Package

Mersey Dee Alliance Fiscal Stimulus Package

Our economy

- 1 million residents
- 413,000 jobs
- 2,900 companies with +£1m annual turnover
- £ 22 billion GVA
- 77% of residents live and work in the MDA area
- £4.5 bn manufacturing cluster

The Need for Stimulus

- **£3.5bn GVA** lost (**-15%**) in 2020
- **1,400 redundancies** at Airbus Broughton
- **+1,233% business insolvencies** (May- Dec 2020)
- Key sectors facing challenges of **decarbonisation**
- **23%** of the MDA **within most 30% deprived** part of England
- **£225m** of unfunded rail infrastructure schemes
- Dependent on EU for **exports** (80% to EU)
- **Only 37%** Ultrafast broadband reach (54% UK)

Our Stimulus Package

- £79m Business support & Skills programme to support our anchor companies to remain competitive and decarbonise
- £115m Low Carbon energy programme to propel Mersey Dee to becoming a low carbon industrial hub
- £30m Digital programme to raise our productivity through digital connectivity
- £110m Transport programme to enable a cleaner, modern cross-border network
- £75m Place programme to ensure our town and city centres are resilient and recover from the pandemic

Outcomes

Total impact: **+£1.2bn GVA** and **5k jobs** created and safeguarded

- 300 businesses assisted
- £475m private sector co-investment
- 100km H2 pipeline, 10 hydrogen and CCUS hubs, a Hydrogen Demonstrator facility
- 100km walking and cycling infrastructure
- 130km of super-connected transport routes

Delivering on Government objectives

- Driving forward **Ten Point Plan** for a **Green Industrial Revolution**
- Tackling historic **under-investment** in infrastructure
- Grasping the opportunities from **Global Britain**
- **Levelling up** our communities

Our economy

The Mersey Dee is a unique, functional economy spanning the border between North West England and North East Wales. The Mersey Dee Alliance (MDA) is a well-established economic partnership bringing together four local authority areas: Cheshire West and Chester and Wirral in England, and Wrexham and Flintshire in Wales. We are a cross-border initiative, spanning the border of North East Wales and North West England. The University of Chester, Wrexham Glyndwr University and Welsh Government are also partnership members. We work together to enhance the profile of the region, grow its competitiveness and continue to establish it as a pivotal location in the UK.

The MDA seeks to reduce cross border complexity caused by differing policy frameworks in England and Wales. The local population and businesses do not see a border and it is the mission of the MDA to represent them. We are one of the most self-contained labour markets in the UK, with **77% of our residents living and working within the MDA area.** Census data identifies that **29,800 people travel across the national border** every day for work.

We make a very strong contribution to the national economy. **We have more residents than Reading, Cambridge & Milton Keynes combined** and **our Gross Value Added (GVA) of £22 billion is equivalent to a third of the entire Welsh economy.** Our economy is diverse, hosting nationally important firms including Airbus, Tata Group, Toyota, Vauxhall, Kelloggs and JCB. We host nationally significant concentrations of industry in sectors such as advanced manufacturing, energy and life sciences. We are at the heart of the drive towards net zero with our renewable energy assets and opportunities, and we are set to host **the UK's first at-scale hydrogen project**. The MDA area and Deeside/Wrexham in particular are **unique in rebuilding a manufacturing economy after the decline of traditional industries**.

There are major economic opportunities for development and growth in the Mersey Dee area.

The need for this package

Our economy has been hit particularly hard by the COVID-19 pandemic.

In 2020, the UK economy was estimated to have shrunk by 9.9%[1], the largest fall on record and probably the biggest economic shock since the start of the 18th century. Our own modelling estimates suggest that **15% of our pre-pandemic GVA of £22.9bn (£3.4bn) was lost during 2020.** This is due to the mix of sectors that we host. Our manufacturers have been hit extremely hard, as have our town centres and the range of retail and hospitality businesses across the region. Insolvencies in the MDA area increased by 1,233% between May and December 2020. Almost 13% of the eligible workforce was on furlough in January 2021.

Alongside the impacts on our town centres, one of the most visible consequences was the **announcement last year from one of our anchor companies, Airbus, of 1,700 redundancies across the UK.** This has resulted in the announcement of 1,400 job losses and a 30% cut in production at the Broughton site. Airbus employees have subsequently voted for a Trade Union deal to implement a Shorter Working Week when the Job Retention Scheme ends. Given the multiplier effects through

[1] ONS, December 2020, Monthly GDP estimate

companies impacted in the supply chain and through lost employee spending, **we estimate that this alone has cost the UK economy around £700 million in GVA and 11,000 job losses**. Much of this is located in the MDA area, given the locations of employees and suppliers.

Furthermore, **our anchor companies, many of which are multinationals, face increasing global competition.** This environment means that local plants need to compete internally with other global sites for continued investment. Structural shifts including our departure from the European Union and the need to decarbonise operations have intensified this competition. With 80% of our exports going to the EU**, our internationally oriented firms need to adapt to new trading arrangements and to grasp the opportunities in a Global Britain.**

These concerns are not theoretical or far off. At the time of writing, we are also facing the potential closure of the Vauxhall car plant at Ellesmere Port, which has been making cars since 1964. Airbus is at risk of wing production moving to France or Germany unless Broughton remains competitive.

The long-term prosperity and competitiveness of our employers, people and places is further held back by **under-investment in our transport and digital infrastructure**, partly due to administrative and policy barriers created by the national border. [Note: we will add hook to strategic transport schemes here]

We must act now to safeguard our economic assets, our skills base and our places, and ensure they are positioned to take advantage of the opportunities presented by the Green Industrial Revolution and Global Britain.

Our strategic priorities

In response to these challenges, partners across our region have come together to agree **a targeted package of investments** that will stimulate economic recovery, whilst accelerating major long-term opportunities for shared, sustainable and inclusive economic growth.

Our proposition is firmly grounded in the established vision for MDA economy, with three strategic themes:

1. **Supporting cleaner growth**: the UK has adopted a target of achieving net zero emissions by 2050. With our mix of industries, renewable energy assets, the UK's first proposed at-scale hydrogen project and an industrial cluster at the forefront of decarbonisation, we our ideally placed to lead this ambitious transition and to act as an exemplar region for the green industrial revolution. This also offers major opportunities for diversification within our advanced manufacturing supply chains.
2. **Connecting places, people and businesses**: as a cross-border economy with multiple centres, the Mersey Dee area will be strengthened by improving the links between those places, their businesses and people. Enhancing our connectivity is crucial and we have suffered long-term challenges from under-investment, in part due to the administrative border. We must accelerate and deliver the cross-border transport and digital infrastructure improvements our employers and workers need to be competitive.
3. **Ensuring sustainable and inclusive growth**: as the region recovers from the pandemic, we must look beyond a simple headline level of growth. We must ensure that everyone benefits

from the region's success and that we level up inequalities across our region and within our communities.

Delivering on national imperatives for the UK and Wales

Our priorities and programmes have been designed to complement the existing national packages of support such as the Plan for Jobs and to directly deliver on UK and Welsh Government priorities. We will act as an exemplar for the delivery of the **UK's Plan for Growth** by:

- driving forward the **Ten Point Plan** for a Green Industrial Revolution – decarbonising our industrial cluster, driving the innovations needed and creating highly-skilled jobs for the future, including opportunities for industries and supply chains hit by the pandemic to diversify.
- **tackling historic under-investment in infrastructure,** by bringing forward the transport improvements that have been neglected partly as a result of the administrative border.
- supporting our multinational anchor companies to adapt to the new trading environment following our exit from the European Union, so that they can take advantage of the opportunities from **Global Britain**.
- **levelling up** our communities, ensuring that all parts of our cross-border economy benefit from the recovery and growth and regenerating our town centres
- **strengthen the Union** by bringing forward strategic investments in connectivity – both transport and digital – that strengthen the cross-border links that are critical for our cross-border functional economy.

We will also directly support Welsh Government objectives as underpinned by the Wellbeing of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016, and set out in the Economic Action Plan and Future Wales. The Welsh Government has inputted into the development of our package and is a key partner for the MDA. The package will deliver strongly on the Welsh Government's priorities for **decarbonisation, innovation, skills, and cohesive communities**. It will particularly help to deliver on the targeted outcomes for **Future Wales** by boosting connectivity and inclusion, reducing socio-economic inequality, supporting our towns and cities, building world-class digital infrastructure, and decarbonising the economy.

Moreover, we have consulted widely with our partners in the public and private sectors to understand the needs and market failures across the region. All of our proposals have been tested to ensure that they complement and add value to existing initiatives in both North Wales and North West England. This includes the North Wales Growth Deal, the economic recovery plans in North Wales and the Liverpool City Region, and the relevant Local Industrial Strategies.

Our fiscal stimulus package [impact figs to be finalised]

Our proposed package will deliver **£1.2 billion in net additional economic benefits, benefitting 1 million residents, creating and safeguarding at least 5,000 jobs and levering in £475 million in private sector investment.** By funding or unlocking over £800 million [to check] in capital spending we will quickly support the construction sector, with **over 8,000 construction years of employment** supported to help boost economic recovery.

Our ask of Government is to support our priority projects and programmes through **£400 million** of funding.

The proposals have been designed to offer an attractive, investable set of propositions suitable for funding by a range of potential funding streams.

Our proposed package is split into five programmes.

Business support and skills

Our goal: support our businesses and workers to recover, remain competitive and to capitalise on the opportunities presented by the Green Industrial Revolution.

Key projects: A £60m business challenge fund, targeted business support and skills/employment brokerage for firms and employees in the manufacturing sector, pump priming new skills programmes for the Green Industrial Revolution.

Main Government priorities addressed: Supporting the creation of a low carbon industrial cluster by 2030, supporting productivity growth through skills and innovation, supporting the vision of a Global Britain and crowding in private investment.

Main outputs and outcomes: The business challenge fund will provide low carbon premises for 290 businesses, safeguard or create over 2,000 jobs, deliver savings in excess of 450,000 tonnes of Carbon, levering at least £80m of private sector investment.

Our ask: £80 million (£70m capital; £10m revenue)

Low carbon energy

Our goal: propel the Mersey Dee area towards becoming a low carbon industrial hub at the forefront of the emerging global hydrogen and CCUS economy.

Key projects: A strategic hydrogen demonstration facility for the UK, 100km blue hydrogen pipeline, development of 5-10 local hydrogen and CCUS hubs in the Mersey Dee area, a tidal energy centre of excellence.

Main Government priorities addressed: Investing in net zero, supporting the creation of a low carbon industrial cluster and generating 5GW of low carbon hydrogen capacity and capturing 10MtCO_2/year using CCUS by 2030 and crowding in private investment.

Main outputs and outcomes: The funding will deliver a new strategic hydrogen demonstrator facility, accelerate the delivery of over 100km of hydrogen pipeline, support a new tidal range energy project and centre of excellence.

Our ask: £107 million (£95m capital; £12m revenue)

Transport

Our goal: lay the groundwork for a cleaner, more modern cross-border transport network in which the car is no longer the default.

Key projects: Development funding to accelerate more than £200m of rail capital investment, building a 100km long cross-border Active Travel network linked to major employment sites and public transport and funding the infrastructure needed to support integrated ticketing across the region.

In addition, [insert words here on strategic schemes outside the package]

Main Government priorities addressed: addressing historic under-investment in infrastructure, strengthening the union, stimulating demand and driving productivity through infrastructure investment, connecting people to opportunity and levelling up the Mersey Dee, investing in net zero.

Main outputs and outcomes: The transport investment programme will support a 100km Active Travel network, new ticketing infrastructure for 20 stations & 400 buses covering 50 routes and 9 operators as well as preparing business cases for nearly £200m of rail capital investment.

Our ask: £115 million (£90m capital; £25m revenue)

Place

Our goal: ensure that our town and city centres are more resilient, vibrant and dynamic as we recover from the impact of the pandemic.

Key projects: Unlocking the Wrexham gateway project and funding the revitalisation of town centres across the Mersey Dee area.

Main Government priorities addressed: Regenerating struggling towns, levelling up the Mersey Dee area and supporting small and medium sized enterprises to grow.

Main outputs and outcomes: The place programme is expected to lever in at least £130m of private investment, and provide bridge infrastructure, green space, public realm and new workspace across town centres throughout the Mersey Dee area.

Our ask: £75m million (£70m capital; £5m revenue)

Digital connectivity

Our goal: supporting our businesses and workers to recover from the pandemic, remain competitive, innovate and to capitalise on the opportunities presented by the UK's exit from the EU and reducing carbon emissions.

Key projects: Extending the North Wales Economic Ambition Board's Connected Corridors 5G project across the England Wales border, joint procurement of fibre ducting infrastructure across the Mersey Dee area and installation of digital infrastructure in town centres.

Main Government priorities addressed: addressing underinvestment in infrastructure, strengthening the union, supporting small and medium sized enterprises to grow, stimulating short-term economic activity and long-term productivity by investing in infrastructure, enabling the vision of a Global Britain.

Main outputs and outcomes: The digital programme will deliver 130km of super connected transport routes and 55 deployments of new 'smart town' infrastructure.

Our ask: £30 million (£27m capital; £3m revenue)

Taking the package forward

We have operated successfully as an economic partnership since 2007 and have a strong track record in delivering major projects. We have the established structures, capacity and partnerships to deliver quickly and effectively. We do not propose, or need, to create new governance structures to deliver our fiscal stimulus package.

The MDA will provide central co-ordination of the package of investments, with xxx acting as the accountable body. Delivery will be led by the individual local authorities and Transport for Wales, as appropriate.

Delivering our proposed fiscal stimulus package is now our number one priority.

We are ready to deliver, and to deliver quickly.

We recognise that our proposition is the starting point in a conversation. Our package is deliberately designed to be flexible and adaptable.

We look forward to working collaboratively with Government to take this forward.

The remainder of the document is structured as follows.

- **Section 2** introduces the Mersey Dee Economy, bringing out its key features and what makes it distinctive as an area to invest in
- **Section 3** sets out why this package is needed, including our assessment of our priorities, split into key themes and outlining the fit with wider strategies and policies
- **Section 4** details the proposed fiscal stimulus package, explaining how we developed it and the six programmes of investment
- **Section 5** explains how we propose to deliver the package
- **Section 6** sets out the stakeholder support our package has secured
- Finally, we conclude with our **proposals for taking the package forward with Government.**

IMAGE IN BACKGROUND

02: The Mersey Dee Economy

The Mersey Dee: a unique functional economy

02

The Mersey Dee Alliance

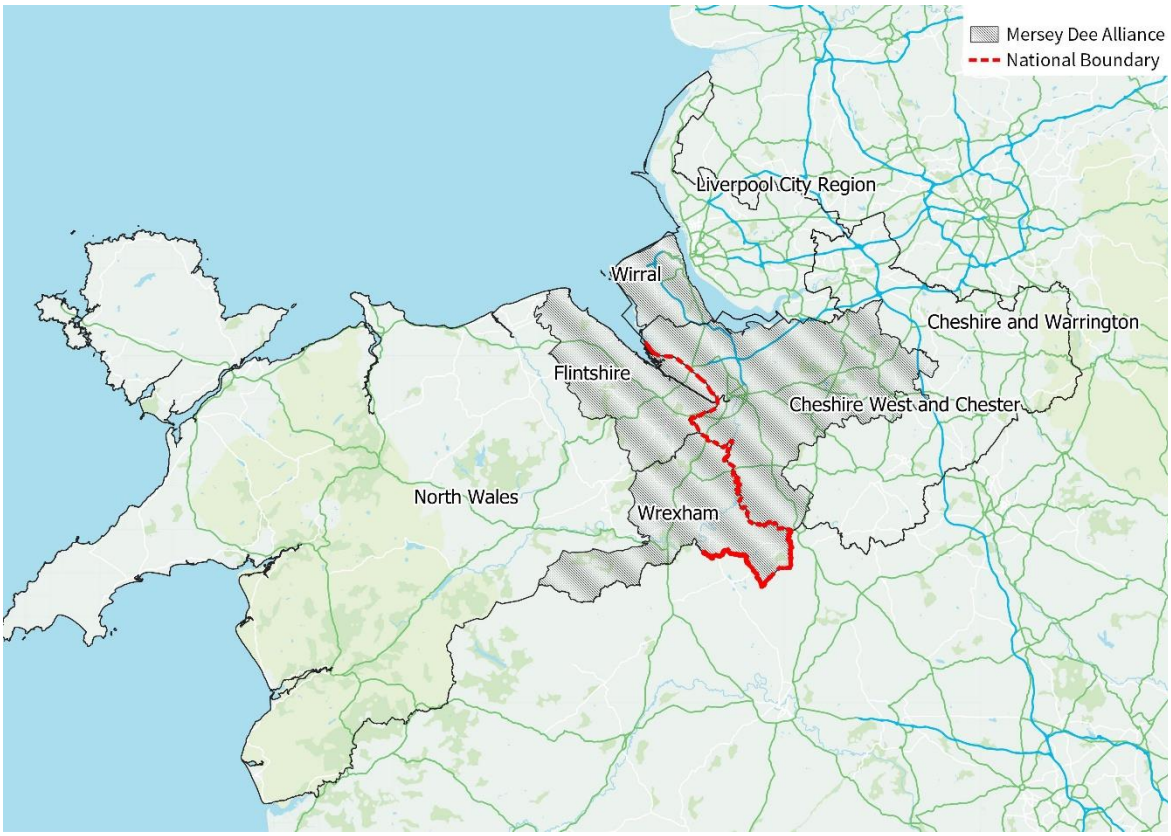
The Mersey Dee Alliance (MDA) is an economic partnership spanning four local authority areas: Cheshire West and Chester and Wirral in England, and Wrexham and Flintshire in Wales. We are a cross-border initiative, spanning the border of North East Wales and North West England. The University of Chester, Wrexham Glyndwr University and Welsh Government are also partnership members.

The MDA seeks to **strengthen the Union** by reducing cross border complexity caused by differing policy frameworks in England and Wales. The local population and businesses do not see a border and it is the mission of the MDA to represent them.

The MDA was established as a strategic economic partnership in 2007, bringing together the four local authorities around a shared aim to **enhance the profile of the region, grow its competitiveness and continue to establish it as a pivotal location in the UK**.

Through this, the Alliance acts as a catalyst for business growth and innovation, and inward investment.

Mersey Dee Alliance Boundary



A leading economic location

The Mersey Dee is an important strategic and dynamic region, contributing significantly to the UK economy:

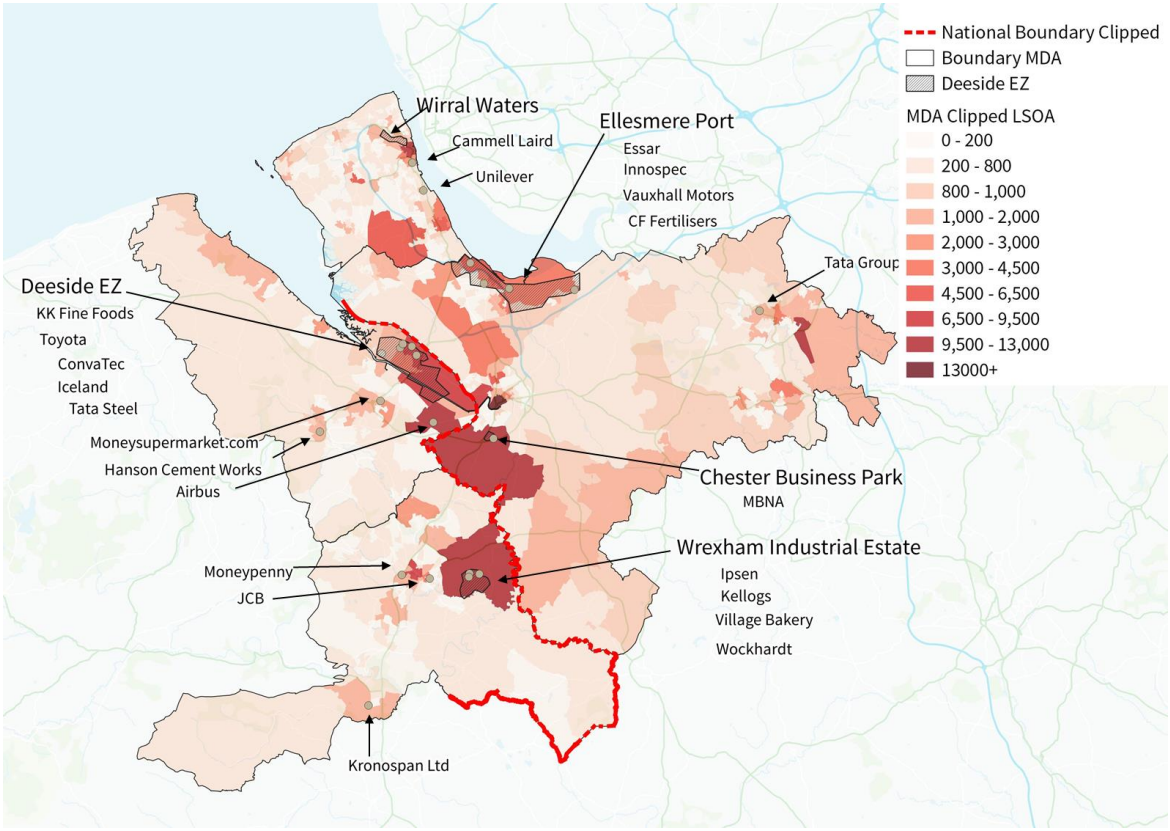
- We have nearly **1 million residents**, which is roughly equivalent to that of Belfast and **larger than Reading, Cambridge & Milton Keynes combined**
- We contribute **£22 billion in Gross Value Added**[2] annually, which is **equivalent to a third of the entire Welsh economy.**
- We are home to **32,470 businesses,** which support over **413,000 jobs**, which is equivalent to almost a half of all businesses in the North East of England and almost a third of all businesses in Wales and we house more jobs than Manchester, Sheffield or Edinburgh.
- We have **700 companies** that each turn over more than **£1 million** per year.
- We host **nationally important firms and activities**, including international names such as Airbus, Tata Group, Toyota, and Vauxhall.
- We are a **high value manufacturing cluster**, producing £4.5bn in manufacturing GVA and housing 70% more manufacturing employment than the national average. Our industrial growth outperforms the rest of the UK.
- We are a **diversified economy** with key strengths in advanced manufacturing, energy, life sciences, financial services, food, tourism and retail.
- The region has significant **variations in prosperity and inclusion**: 23% of MDA's LSOAs are in the top 30% most deprived nationally and 26% are in the top 20% least deprived.

The resurgence and growth of the MDA economy as a manufacturing powerhouse follows the closure of more traditional activities in recent decades including coal (Wrexham), textiles/chemicals (Flint) and Steel (Shotton). The area lost many other engineering/industrial firms in the course of this transition. **The MDA area and Deeside/Wrexham in particular are unique in rebuilding a manufacturing economy**.

[2] ONS (2019) Regional Gross Value Added (balanced) by industry: local authorities by NUTS1 region

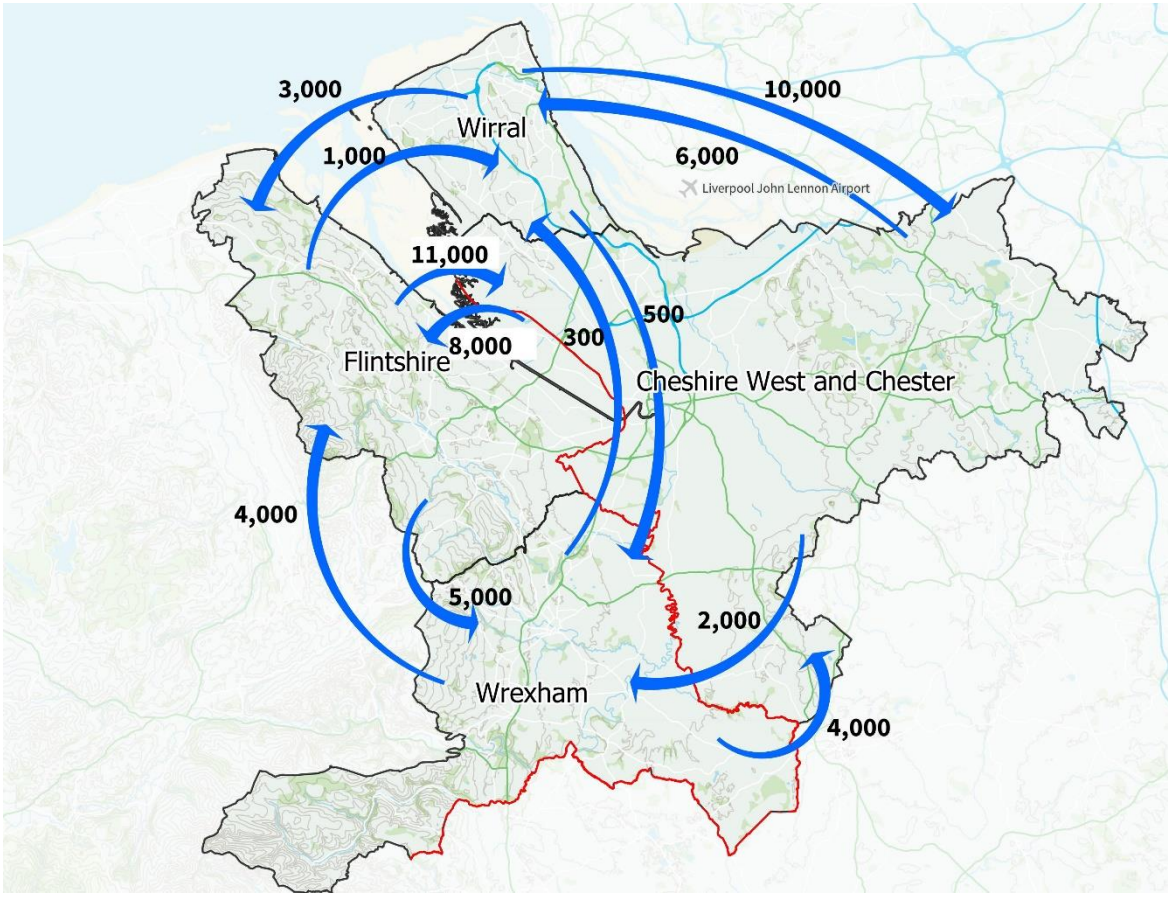
We are a polycentric region, with five main centres in Chester, Wrexham, Deeside, Ellesmere Port and Birkenhead. More than a quarter of the population resides in the three main urban areas of Chester, Wrexham and Birkenhead. We have a number of strong employment centres, including Deeside Enterprise Zone, Ellesmere Port, Chester City Centre, Chester Business Park, Birkenhead/A41 corridor, Wrexham Town Centre and Wrexham Industrial Estate. There are particular concentrations along the national borders.

Key Employment Locations



A critical feature of our economy is its **unique, integrated cross-border nature**:

Labour Force Commuting Flows



- **77% of our residents live and work within the MDA area[3],** making it one of the most self-contained labour markets in the UK. We are more self-contained than Cardiff (76%), Liverpool (70%) and Cambridge (67%).
- **29,500 people travel across the national border** every day for work, illustrating the cross-border integration of our economy[4].
- **Cross-border journeys starting in North Wales are more than 20 times greater** in number than the interregional journeys that take place from North Wales to other regions of Wales.

[3] Proportion of usual residents aged 16 and over in employment at the time of the 2011 census

[4] ONS, Census (2011), Travel to work flows

Our Key Sectors

The region offers a great location for businesses to thrive and innovate, as well as an excellent quality of life. For example, Wirral was voted the happiest place to live in the North West by RightMove in 2017. With thriving urban centres like Chester located in close proximity to the UNESCO World Heritage site of the North Wales Coastline, Snowdonia National Park, and Pontcysyllte Aquaduct, we have a unique offering that enables us to attract and retain major firms and mobile talent.

The Mersey Dee economy is home to a number of sectoral specialisms with six sectors that define the region's economy:

- **Advanced Manufacturing**: We are a manufacturing powerhouse, producing £4.5 billion in GVA and employing 54,000 people. With a Location Quotient of 1.7, the MDA houses 70% more manufacturing employment than the national average. Our sectors are relatively high productivity, with an overall GVA per FTE (Full Time Equivalent) job of £83,500, which is 2% greater than the national average for all manufacturing and 9% higher than the national average across all sectors. The sector includes leading anchor companies in aerospace, automotive and pharmaceuticals, such as Airbus, Toyota and JCB, along with thriving research and innovation assets such as the Advanced Manufacturing Research Centre (AMRC) Cymru, Thornton Science Park and Wrexham Glyndwr University's specialisms in optics and composites.

> We house 70% more employment in advanced manufacturing than the national average

- **Energy**: The Mersey Dee is a nationally important region in the UK's energy sector employing 13,500 people across 1,430 businesses. We are home to a burgeoning nuclear and offshore wind industry and associated supply chain, with the Capenhurst nuclear power plant and one of the largest concentrations of nuclear consulting engineering companies in Europe. We are at the forefront of efforts to decarbonise industry by generating and deploying hydrogen at scale, housing the flagship Hynet project. The Cheshire Energy Hub have devised the Energy Innovation District which provides an opportunity to deliver a new energy system in the North West.
- **Finance and professional services:** The region is home to nearly 7,000 financial and professional services businesses, accounting for 21% of all businesses and supporting 48,800 jobs. This includes 3,500 jobs at Chester Business Park, with a presence of many high profile and global brands such as MBNA Lloyds Banking Group, Bank of America, M&S Bank and Moneypenny, world leaders in offsite secretarial services and a Welsh Government anchor company.
- **Health and life sciences:** The health and life sciences sector is one of the largest sectors in the region with a GVA of £2.1bn, 48,300 jobs and a location quotient of 1.1. With the Wrexham industrial estate, one of the largest industrial sites in Europe, there is a cluster of a number of medical and pharmaceutical companies most notably Ipsen and Wockhardt, along with Unilever in Wirral. The make-up of businesses in the sector are large employers with only 975 businesses supporting all the employment.
- **Tourism:** The region is located close to the North Wales coastline, Pontcysyllte Aquaduct and Snowdonia National Park which attracts around 4 million tourists per year. The tourism sector within the Mersey Dee region is also a strength of the area with a number of nationally recognisable retail locations and sporting facilities including the Royal Liverpool Golf Club, which hosts internationally recognised tournaments such as The Open Championship.

- **Retail:** The region boasts nationally significant retail locations with the UK's largest designer outlet in Cheshire Oaks at Ellesmere Port, which attracts around 8 million shoppers a year, alongside the major redevelopment at Northgate in Chester. Wrexham is the largest town centre in North Wales. The MDA's strong retail offering is a pivotal local economic sector employing 52,150 people (13% of overall employment) and over 3,300 businesses as well as the 3rd highest GVA producing sector in the MDA accounting for 11% of the regions total GVA.

The manufacturing sector accounts for a fifth of Mersey Dee's total GVA.

Top 10 Broad Sectors in the Mersey Dee by Gross Value Added (GVA)

Rank	Sector	GVA (£m)	Share of Total GVA	Employment
1	Manufacturing	4,469	20%	56,000
2	Real estate activities	2,708	12%	5,450
3	Wholesale and retail trade	2,364	11%	68,000
4	Health	2,079	10%	59,000
5	Financial and insurance	1,655	8%	12,350
6	Education	1,212	6%	32,000
7	Professional, scientific and technical	1,126	5%	32,000
8	Admin and Support	1,070	5%	29,500
9	Public administration and defence	1,060	5%	18,000
10	Construction	917	4%	17,750

ONS, 2018 GVA data and Business Register and Employment Survey, 2019

Our Assets

Education

The MDA area is home to two universities: University of Chester and Wrexham Glyndwr University and three further education colleges: Wirral Metropolitan College, Coleg Cambria and Cheshire College (South and West). Our educational institutions play a strong role as partners in the Mersey Dee Alliance and in driving forward strategic economic development projects for key sectors.

The region has a strong retention rate of graduates within the key priority sectors for growth going forward. 61% of the past five years' graduates who had found employment upon graduation were employed in a priority or growth sector[5]. Overall graduate retention stands at 54%, which is notably higher than some other locations.[6] The high level of employment in priority sectors is supported by schemes such as the Cheshire Energy Hub Graduate Scheme at Capenhurst, an industry led energy sector support organisation that has established an award-winning graduate development programme.

We also have an expanding academic research base with the Energy Centre at the University of Chester's Thornton Science Park, highlighting the region's inclusive research and innovation with links between

[5] Study includes Wrexham Glyndwr University, Bangor University and the University of Chester

[6] For example, Liverpool, at 37%.

local businesses and education institutions. Wirral Metropolitan College has built a new campus in the heart of Wirral Waters Enterprise Zone. Supported by the Skills Funding Agency, the new Campus is a dedicated Built Environment, Skills and Enterprise Centre. Coleg Cambria and Cheshire College provide significant numbers of apprenticeships in the region: for example, Coleg Cambria provides the apprenticeship programme for Airbus.

Employment sites

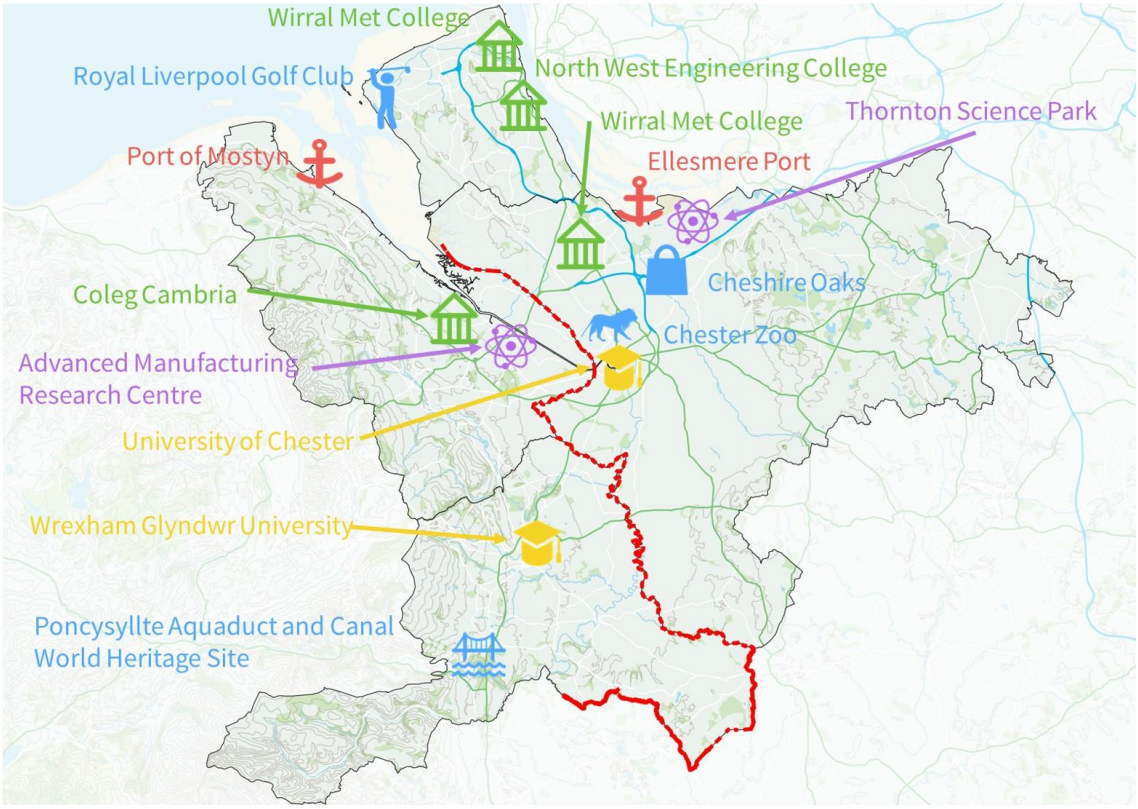
The MDA area is home to a number of high employment growth opportunity areas which were expected to see around 40,000 new jobs created over a 20-year period (starting in 2013):

1) **Mersey Waters Enterprise Zone** - +20,000 jobs. This £10bn regeneration project is one of the most significant opportunities to attract investment and accelerate growth in the UK. The investment will support supply chain growth and boost the automotive and renewable energy sectors in the area, especially around focusing on the wind farm industry.
2) **Deeside Enterprise Zone** - +5,000 – 7,000 jobs. The Deeside Industrial Park is a 2,000 hectare site which primarily focuses on the advanced materials and manufacturing sector and is already home to a number of major international manufacturing companies.
3) **Ellesmere Port** - +4,450 jobs. Ellesmere Port is earmarked as a catalyst for regeneration by turning it into a leisure destination of regional significance. The area is heavily dominated by wholesale and retail employment (21.6%) as well as manufacturing employment (16.2%). The port plays a vital role in the energy and nuclear industry for the MDA region. The Port is home to a number of internationally recognised businesses in GM Vauxhall and Urenco.
4) **Ince Resource Recovery Park** +3,250 jobs. The $122m waste to energy project will be one of the final Advance Thermal Conversion Plants to be accredited under the U.K. Government's Renewable Obligation Certification scheme. MWH constructors have outlined the use of a number of local suppliers and subcontractors from the Cheshire & Merseyside population.

Companies in the MDA area also have the opportunity to build relationships with the new Nuclear Advanced Manufacturing Research Centre (Nuclear AMRC) located at Cammell Laird in Wirral and AMRC Cymru at Airbus.

The main assets across the Mersey Dee region are predominantly clustered around Birkenhead, Ellesmere Port, Wrexham, Chester and the Deeside EZ (as shown in the map below).

Mersey Dee Alliance's Assets



Key employers

We have a number of employers of International importance:

Airbus: The world's largest airliner manufacturer which took the most airliner orders in 2019. It is a major local employer with 5,000+ jobs at its Broughton site and +12,000 jobs in the total supply chain.

Essar: A multinational conglomerate and construction company which operates Stanlow refinery at Ellesmere Port. It is estimated that Stanlow contributes £60million each year to the local economy and accounts for 16% of all road transport fuels in the UK.

Tata Steel: Is one of the most geographically diverse steel producers with operations spanning over 35 countries. The 404ha site at Shotton employs 700 people and produces 400,000 tonnes of coated steel products a year. The site exports 40% of its product from the UK. The site provided the galvanised steel for all 87 floors of the Shard in London.

Vauxhall: Is a British car manufacture and the second-largest selling car brand for two decades. The plant in Ellesmere employs over 1,000 staff and produces approximately 187,000 units a year.

Toyota: are a Japanese automotive company and is the largest automobile manufacture in the world. The engine plant located in Deeside employs around 600 people and in 2018 308,415 fully assembled engines were produced.

Cammell Laird: One of Britain's biggest shipbuilders founded in 1828 and located in the River Mersey and supports around 2,000 local jobs. It is leading a collaboration to develop modular manufacturing techniques to support the UK's nuclear new build programme which has led to the opening of the Nuclear Advanced Manufacturing Research Centre in Birkenhead.

MBNA Lloyds Banking Group: Specialist Credit Card Firm which facilitates 480,000 transactions a day. Locally it employs around 1,700 people at Chester Business Park.

Urenco: A British nuclear fuel company and one the largest in the world. They have operated in Capenhurst since 1973 and employ more than 300 people. The site's 3 enrichment plants enable nuclear power stations globally to generate electricity. The largest of the 3 plants, E23, produces more than 80% of the facility's enrichment capacity.

Iceland: Is a British supermarket chain with its headquarters in Deeside, Wales. The company has around 25,000 employees and 5 million customers.

KK Fine Foods: Established in 1987 the company employs 500+ people across the foodservice, retail and catering sectors and are manufactures of high quality meat, fish and vegetarian meal solutions.

Kelloggs: Is an American multinational food manufacturing company with products marketed in 180+ countries. Located in Wrexham the factory has been running a local apprenticeship scheme for 30 years.

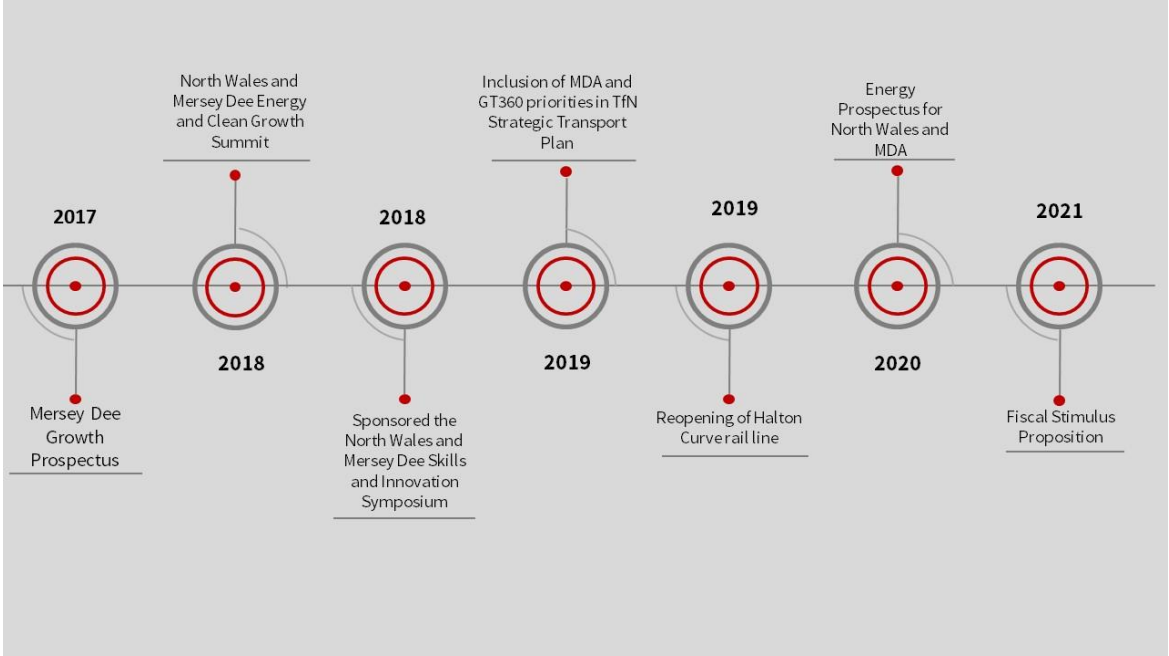
Village Bakery: Founded in 1964 the award-winning family run bakery is located in Coedpoeth, North Wales. The company employs 500+ staff and following a fire in 2019 the factory was rebuilt as one of the most modern in Europe.

The Story So Far

The Mersey Dee Alliance was founded in 2007 and it has since become a successful cross-border partnership which supports economic growth across North East Wales, West Cheshire and Wirral. Throughout the last decade the partnership has sought to maintain and increase the area's competitiveness, support key business sectors alongside skills, employment and inclusive growth and has exerted its influence to bring economic infrastructure to the region. There have been numerous key contributions and achievements to date across four main areas; transport, skills and employment, low carbon and clean growth, and business support, which are explored in more detail below. On top of this the MDA has continued to work with key stakeholders such as the Liverpool City Region, and the North Wales Economic Ambition Board.

The 2017 **MDA Prospectus** was a seminal document, bringing together a set of projects which underpinned funding bids by individual Councils in the MDA and Local Growth Partnerships of which they are members e.g. Wirral Waters is a major development proposal in the plans of Liverpool City Regions, the Welsh Government took on the development of Deeside's Northern Gateway and the proposed AMRC, whilst the North Wales Growth Deal incorporated schemes such as Warren Hall and the Wrexham Western Gateway.

The Story So Far



Transport:

- **Halton Curve:** The redevelopment of the Halton Curve rail line which provides services between Liverpool and North Wales. Within the first 6 months of opening the line has accommodated around 500,000 passenger journeys.
- **North Wales Metro:** The MDA has supported the North Wales Metro which is developing a comprehensive integrated public transport system in North Wales and cross-border. Key Metro projects: Deeside Parkway station, Shotton Interchange, Wrexham to Liverpool and North Wales Mainline enhancements, Station Active Travel Plans and Wrexham Gateway.
- **Growth Track 360 (GT360):** The cross-border collaboration of the North Wales and Mersey Dee Rail Task Force has supported intraregional rail enhancements: Chester Station capacity, Wrexham to Liverpool, North Wales Mainline journey time and Crewe Hub. The Task Force produced both Growth Track 360 Rail Prospectus and West & Wales Strategic Rail Prospectus calling for investment.
- **Transport for North (TfN):** The Alliance successfully lobbied to get the Mersey Dee areas transport priorities included in the TfN Strategic Transport Plan, with Chester Station capacity improvements and Wrexham Bidston service and line improvements included.

Skills and Employment:

- **Skills and Innovation Symposium:** The MDA is committed to upskilling its residents and in 2018 the Mersey Dee Alliance, alongside the North Wales Regional Skills Partnership, sponsored the North Wales and Mersey Dee Skills and Innovation Symposium in collaboration with Wrexham Glyndwr University, Bangor University and the University of Chester, which brough together both the private and public sector. The Symposium resulted in the formation of an Industry Panel comprising of a number of the key employers in the region including Airbus and Unilever.

Low Carbon and Clean Growth:

- **Energy Summit:** The MDA, along with NWEAB and the Cheshire and Warrington LEP, held the North Wales and Mersey Dee Energy and Clean Growth Summit, attended by Welsh Government Minister for Economy and Transport, Liverpool City Region's Metro Mayor, Parliamentary Under Secretary Wales Office, businesses and organisations representing Smart, Low Carbon and Renewable Energy as well as Skills and Technical Expertise.
- **Energy Prospectus:** The prospectus was one of the main outcomes of the Summit and was published in March 2020.

Business Support:

- **Business Networking:** The Alliance has successfully held many cross-border Business Breakfast Networking Events, 5 - 6 events are held annually with an average attendance of over 150 delegates. The events offer businesses to *"get involved in one of the most innovative and effective networks across the North Wales/North West border area".*

03:

Why the package is needed:

Our Investment Priorities

03 Why the Package is Needed: Our Investment Priorities

The poly-centric, cross-border nature of the Mersey Dee area makes it somewhat unique in Great Britain. With a population that, in normal times, freely and regularly crosses the national border for both work and leisure, differences in English and Welsh institutions are no barrier to daily life and the boundary is invisible for most.

As we saw in Section 2, the area is consequently home to a diverse economy that includes major businesses across aerospace, automotive, nuclear, renewables, pharmaceuticals, chemicals, financial services, food, engineering, ICT, tourism and retail.

Why are we asking for support?

These close economic links mean that issues and market failures emerging in any one of our local authority areas create impacts that are felt across the Mersey Dee area. Our economy now faces the **twin challenges of recovering from the Covid-19 pandemic and adjusting to life outside of the EU**. Given the nature of our economy and some of its key employers, these have posed particular problems and we have been hit especially hard.

In 2020, the UK economy was estimated to have shrunk by 9.9%[7], the largest fall on record and probably the biggest economic shock since the start of the 18th century. It has been estimated that up to 2 million people across the country may not have worked for at least six months.

In our area, our sectoral mix means that there have been some particularly damaging economic effects from the pandemic:

- Almost 50,000[8] workers (13% of eligible staff) were on furlough in January 2021. Additionally, ONS survey data showed 21% of businesses had paused trading and did not intend to restart trading in the next two weeks (which equates to around 6,950 businesses)[9].

Almost 50,000 workers in the MDA area were on furlough in January 2021 (13% of eligible staff)

- Insolvency data from The Gazette further highlights the impact of the Coronavirus pandemic on businesses within the MDA with 144 businesses filing for insolvency between the months of May and December 2020. The number of insolvencies in December was 1,233% higher than that in May.

[7] ONS, December 2020, Monthly GDP estimate

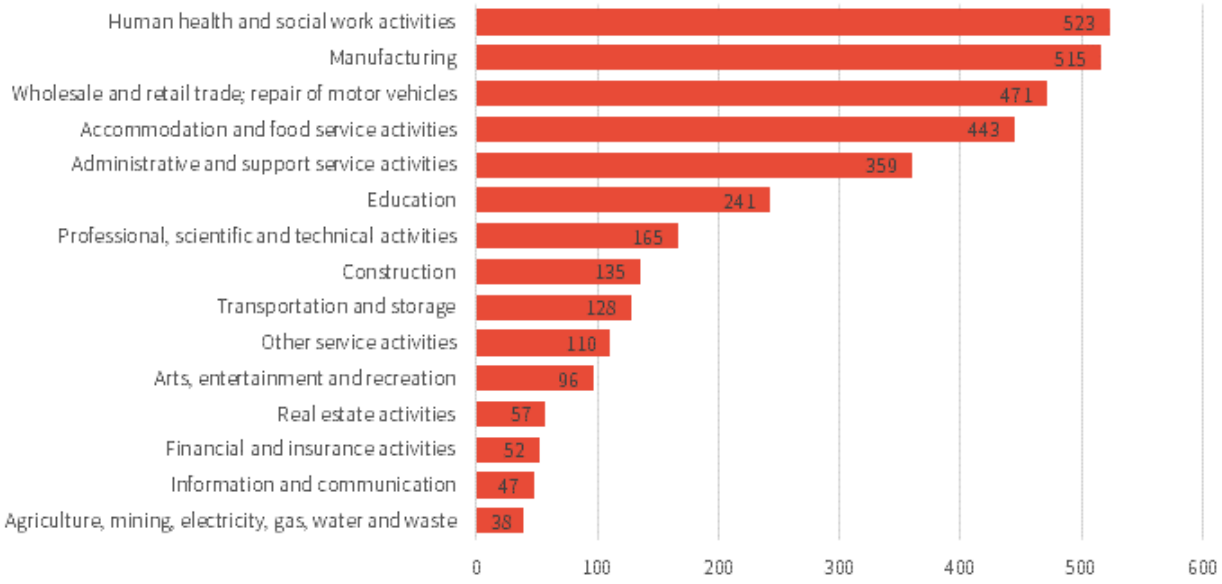
[8] HMRC, Coronavirus Job Retention Statistics, January 2021

[9] ONS, 2021, Business Impacts of Coronavirus, Wave 23, 11th January to 24th January

- The financial and insurance industry, one of the region's key sectors, was one of the hardest hit accounting for 13% of all insolvencies.

Our own modelling of the impacts of the pandemic on the Mersey Dee area has found that **an estimated 15% of our pre-pandemic GVA of £22.9bn (£3.4bn) was lost during 2020.** This is proportionally significantly higher than the fall experienced nationally. Manufacturing, and human health and social work experienced the largest losses. Wholesale and retail trade contracted as social distancing protocols were put in place and lockdowns ensued, and this is similarly the case for the accommodation and food sector.

Estimated GVA Loss by Sector (£m) for Mersey Dee Economy, 2020



Source: Hatch economic analysis

The most visible manifestations of these challenges are as follows:

- **Airbus**: One of the Mersey Dee's largest private sector employers announced 1,400 job losses from its site at Broughton following a 30% cut in production. Given the multiplier effects through companies impacted in the supply chain and through lost employee spending, **we estimate that this alone has cost the UK economy around £700 million in GVA and 11,000 job losses**. Much of this is in the MDA area, given the locations of employees and suppliers. This will have a major, long-term impact on our economy and its people if not mitigated.

- **Town centres**: unlike some other city regions, the Mersey Dee economy has no central node in which to focus efforts for the recovery. Multiple smaller town centres that were already facing a decline as retail destinations have been devastated by the pandemic. Whilst there is considerable uncertainty, the rise of homeworking and shift to online have probably changed the role of these town centres permanently.

Furthermore, **our anchor companies, many of which are multinationals, face increasing global competition.** This environment means that local plants need to compete internally with other global sites for continued investment. Structural shifts including our departure from the European Union and the need to decarbonise operations have intensified this competition. With 80% of our exports going to

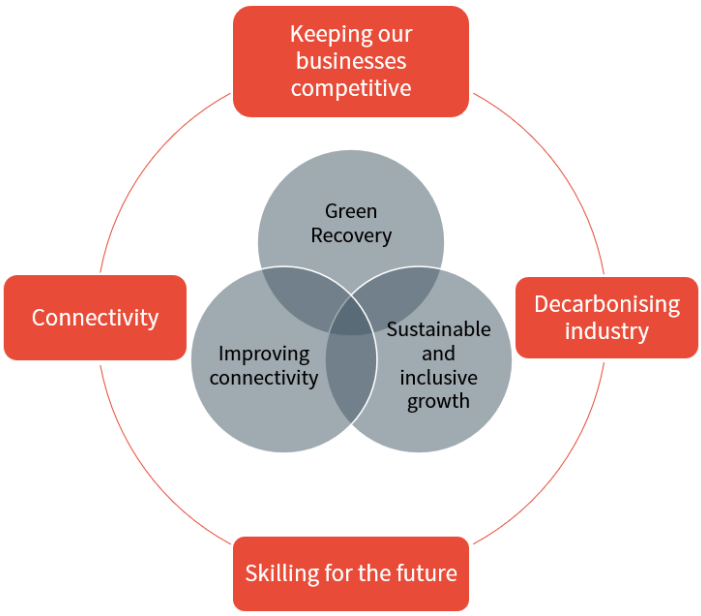
the EU**, our internationally oriented firms need to adapt to life outside the European Union**, and to what this means for their supply chains and international trade.

At the time of writing, we are facing the potential closure of the Vauxhall car plant at Ellesmere Port which has been making cars since 1964. Airbus is at risk of wing production moving to France or Germany unless Broughton remains competitive.

Our strategic priorities

Partners in the region have responded swiftly to these challenges, **identifying the need to develop a targeted package of support.**

Our extensive engagement with stakeholders has identified a number of clear, near-term priorities in response to these twin economic shocks – but this package also looks beyond that short time horizon. **Our aim is to catalyse a recovery that will create a stronger, more sustainable future for the Mersey Dee area.** The themes presented below build on our established vision for the local economy, its strengths and longstanding structural challenges.



Our package confronts these challenges and builds on the corresponding opportunities for creating sustainable, inclusive growth in the Mersey Dee area across three cross-cutting strategic themes:

Supporting cleaner growth – the UK has adopted a target of achieving net zero emissions by 2050. Our mix of industries and energy assets leaves us ideally placed to lead this ambitious transition and to act as an exemplar region for low carbon development.

Connecting places, people and businesses – as a cross-border economy with multiple centres, the Mersey Dee area will be strengthened by improving the links between those places their business and people. Enhancing our connectivity is crucial.

Sustainable and inclusive growth – as the region recovers from the pandemic our aim is to look beyond a simple headline level of growth. We want to ensure that everyone benefits from the region's success

We have then identified and agreed **five investment priorities** for our package.

Priority 1: Keeping our businesses competitive

The COVID-19 pandemic has hit our businesses extremely hard. Whilst we have been cushioned by the range of economic support measures put in place nationally, we know that once these (especially the Coronavirus Job Retention Scheme) are tapered back, redundancies among the region's firms are expected to accelerate. The job losses announced by Airbus were driven by a huge downturn in the market for aircraft following the collapse of international air travel leading the firm to cut production by a third. This impact will inevitably work its way through the locally based supply chain unless those businesses are unable to diversify and adapt for new markets. [add supply chain stats if available]

Airbus represents a major event that will have a disproportionate impact on employment and **risks the permanent loss of highly skilled engineers from the local labour market**. Yet the cost of the pandemic on jobs has also been far more widespread. Our town centres had already been suffering due to high business rates and the rise of online spending. The Centre for Cities ranks Birkenhead town centre as weak with 19% of high street services vacant, but also most likely to bounce back fastest. Throughout 2020, many major retailers entered administration and social distancing regulations forced a far wider range of consumers to shift spending online. While this may spell trouble for many traditional retailers, the Office for National Statistics reported that the number of business creations in the last three months of 2020 was up by a quarter on the same period in 2019[10]. Surprisingly many of these were new retailers, adapting as the proportion of retail spending online soared to 35.2% in January 2021. This was the highest level on record[11] and shoppers are probably now forming lasting new habits. For better or worse, the pandemic has almost certainly changed the role of town centres for good and policy makers both locally and nationally will likewise have to adapt. Plus with 11% of pre-pandemic employment[12] in the Mersey Dee area in the retail sector, the risk to jobs is high.

Despite these challenges - with some targeted support - the same strengths that brought multi-nationals like Airbus to the Mersey Dee and allowed home grown talent to flourish here will allow our businesses to adapt and thrive.

Simultaneously, **manufacturers in the region need to adapt to the new trading arrangements with the European Union**. Any additional complexity in trading with the UK potentially reduces the competitiveness of manufacturers in the Mersey Dee area. Airbus is at risk of wing production moving to France or Germany unless its site remains competitive. Meanwhile, the cluster of financial services firms in Cheshire, that no longer have the same level of access to the single market, may also see jobs at risk.

This disruption to so many jobs across such a diversity of sectors risks leaving economic scars that are hard to heal. Yet the Mersey Dee's economic strengths also leave it uniquely placed to capitalise on some of the trends that are set to drive economic growth in the post-pandemic era. However, during periods of uncertainty most firms must face the difficult choice of putting their plans for growth on hold to ensure their survival. Indeed, across the UK business investment in the final quarter of last year was 19.2% lower than the year before - **we must seize this opportunity to keep our businesses competitive and help them to build back better**.

[deprivation stats]

[10] ONS, Business Demography, quarterly experimental statistics, October to December 2020.

[11] ONS, Retail Sales, Great Britain, January 2021.

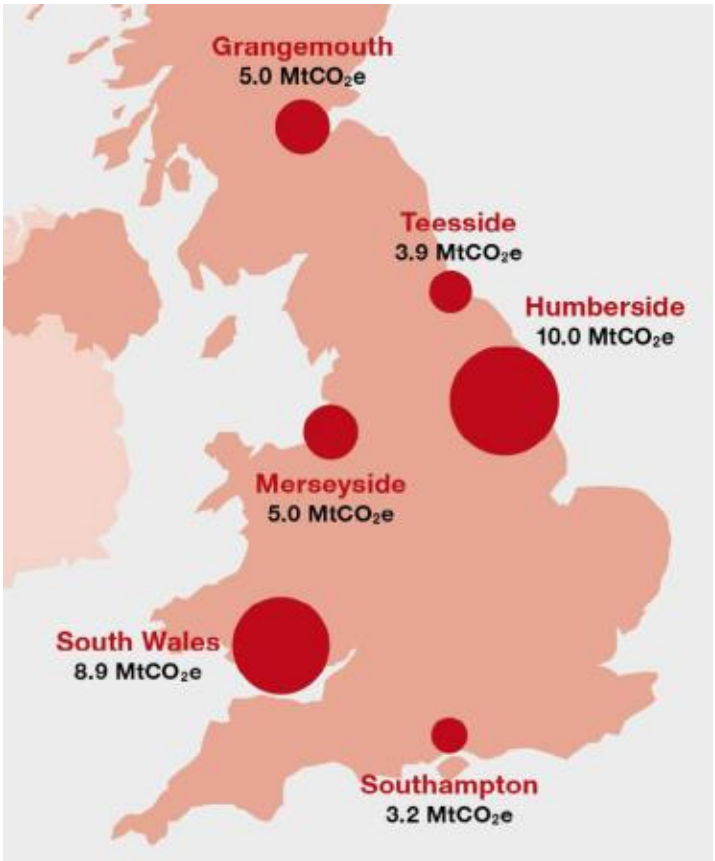
[12] ONS, Business Register and Employment Survey, Employment, 2019

Priority 2: Decarbonising industry

The UK has set itself a legally binding target for reducing net greenhouse gas emissions to zero by 2050 and has made huge strides in reducing fossil fuel use in its production of electricity. Renewables now account for a third of electricity generation. This process means emissions from households and businesses that primarily rely on electricity for their energy needs have fallen rapidly. With renewables now typically representing the cheapest option for future electricity generation this trajectory looks set to be maintained as the UK transitions to net-zero emissions. Despite these gains two notable barriers to achieving net-zero in the timetable set out in legislation:

- **Predictable power**: due to its dependence on the weather conditions wind and solar power – without storage capacity - are less predictable energy sources than traditional fossil fuelled or nuclear power stations. Other sources of low carbon power will be needed to ensure predictable electricity supply in a net zero world.
- **Heavy industry**: some industries have very significant needs for the generation of heat and power which is not easily electrified. These industries will not be in a position to benefit directly from the growth in cheaper renewable electricity and will need alternatives like low cost hydrogen or carbon capture and storage (CCS) to meet emissions targets while maintaining their competitiveness.

Nonetheless, the UK government's energy white paper states that by 2050, **emissions from industry will need to fall by around 90 per cent from today's level**. This process looks most challenging for energy-intensive manufacturers and refineries. These sectors account for 16% of UK greenhouse gas emissions and are geographically concentrated into a few industrial clusters that make up about half of the total. As major local employers, **getting the transition to net zero emissions right in these clusters is essential to protect their local economies**. This is especially true for the Mersey Dee area, given our cluster of heavy industry, especially around Ellesmere Port. Large industrial installations were responsible for 4 times the emissions per capita than the national average.[13]



The UK's stated long-term strategy is to let markets and carbon pricing incentivise the shift to low carbon technologies in industry - but over the next decade it is clear that upfront investment will be required to lay the groundwork for those markets to operate effectively. The impetus for achieving the net zero legislative target through this sort of investment has been given a boost with the

[13] Analysis of BEIS 2020, Local Authority territorial CO2 emissions estimates 2005-2018 (kt CO2), total emissions from large industrial installations per capita in Flintshire, Wrexham, Cheshire West and Chester and Wirral compared to UK.

UK government's new Ten Point Plan for a Green Industrial Revolution and UK-wide Industrial Decarbonisation and Hydrogen strategies are due to be published this year.

The extent of potential industrial uses for hydrogen and the existence of major carbon capture, utilisation and storage (CCUS) and hydrogen projects already in place makes **the Mersey Dee area a prime opportunity to invest in rapidly achieving one of the world's first net-zero industrial clusters.** The Mersey Dee area is already home to projects that will help deliver on UK Government targets for 5GW of hydrogen to be deployed by 2030 and capture 10Mt CO_2/year using CCUS. Its location places the Mersey Dee in an ideal position to link up with other parts of the hydrogen economy across the North West of England and North Wales. Indeed, there are numerous examples of both public sector and industry-led projects across the region:

- **Net Zero North West** – led by industry this collaboration aims to make the North West of England home to the UK's first low carbon industrial cluster, creating at least 33,000 jobs and seeing over £4bn invested in the region.
- **The North West Hydrogen Alliance** – the largest regional membership body dedicated to hydrogen in the UK. The Alliance intends to make the most of hydrogen to drive a low carbon economy and support a green recovery.
- **HyNet North West** – a collaboration between Cadent and Progressive Energy, the project will be capable of generating 80% of the UK target low carbon 'blue' hydrogen in Cheshire by 2030.
- **Protos** is a strategic cluster of energy generation and energy intensive industry in Cheshire; with a masterplan extending to 280 hectares. Existing infrastructure includes a 50 MW windfarm and 26MW biomass facility with the opportunity for Carbon Capture and Storage in future.
- The Budget 2021 announced £4.8 million for a **hydrogen hub in Holyhead** to pilot the creation of hydrogen using renewable energy and its use as a zero-emission fuel for Heavy Goods Vehicles

With many other important projects coming forward in the wider area and building on the research taking place at the Thornton Science Park, the Mersey Dee is positioned to become a national if not global leader in the hydrogen and CCUS economy. While this was always going to be necessary for the UK to reach net zero, action taken now, to stimulate this emerging sector, will have the dual benefits of protecting the labour market from economic scarring and accelerating the transition to net zero.

New projects off the coast of North Wales and North West England that could deliver almost **3.5 gigawatts of energy, enough to power 3.2 million homes**, were recently announced following Offshore Wind Licensing Round 4.

Moreover, **the expansion of renewable energy production brings further opportunities for the Mersey Dee's existing engineering and manufacturing supply chain to diversify its customer base and expand into new sectors as a national and global leader in low carbon energy.**

Indeed, the Offshore Wind Growth Partnership has identified the need to bring new firms into the Offshore Wind supply chain from the automotive and other industries – but there is a requirement for joint support from 'sector supply chain organisations and growth partnerships' to achieve this aim. It is critical that as new wind projects are established in the region, the engineering capabilities of the Mersey

Dee's businesses and households are deployed to support the government's ambition to raise the UK content into the offshore wind projects to at least 60%.

Priority 3: Skilling for the future

With the pandemic likely to have permanently changed the nature of retail and the role of the office in daily life, new entrants to the workforce and those working in sectors that may now be in permanent decline will have to adapt. The speed of this change and the breadth of its impact means there is a clear role for governments, both local and national, in managing this change. **The UK government Plan for Growth** recognises this need, and with it the requirement to provide billions in additional revenue funding for:

- **Expanding DWP Jobcentre support** – e.g. doubling the number of work coaches
- **Kickstart** – helping young people at risk of long-term unemployment with fully-funded roles
- **Restart** – helping the long-term unemployed access additional support

Aside from help to find existing jobs, changes in the sectoral mix and the way people work after the pandemic is also expected to create needs demands on the education system, to reskill the workforce for the future. The Mersey Dee area's role in a major industrial cluster creates a pressing need for decarbonisation. The level of technological and regulatory change that is necessary to meet net zero targets will create commercial pressures that are likely to demand an understanding of new plant and processes. At a precarious time for businesses, **such a fundamental change creates a requirement for new Green skills at all levels from apprentices through to business leaders.**

Education is a devolved matter and as such a potential border may exist in the skills system that is not recognised in the labour market. This can mean different employees of a company operating in the Mersey Dee may not always have access to the same support because of where they live, an issue that is unlikely to be faced by employers anywhere outside of the Mersey Dee given the size of the cross-border economy. While the level of provision either side of the border is not necessarily at issue, **employers across the whole Mersey Dee economic area should be able to access the equivalent standard of support**, seamlessly, regardless of their location.

Universities	Colleges
University of Chester (*Cheshire West and Chester and Wirral*)	Cheshire College South and West (*Cheshire West and Chester*)
	Coleg Cambria (*Flintshire and Wrexham*)
Wrexham Glyndŵr University (*Wrexham*)	Wirral Metropolitan College (*Wirral*)
	North West Engineering College (*Wirral*)

There are six higher and further education providers in the MDA area, including two universities and four colleges.

The table above outlines the six higher and further education providers within the Mersey Dee area, although there are also a number of Private Training Providers operating in the area and links between a number of the Universities and Colleges with other sites outside of the area. For instance, University of Chester and University of Bangor are linked in their teacher training offer, and Wrexham Glyndŵr also

operates in Denbighshire. **While these institutions offer a wide range of subjects, the educational offer in the region is especially strong on business and technical education**.

Over time these providers and their partners in businesses, from the major anchor employers and their supply chains down to smaller local firms, will naturally take ownership of the training programmes of the future. **However, the market for education is imperfect and without coordination this process may take time to achieve the critical mass needed to support the industries of the future.** This effect is compounded by uncertainty over new green technologies that are not yet operational and managers that are, in many cases, only at the early stage of embedding the transition to net zero into business plans.

However, the moment to achieve this is now. The impact of the pandemic has already changed the labour market and the opportunity to make major investments in net zero has arrived. With £12bn already pledged towards the **Ten Point Plan for a Green Industrial Revolution** and major hydrogen, CCUS, tidal power and wind projects coming forward across region, new skills need developing now to avoid acting as a brake on this progress. To ensure that green skills programmes are optimised and commercially viable under normal funding arrangements quickly will require coordination and pump priming of new courses.

Possible stats/hooks to add:

The Liverpool City Region Skills for Growth Action Plan Low Carbon Economy report indicated that one in five (20 per cent) of businesses felt that they had skills gaps. Energy and Utilities sector reported the highest level of gap (31 per cent of respondents),

Skills for Jobs: Lifelong Learning for Opportunity and Growth

Shared prosperity fund

Welsh funding?

the West Midlands Levy Transfer Fund and SME apprenticeships funding pledge.

Priority 4: Connecting our region

Opportunities for work are harder to reach for those living in disconnected communities. In parts of our region, poor connectivity and the poly-centric geography of the area can mean the cost of getting to work is prohibitively high for some lower paying jobs. Physical connectivity is limited by several major factors including:

- **Lack of integrated ticketing** between services – especially across the England/Wales border
- Lack of **connectivity between modes/services** for public transport users
- **Inaccessibility of major employment centres** to public transport, especially for shift workers
- **Limited strategic cycle networks and poor integration with public transport**

As the Mersey Dee area looks to recover following the economic collapse of 2020, the nature of work is likely to change. This may mean **digital connectivity is also an increasingly important factor in spreading opportunity across the region** as more jobs encourage working from home, at least some of the time. Parts of the Mersey Dee continue to suffer from poor virtual and in-person access to the workplace, which will cut those areas off from the benefits as the recovery takes hold. Notably, as an industrial hub, the ability for many in the region to work from home is also likely to be proportionally lower than in the more service-based economy of the UK's other city regions.

Across the Mersey Dee area and indeed further afield within North Wales, the private car is the dominant form of transport. With work trips and commuting heavily reliant on cars this is both a cause of increased pressure on the road network and the effect of under-investment in public infrastructure, especially rail. Slow journeys by car do not just cost commuters time getting to and from work but the congestion they produce has an impact on other road users. The burden on road capacity limits the ability of freight to move freely into and out of the region's ports and there are further hidden costs to other businesses and households.

In normal times, an estimated 12 million commuter trips took place across the England/Wales border each year and 85% of these were taken by car[14]. Compared to just 68% across the UK[15]

Active and sustainable travel

While a number of specific road improvements may still be required to unlock major new development sites, **the pandemic also creates the opportunity, and the need, to rethink the nature of transport in the Mersey Dee area.** With the right infrastructure in place, disconnected communities could be more closely linked to work opportunities without the need for putting more cars on the road. Short physical distances would make walking and cycling a viable mode of travel if only the infrastructure to link population centres to workplaces, healthcare, leisure and education opportunities or to connect to the wider public transport network were in place.

In a region so dominated by car travel, the benefits could be widespread:

- **decarbonisation** - the opportunity to rapidly reduce emissions from private car use
- **health and well-being** – for households that are at present reliant on their cars, enabling active methods of travel to become the most efficient and cost-effective route to work could make daily exercise routine.
- **air pollution** – active modes of transport and better public transport provision would reduce the level of air pollution from cars
- **inclusive growth** – the lower cost of cycling and walking could open up work opportunities to households that are unable to cover the higher cost of car travel

Each of the local authorities in the Mersey Dee area has a plan in place for increasing active travel and this is considered a priority for both the UK and Welsh Governments' transport strategies. However, for these strategies to work most effectively in support of the Mersey Dee economy, joining up these plans to ensure **cross-border** walking and cycling connectivity is essential.

[14] Growth Track 360 analysis

[15] ONS, Labour Force Survey, 2017

Public Transport

On a larger scale, the arrival of HS2 services through Crewe and into Liverpool brings a new era of connectivity to the doorstep of the Mersey Dee area. This presents a chance to open up the economy to new opportunities across much more of the UK. However, institutions such as Transport for the North (TfN) and the Northern Transport Acceleration Council (NTAC) have been focused on schemes such as the Trans-Pennine route, meaning relatively small but high impact schemes at the border of England and Wales have been overlooked.

Reliance on private cars means infrastructure upgrades at industrial sites to handle electric vehicle charging or a big modal shift to public transport or active travel will be required for net-zero.

Currently there is **limited public transport provision** to these major employment sites creating issues over accessibility of jobs, congestion and emissions.

The Union Connectivity Review implicitly recognises the importance of the UK's cross-border areas. And as a centre of industrial and commercial activity, the Mersey Dee region might be described as a Union Powerhouse, yet it has still to be recognised as such in the planning of transport infrastructure investments. The high degree of planning for public transport in the Mersey Dee cross-border economic region presents some of the highest societal value project opportunities in the UK.

The Welsh component of the Mersey Dee region is located in the North of the nation, which is a high priority area for rail improvement by the Welsh Government. However, rail infrastructure investment is non-devolved, which requires our proposals to be a priority of the UK Government as well. Currently, just 1% of cross border commuting is by rail, 80% less than the national average[16]. The geography of the railways means we require infrastructure investment on both sides of the border to realise economic benefits in the North Wales and Mersey Dee geography.

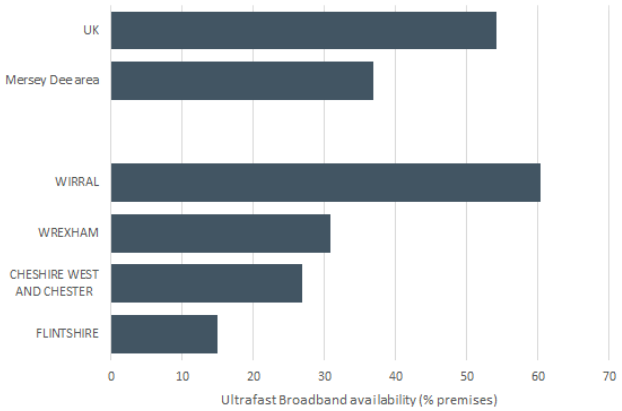
A typical journey from Wrexham to Manchester Airport takes 140 minutes by rail compared to just 50 minutes by car.

With most people in the region still dependent on their cars the public transport network still needs a major upgrade to compete. The lack of integration between services makes journeys seem inaccessible to the public and slow or irregular services make congested roads seem the more practical choice. **Improvements are required to ticketing, line speeds and service frequencies to truly enable inclusive cross-border connectivity and all the benefits that this entails.**

[16] Growth Track 360

Priority 5: Digital connectivity

Digital connectivity is a nationwide challenge but even though some parts of the area, such as Wirral have above average access to Ultrafast broadband, there are particular issues around rural areas in the Mersey Dee area, and on average, the availability of ultrafast broadband is below the UK average.



Connect Corridors will support a host of potential applications including autonomous vehicles, logistics, vehicle telematics and passenger connectivity.

The North Wales Economic Ambition Board is already taking a lead on upgrading the region's digital connectivity. Through a combination of investment from the Welsh Government, UK Government and the local authorities, by the end of 2021 the entire public sector in North Wales will be one of the best connected in the UK. There will be gigabit capability at almost all sites that require it to deliver high quality public services, and the North Wales Growth Deal Digital Programme intends to extend this impact to the private sector, where this opens up the opportunity for significant growth.

With the Digital Signals Processing Centre of Excellence at nearby Bangor University already a leader in its field, there is an outstanding opportunity to link this capability into the wider economy across North Wales and into the Mersey Dee Area. The manufacturing strength of the Mersey Dee presents a host of prospective test-bed firms with the potential for digital innovation.

The logistics networks that support those firms also stand to gain from the North Wales Connected Corridors project which will extend high bandwidth and capacity mobile coverage along key routes in North Wales. As with most networks, the benefits of greater connectivity grow in a non-linear way. With additional support, sitting alongside the investment brought forward by the North Wales Growth Deal, these Connected Corridors could easily extend into England and at little additional cost could rapidly expand the pool of users that are able to benefit from the approach.

Meanwhile, the Liverpool City Region has also started its own Digital Connectivity project to boost productivity and innovation. The City region's plan will:

- Build a 200+ km underground fibre network that will run through the City Regions major economic clusters, connect with 3 transatlantic cables and a supercomputer located at the Haretree Centre Daresbury.
- Work in partnership with the private sector to develop the network. This will be partially achieved by adopting a Dig Once approach which is to install ducting at the same time as road, cycling and walking schemes are undertaken.

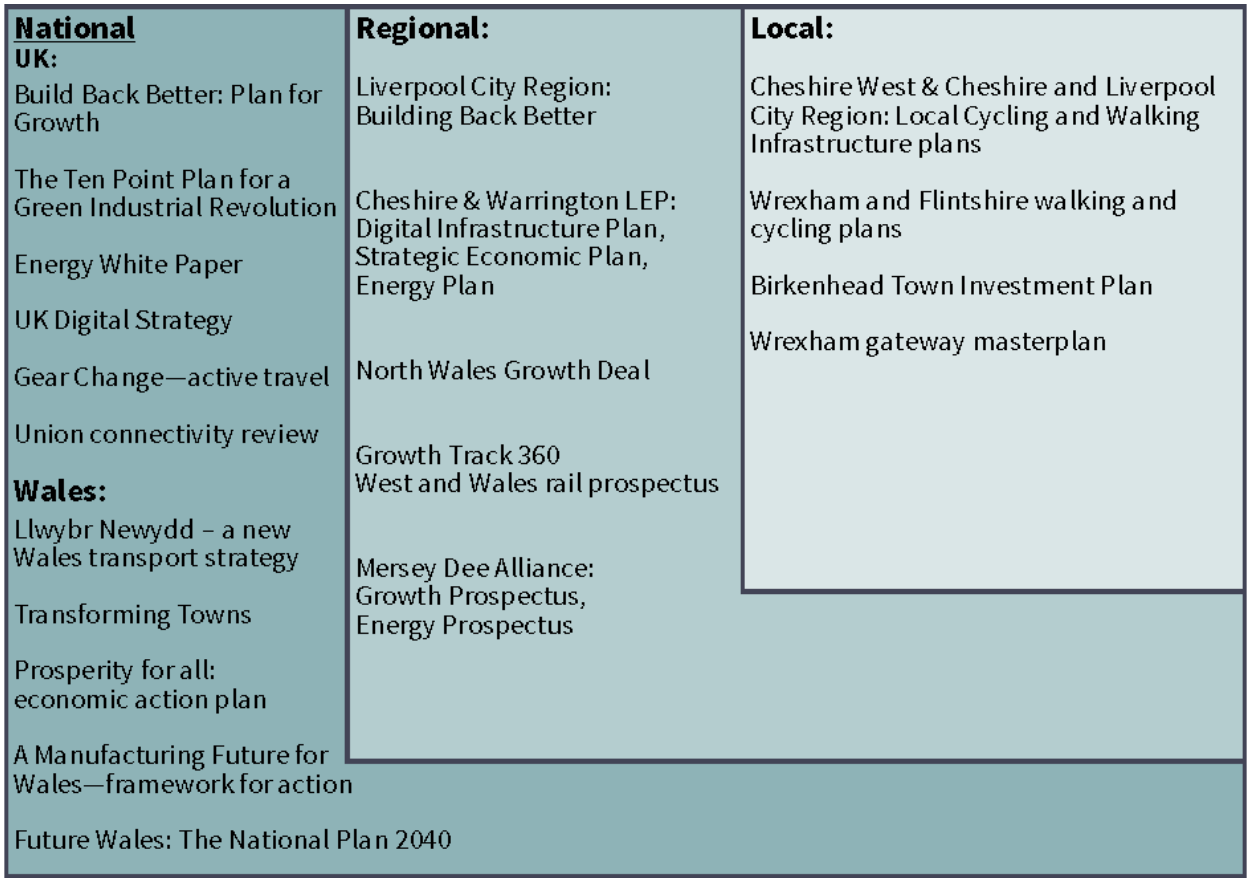
The marginal cost of installing duct infrastructure while roadworks are ongoing is relatively low and inconvenience to road users can be greatly reduced by combining works. Lower costs mean fibre connectivity becomes commercially viable much sooner across a wider area. The North Wales Digital Programme is also exploring a similar approach to providing publicly owned duct infrastructure to accelerate the roll out of fibre connectivity. As the Mersey Dee area partially overlaps with the

administrative areas covered by both programmes, the case for expanding procurement efforts to connect the dots between North Wales and the wider Liverpool City Region is strong.

Strategic fit and policy context

Despite the dramatic change in the economic context, the broad strategic direction for much government policy remains the same as it was before the pandemic struck. Indeed, the events of 2020 have solidified a number of policy positions. With interest rates now hitting historic lows and the economy in urgent need of fiscal stimulus – there is now a **once in a generation opportunity to invest in net zero, level up the economy and raise productivity.**

A core principle of our proposed package is that it helps to deliver on these major policy objectives and complements existing initiatives.



With the vaccine rollout gathering pace attention has turned to engineering the economic recovery in the aftermath of the Covid-19 pandemic. The Build Back Better plan for growth, published in March 2021, sets out how the UK government plans to drive forward the economic recovery. The plan covers the government's approach to developing: infrastructure, skills, innovation, net zero, levelling up and global Britain.

Net zero

Perhaps the most important shift in UK policy in recent years has been driven by the amendment to the Climate Change Act setting a target of reaching net zero emissions by 2050. Further weight was added

to this during 2020, when a **Ten Point Plan for a Green Industrial Revolution** was rolled out, alongside a new Energy White Paper. An Industrial Clusters mission was published early this year which sets out the aim to have at least one net-zero industrial cluster by 2040 and one low emission cluster by 2030. Industrial decarbonisation and hydrogen strategies are expected in 2021 to further support this aim.

Levelling up

Both governments have produced plans to tackle some of the spatial disparities that affect the two nations. Future Wales: The National Plan 2040 is the Welsh national development framework, which builds on the Future Generations (Wales) Act 2015 to set the direction for development in Wales to 2040. Meanwhile, the UK government has recently started to focus on '**levelling up**' the country. The objective is to raise levels of opportunity outside the more affluent regions of London and the South East. Indeed, the Build Back Better plan states that "*the UK Government's most important mission is to unite and level up the country*."

One of the specific issues that falls under the levelling up agenda is the role played by towns. The Future Wales plan highlights the Welsh **Town Centre First** approach, whereby development should be geared toward bringing activity into town centres. The Transforming Towns initiative in Wales funded some of these interventions directly. In England, the Ministry for Housing Communities and Local Government (MHCLG) were preparing Town Deals for 101 towns across England before the pandemic hit. These are now been assessed with more than half of the Town Investment Plans now having been accepted.

Transport

Both UK and Welsh government have issued transport strategies that focus on active and sustainable travel.

Llwybr Newydd or 'New Path' sets out the Welsh Government's vision and 20-year ambitions for how transport can contribute to the wider social, environmental, economic and cultural well-being of people in Wales. Notably, right at the start of the strategy is a vision in which the private car takes a less prominent role in transport and there are fewer barriers to walking, cycling or public transport. And walking and cycling are placed at the top of the sustainable travel hierarchy.

The Department for Transport also released '**Gear Change**' a vision for cycling and walking which states that the UK Government wants, and will fund, "*cities and towns across the UK to install first hundreds, then thousands, of miles of main road cycle tracks*". This has led to local authorities producing their own Local Walking and Cycling Infrastructure plans.

04: Our Proposed package

04 Our Proposed Package

Our proposed fiscal stimulus package has been designed to address the key themes set out in the preceding section. We believe that it offers a compelling set of investable projects that will drive short term recovery, help deliver on national priorities and be capable of being delivered quickly. It has been designed to deliver strong strategic fit and complementarity with existing initiatives, and to be attractive to a range of funding sources.

Parameters of the package

Our package is the result of an intensive and collaborative effort to develop and agree a compelling proposition.

The first step in this process was to agree a set of **key criteria** / **Critical Success Factors** that the package must deliver on. This was critical to ensure that our package is distinctive and fit for purpose.

These were as follows:

1. **Strategic fit**. Critically, any interventions within the package must have a strong strategic fit. This means not only that they align with the wider strategy and policy landscape; they need to make a demonstrable contribution to delivering on the priorities of national and local Government.
2. **Delivering cross-border impact**. All of the proposed investments should serve to benefit the MDA's cross-border functional economy, with a significant proportion explicitly targeting cross-border issues such as transport connectivity.
3. **Immediacy of impact**. Whilst projects will have different trajectories, we agreed that all projects need to be able to be delivered in the current Parliament and at least some of the investment should be able to take place in the next 12 months.
4. **Additionality**. There must be a clear and evidenced need for government intervention, resting on an identified market failure. This means that investment needs to:

- Enable (new) projects to happen that would not otherwise have happened at all
- Enable existing projects to be significantly accelerated where they are demonstrably held back by market failure
- Significantly enhance the scale and impact of existing/planned projects.

5. Complementarity: linked to the preceding point, all interventions need to complement existing and planned projects elsewhere in the area and in adjacent locations. This includes major investment programmes such as the North Wales Growth Deal and the Liverpool City Region Devolution Deal

6. Private and public sector leverage: As a corollary of their strategic fit, projects need to have strong stakeholder support and to lever investment from the private and public sectors.

7. Deliverability. Finally, of course, it is important that projects are deliverable.



Project development

With these agreed criteria and critical success factors in place, we began an intensive and rigorous process of project development, in consultation with stakeholders. This included:

- An initial **request for projects** that fit the criteria
- A **project prioritisation process** to reduce and focus down this initial set of ideas, using the agreed criteria
- A set of **workshops and stakeholder engagement sessions** to further refine and develop the project ideas (these are outlined in Section 6). This involved all of the partner organisations, Welsh Government representatives, North Wales Economic Ambition Board representatives and representatives from the private sector.
- A parallel **consultation exercise with the private sector**, designed to collect their views on investment needs and opportunities and initial project ideas
- Sorting the projects into a set of **programmes** with common strategic drivers.

The proposed programmes

This process yielded a set of **five programmes**, each with their own distinct set of strategic objectives, linked by a golden thread of the overarching themes identified in the preceding section. Each programme contains a set of priority interventions that have been identified by partners as those that will deliver on our priorities.

Our proposed package will deliver **£1.2 billion in net additional economic benefits, benefitting 1 million residents, creating and safeguarding at least 5,000 jobs and levering in £475 million in private sector investment.** By funding or unlocking over £800 million [to check] in capital spending we will quickly support the construction sector, with **over 8,000 construction years of employment** supported to help boost economic recovery.

Our ask of Government is to support our priority projects and programmes through **£400 million** of funding.

The proposals have been designed to offer an attractive, investable set of propositions suitable for funding by a range of potential funding streams. However, with a need to act fast and businesses facing almost unprecedented levels of uncertainty there is a requirement for short-term revenue funding to accelerate these plans as well as the major capital investments that will cement growth in the long-term.

The five programmes are summarised below. While the projects are separated into programmes according to their primary aims, all support the high-level priorities for the package as a whole:

- To create **sustainable, inclusive growth** – levelling up the country and creating fair work and inclusive growth
- To improve connectivity across the Mersey Dee area and help **strengthen the union**
- To **Build Back Better** - investing in net zero, better jobs & higher productivity

Programme	Rationale and objectives	Key project activities	Total investment ask	Outputs / Impact
Skills and business support	Support our businesses and workers to recover, remain competitive and to capitalise on the opportunities presented by the Green Industrial Revolution. .	A £60m business challenge fund, targeted business support and skills/employment brokerage for firms and employees in the manufacturing sector, pump priming new skills programmes for the Green Industrial Revolution.	Capital: £70m Revenue: £9m Total: £79m	• £130m of private investment unlocked • 300+ firms in the manufacturing supply chain supported • 2,000+ jobs safeguarded • a new Business centre for Green Recovery • 450,000 tonnes of CO_2 saved
Low carbon energy infrastructure	Propel the Mersey Dee area towards becoming a low carbon industrial hub at the forefront of the emerging global hydrogen and CCUS economy.	Fund a strategic hydrogen demonstration facility for the UK, design and consenting for 100km blue hydrogen pipeline, development funding for hydrogen and CCUS hubs, design work for a tidal energy project on the Mersey and associated centre of excellence.	Capital: £95m Revenue: £12m Total: £107m	• Strategic hydrogen demonstration facility • 100km hydrogen pipeline • £250m private investment • 5-10 hydrogen & CCUS hubs • tidal energy project centre of excellence.

Programme	Rationale and objectives	Key project activities	Total investment ask	Outputs / Impact
Transport	Lay the groundwork for a cleaner, more modern cross-border transport network in which the car is no longer the default. To improve workplace accessibility and increase the number of trips by active modes for example walking or cycling.	Fund a cross-border active travel network, fund the infrastructure required for cross-border integrated ticketing, development funding for a range of key cross-border rail schemes.	Capital £90m, Revenue: £25m, Total: £115m	• 100km of high-quality cycling and walking infrastructure • New ticketing infrastructure for 20 stations, 400 buses across 50 routes and 9 operators. • 3 shovel-ready rail schemes.
Place based support	Ensure that our town and city centres are more resilient, vibrant and dynamic as we recover from the impact of the pandemic.	A fund managed flexibly across the Mersey Dee area will be used to support a range of areas across the MDA to support businesses and employment. Fund enabling works to the Wrexham Gateway development.	Capital: £70m Revenue: £5m Total: £75m	• Private sector investment of £80m • bridge works • links to active and public transport • new start-up, meanwhile and entrepreneurial space • town centre biodiversity and green space.

Programme	Rationale and objectives	Key project activities	Total investment ask	Outputs / Impact
Digital	Supporting our businesses and workers to recover from the pandemic, remain competitive, innovate and to capitalise on the opportunities presented by the UK's exit from the EU and the Green Industrial revolution.	Installing high bandwidth and capacity wireless connectivity along major transport routes (5G and LPWAN), connecting logistics and transport hubs to manufacturing bases; expand the fibre network more rapidly through efficient roll out of a publicly funded duct network; expand the use of digital technology in town centres.	Capital: £27m Revenue: £3m Total: £30m	• 130km of 5G and LPWAN connectivity along key transport routes • 55 new deployments of 'smart town' infrastructure.

Business support & skills

Business Challenge Fund

Our ask of the Fiscal Stimulus Package: £60m public investment

With businesses large and small in need of rapid support, to ensure the recovery does not stall as the pandemic related restrictions subside, we propose a Business Challenge Fund for the MDA area.

The fund seeks to drive immediate investment and growth by local businesses, stimulating the economy and building back better/greener whilst also supporting the long-term sustainable development of key sectors and employers and their integrated supply chains throughout the cross-border region. The ultimate aim of the Business Challenge Fund is to provide additional impetus to businesses seeking to increase their productivity and accelerating the journey to net zero at a time when the economic fallout from the covid-19 pandemic means returns to private investment may appear uncertain.

In providing targeted support we will protect and grow the number of high value jobs, lever in further private sector investment and increase productivity. To achieve this the Business Challenge fund would be made up of two key pillars of activity:

- **Competitive Grant funding** – businesses would bid for gap funding or other financial support for investments that meet the fund's criteria.
- **Net-Zero Accelerator loans** – 0% interest loads for applicable investment in decarbonisation.

Competitive Grant funding

To accelerate and decarbonise investment across the Mersey Dee area the grant funding will support three specific aims:

1. **Commercialisation/Scale-up of new technologies** – Accelerated support to help deliver key sector wide projects early benefitting businesses and their supply chains. Projects must facilitate SME access to the assets in question and the UK leading projects that could be accelerated include:

- **Tata Steel Construction Campus** - Tata Steel's site in the Deeside Enterprise Zone, Flintshire, has the potential to become a Construction Centre of Excellence with space for 1.2 million sq. ft of industrial property. Using raw steel from Port Talbot in South Wales the site already produces 400,000 tonnes of coated steel products a year and is a supplier to the construction, domestic appliance and automotive industries, with 40% of this exported from the UK. The plans could potentially also incorporate AMRC's Centre of Excellence 'Design for Modular Assembly'.
- **National Centre for Packaging and Innovation** - an AMRC/Wales & CPI multi-site development in Wirral & Flintshire. This centre for sustainable packaging research would accelerate commercialisation of sustainable packaging from materials and consumer/industrial packaging, through to full lifecycle management and traceability. Potential Industrial partners in the Mersey Dee area include Unilever, Iceland, EconPro, Food & Drink Federation, KK Fine Foods.
- **Sustainable Aviation Research Park led by AMRC** - linking locally based international aerospace manufacturing to R&D (beyond wing developments) to 'pilot' projects utilising local airport, hydrogen production and port facilities. Potential partners include Aerocare, Airbus, Magellan, ElectroImpact and Raytheon.

2. **Commercial Sites & Premises** – Enabling low carbon premises for local companies through new developments or re-purposing of existing premises. Grant funding targeted only at project elements that enable a market leading low carbon, operational base for businesses e.g. incorporating low carbon construction, renewables onsite generation, EV installation etc.
3. **Reshoring of Supply Chains** – Gap funding to help secure the reshoring of up to 15 suppliers to the region, delivering productivity and net zero benefits for their key anchor customers in the cross-border area whilst boosting jobs, investment and GVA. Funding would be focused on specific connecting infrastructure (e.g. substations, digital connectivity etc…) for the commercial sites in question, where a major employer has a prospect for reshoring a major part of its supply chain but the commercial site in question needs additional accelerated investment to make it 'supplier ready'.

Net-Zero Accelerator loans

Where businesses in key sectors and their cross-border supply chains, have an evidence-based case for investments that will aid their efforts to decarbonise they will be supported by 0% interest loans to make those investments.

How this supports the cross-border economy:

The Challenge Fund will allow locally led investment to get to those of our businesses that are able to drive forward the recovery, decarbonising their operations and supply chains and linking them to the accelerated delivery of world class R&D / commercialisation facilities in the region. By ensuring the parameters of the grant fund are set to lever in private sector funding and that loans are targeted at green investment – we will not only ensure good value for the taxpayer but also match UK and Welsh government's commitment to:

- **Build back better** – by investing in net zero and supporting the Ten Point plan for a Green Industrial Revolution
- **Strengthen the union** – we will boost the cross border labour market
- **Support levelling up** – by rapidly disseminate funds to the areas that need it most.

The Challenge Fund is expected to provide low carbon commercial premises for 290 businesses, to safeguard 1,800 jobs and decarbonise and accelerate key projects such as Wrexham's Food Technology Park. The Net-Zero Accelerator loans programme will also drive productivity and deliver savings in excess of 450,000 tonnes of Carbon, levering at least £80m of private sector investment and supporting 270 jobs.

Skills and other business support

Our ask of the Fiscal Stimulus Package: £19m public investment

The energy sector has long been identified as a local strength in the Mersey Dee and the infrastructure to build up a net-zero industrial cluster is now falling into place around the existing energy assets in the North West. However, there is a long road ahead to meet the net-zero target. To jointly combat the current downturn in demand for key sectors through diversification and to ensure businesses get ready for net-zero we propose acting quickly, with appropriate revenue funding to deliver:

- **Technical Business Centre for Green Recovery** – the project aims to upskill and reskill the workforce in the MDA area with relevant industry-led clean growth skills for the green industrial revolution to service the rapidly developing low carbon cluster (particularly what may become one of or the world's first Net Zero Industrial Cluster). It will assist with upskilling the advanced manufacturing supply chains in the area aiding diversification. Utilise existing funding streams such as Apprenticeships and Skills Boot Camps the project would aim to be self-sufficient beyond a pump priming period
- **Offshore Energy Alliance (OEA)** – the OEA would like to offer 30 companies who supply the aerospace sector and were directly impacted by the Airbus/aerospace sector decline, a chance to go through the Fit for Offshore Wind Programme. A further programme of business support activities to support the offshore wind sector in procuring local suppliers would also be developed. This would include supply chain capability mapping; employment and skills; networking events; supply chain meet the buyer events; supply chain qualification programmes etc.
- **Fit for the Future** – this programme will offer short-term additional support to businesses and employees in affected priority sectors. The programme will offer business diagnostic services, enhanced skills and employment brokerage across the border and clear signposting to existing services. The aim is to ensure consistent provision, without gaps between areas for those in at risk sectors. For those individuals made redundant or at risk of redundancy via the change in demand from Airbus and other anchor employers a skills assessment and training plan will be provided. Provision developed should training not be readily available and brokerage service will be developed to bring these individuals to emerging opportunities.

How this supports the cross-border economy:

We will coordinate activity to intensively support businesses in some of the region's priority sectors to diversify into other areas, especially clean energy. This will help the successful role out of some of the other low energy investments proposed in this package as well as the UK's own net-zero ambitions in the **Ten Point Plan for a Green Industrial Revolution**.

The management and business support to be provided here will further build on the UK government's **Plan for Jobs**, including the Help to Grow programmes, only with renewed focus on the specific strengths and needs of the Mersey Dee economy and its unique cross-border structure.

All of which will speed the recovery, build a more resilient economy and help us develop world-leading, exportable Green energy capability to boost growth nationwide.

Place

Our ask of the Fiscal Stimulus Package: £75m public investment

While we recognize the value of the work being delivered in both England and Wales in relation to the issues facing town centres nationwide – the Town Fund and Transforming Towns programmes, respectively – we propose an additional funding stream for the Mersey Dee area to support holistic improvement of a number of the places that have not been able to access existing funds.

While it is acknowledged that each town centre is individual in character, common challenges include:

- Vacant floor space
- Poor quality retail premises
- Declining footfall in town centres
- Lack of quality housing and urban living opportunities
- Lack of affordable commercial space
- Economic inequality
- Lack of affordable commercial space
- Unattractive and underutilized public realm

A key objective of the scheme will be to connect new start-ups and entrepreneurs with improved, viable spaces within town centres. Targeted acquisitions of property, new green space and biodiversity projects will add vibrancy and help manage the transition of some of the region's town centres from fading retail hubs towards more vibrant locations as cultural, residential and employment hubs. Co-ordinating this funding across four highly connected local authority areas will boost the effectiveness of its management and the movement of consumers and businesses across borders within the MDA region justifies a central co-ordination of the overall scheme administration, monitoring and learning.

Meanwhile, the Wrexham Gateway project is first transport linked transforming towns pilot in Wales. Ensuring seamless access to key city core sites has been identified specifically as a chance to transform the gateway into Wrexham town centre. There is an existing masterplan that is poised to regenerate Wrexham General Station, link to improved rail connectivity/active travel schemes, and maximise the regional impact of the Racecourse Football Stadium, which has been hosting international football matches since 1877. The proposed infrastructure works will de-risk the project for and lever in private sector investment of over £80m.

How this supports the cross-border economy:

The Wrexham Gateway investment will include bridge works, road access, walkways, cycleways, hard and soft landscaping, street lighting and street furniture and will unlock around £80m of private sector investment.

The wider funding package will support growth and sustainability across the Mersey Dee area's multiple centres as the economy and the role of the town centre adjusts to life after covid. This flexible pot of funding will allow local leaders to coordinate their interventions across the functional economic geography to meet the specific challenges faced by the region. We expect businesses will be able to provide match funding.

This will enable stakeholders within the small, independent business sector and creative industries all of which have been hit hard by the pandemic and will increase the vibrancy of our town centre spaces post-covid.

Low carbon energy infrastructure

Our ask of the Fiscal Stimulus Package: £115m public investment

The North Wales-North West England cross border area aims to be one of the first Hydrogen-CCUS large scale deployment areas in the world. With additional funding the Mersey Dee area is perfectly located to capitalise on the growing hydrogen and CCUS economy.

HyNet

Additional public funding to advance the design stage and secure consents for Phase 3A of the HyNet pipeline would accelerate access to blue hydrogen for a larger range of businesses across the MDA – particularly in North Wales.

HyNet could also develop and build a new UK strategic product testing facilities/demonstration facility linked to the Thornton Science Park.

Without a cheap and reliable source of hydrogen manufacturers are unable to run full machine tests on potential new equipment. This will hold back advances in the type of technology that will be essential to providing low carbon alternative solutions and drive the UK toward net zero. The facility is intended to be open access to all manufacturers and if the capital requirements for the following items can be publicly funded – equipment manufacturers are likely to bear the cost of hydrogen used for testing purposes:

- Hydrogen upgrading facility
- Pipeline
- Demonstration facility

Hydrogen Hubs

A further £40m fund will be made available to address the market failures that hold back the deployment of newer green technologies such as hydrogen and CCUS.

An advanced candidate is the **Deeside Hydrogen Hub** project, being brought forward under the North Wales Growth Deal. This aims to develop a hydrogen hub around the Deeside Industrial Park in Flintshire as a new location for the production of green hydrogen. Although the project is initially being developed by the North Wales Economic Ambition Board, once a hydrogen source has been established further public sector investment will complement the proposal, by accelerating deployment and commercialisation of new technologies such as:

- **Heavy goods vehicles**.
- **Local authority fleet**
- **Passenger transport vehicles**

Tidal

There is potential for a 3GW Tidal Range project in the Mersey and given the extensive benefits this project could hold for local manufacturers over many years the Mersey Dee Alliance would like to support the Liverpool City region in funding the next phase of the front end engineering and design work as well as providing development funding to progress a potential North West Tidal Energy Centre of Excellence.

How this supports the cross-border economy:

The proposals above will assist with enabling the UK Government's 2030 ambitions to support:

- the creation of a low carbon industrial cluster
- generating 5GW of low carbon hydrogen capacity
- capturing 10MtCO2/year using CCUS

The direct investment in design and consenting work for HyNet pipeline will unlock around £250m of private sector investment and deliver around 100km of new pipeline.

Transport

Active Travel

Our ask of the Fiscal Stimulus Package: £85m public investment

We want to rapidly accelerate provision of a single network of active travel routes across the Mersey Dee area by 2025. This will facilitate convenient access by bike and by foot to and from key employment, leisure, commercial and educational facilities.

- The major **employment sites** that would be opened up to increased access via the Active Travel network include: Birkenhead, Wirral Waters, the A41 corridor, Ellesmere Port, Ellesmere Port Industrial Area, Chester, Deeside Industrial Park, Wrexham Industrial Estate and Broughton.

- The proposals are also designed to improve access to and use of the **public transport network**. The Active Travel network will link to the Borderlands (Wrexham-Bidston) rail line which allows onward connections from North Wales through to Liverpool and proposed new stations e.g. Deeside Parkway.

The proposals would create a cross-boundary network of high-quality routes designed in accordance with rigorous standards set out in the Department for Transport and Welsh Government's guidance. The project will bring together and coordinate the four local authority members of the Mersey Dee Alliance to progress their own plans, with support from Transport for Wales as a local transport development & delivery body with specialist Active Travel team/expertise.

How this supports the cross-border economy:

We have identified a network of around 100km of cycling and walking infrastructure within the plans of the Mersey Dee Alliance's four local authority members. Both UK and Welsh government transport priorities recognise the significant value of walking and cycling to our residents and our economy. UK government estimates that:

- **Health** - Physical inactivity costs the NHS up to £1bn per annum, with further indirect costs calculated at £8.2bn
- **Wellbeing** - 20 minutes of exercise per day cuts risk of developing depression by 31% and increases productivity of workers
- **Congestion** - new cycle routes in London are moving 46% of the people in only 30% of the road space
- **Local businesses** - Up to 40% increase in shopping footfall by well-planned improvements in the walking environment
- **Environment -** doubling cycling and increasing walking could lead to savings of £567 million annually from air quality alone and can help reduce the

In the context of this Fiscal Stimulus Package, investing in this low cost transport infrastructure is especially important for open up additional opportunities to residents and improve access to major employment sites. Connecting more people to better jobs is the best way to foster inclusive growth throughout the region. The labour market will function better, reducing potential periods of unemployment and facilitating better matching between employers and potential employees.

Public transport

Our ask of the Fiscal Stimulus Package: £30m public investment

The Mersey Dee area has long suffered from underinvestment in public transport infrastructure and a range of important capital spending projects that are under development urgently need capital support to move forward. However, in order to meet the immediate needs of our fiscal stimulus package two short-term investments are required:

- £20m in **revenue to fund development work** that will enable up to £225m of potential rail capital projects to advance
- £10m in capital to fund the infrastructure and technology platforms required to institute **cross-border integrated contactless ticketing**

How this supports the cross-border economy:

The revenue funding package would enable North Wales Mainline and Borderlands enhancements to be expediated by Transport for Wales over the next 3 years. This will enable 3 shovel-ready schemes Deeside Parkway Station, Shotton and Chester Station (i.e. Stage E Plan of Works/GRIP 5/Full Business Case) and a further 6 schemes to be taken forward to single option selection and Preliminary Design (Stage C Plan of Works/Outline Business Case). Not only will this accelerate much-needed public investment in new rail infrastructure, helping to level up the region. By increasing the certainty of future rail investment will inspire confidence for private investors into the MDA.

Meanwhile, integrated ticketing across modes and operators would both boost access to jobs for people across the MDA over the longer term.

The funding outlined here will provide integrated ticketing across:

- 20 train stations
- 400 buses
- 50 routes
- 9 operators

Bb creating better integrated transport links we will also allow a better integrated labour market. This means improved matching of those who have lost their jobs due to the pandemic with new educational and work opportunities.

Wider strategic transport infrastructure projects

The long-term prosperity and competitiveness of our employers, people and places has been held back over time by under-investment in our transport and digital infrastructure. These immediate asks of the Fiscal Stimulus Package sit in the context of a wider set of transport infrastructure priority investments including:

- **The North Wales Metro** – a capital investment programme must follow the development work above to realise these benefits
- **The A494 River Dee crossing** – this vital river crossing that carries more daily trips that the Severn bridge needs replacing
- **The Chester - Broughton Growth Corridor** – improve access to Chester City centre and unlock development sites
- **The A483 junctions 4-5 –** an expansion of one of Wrexham's key employers is dependent on these congestion reliving works
- **M53 and M56 interventions –** improving access to Manchester and Liverpool by improving capacity and resilience

Digital

Our ask of the Fiscal Stimulus Package: £30m public investment

The physical and digital connectivity of the Mersey Dee is not as good as it could or should be to support the region's households and businesses.

While both the North Wales Growth Deal, Liverpool City Region and the Cheshire and Warrington Local Enterprise Partnership have begun work on separate Digital connectivity programmes that will address those issues across the Mersey Dee area. The connected nature of the Mersey Dee economy means there is ample opportunity to expand on these programmes, adding real value in joining up the work across two major areas:

- **Connected corridors** – the North Wales Growth deal will develop high bandwidth and capacity mobile coverage (5G and LPWAN) on major transport networks. With additional funding these connected corridors could be continued across the England/Wales border towards Manchester and Liverpool.

- **Fibre duct installation** – both the Liverpool City Region and North Wales Economic Ambition Board intend to use public funds to accelerate roll out of the fibre network. With innovation around the installation of ducting required for future fibre installation across a broader range of locations network can be made accessible to commercial operators. With additional funding to join up this effort across the Mersey Dee area, growth of the network could be better coordinated, and procurement options explored over this much larger geography.

- **Town centre digital** - the project will enable business communities and place managers to better understand the performance of their High Streets and to make investment decisions based on robust and dynamic data sets. Digital technology will be installed in Town Centres across the Mersey Dee area and resources deployed to ensure procurement of technology and uptake of relevant insights from the data collected are efficient.

How this supports the cross-border economy:

The Mersey Dee area is a recognized economic geography that covers and area which overlaps the administrative boundaries of the North Wales Economic Ambition Board, the Cheshire and Warrington LEP and the Liverpool City Region. The Mersey Dee Alliance members have the opportunity to coordinate digital infrastructure provision across those boundaries, building a network of connectivity that is bigger than the sum of its parts.

In the aftermath of Covid-19, with opportunities to work from home increasing, greater digital connectivity across the border will help the Mersey Dee economy overcome some of its physical connectivity challenges. Further afield, expanding the benefits of ongoing investment in 5G connectivity further along transport corridors holds huge potential for logistics firms and manufacturers, in particular as they adapt to new customs requirements for trade with the EU. Indeed, as a consequence of this expansion in digital infrastructure and the close proximity of the Digital Signals Processing centre of excellence at Bangor University we hope to facilitate the role of advanced manufacturing businesses for example in the food processing sector to act as test-beds for further 5G innovation.

05: How we will deliver

How we will deliver

05

We have the established structures, capacity and partnerships to deliver quickly and effectively. Our partnership has a strong track record in the effective and efficient delivery of major projects.

We do not propose, or need, to create new governance structures to deliver the fiscal stimulus package. The MDA will provide central co-ordination of the package of investments, with xxx acting as the accountable body. Individual projects would be delivered by a range of lead partners including our member local authorities, Transport for Wales and we will contract with the private sector as appropriate.

Could do with a diagram here

06: Stakeholder support

Stakeholder Support

06

We have been working intensively and collaboratively with our partners in the region to develop our fiscal stimulus proposition. This has been done through a process of consultation, a series of listening exercises and interactive workshops to gather views, test ideas and refine proposals.

As a consequence, our package has strong support from key public and private sector organisations in our region.

Insert logos here when ready

07: Taking the Package Forward

Taking the Package Forward

07

Our proposed fiscal stimulus package has been designed to address the urgent need to stimulate economic recovery in the Mersey Dee economy. We believe that our proposed programmes provide a compelling set of investment propositions that will drive short term economic recovery whilst delivering on national objectives for low carbon transition and growth, levelling up opportunity and developing skills and capabilities for the future. Our proposals will also help strengthen the union.

Our partners in the public and private sectors are fully behind the package and recognise the urgent need to deliver.

We recognise that this is the starting point in a conversation. The proposals have been designed to offer an attractive, investable set of propositions suitable for funding by a range of potential funders.

The MDA will:

- **Engage with the UK and Welsh Governments** to take forward and negotiate funding for the proposals in the Strategic Proposition.
- Use the election period for the Welsh Senedd to **engage with business and partners to further refine and develop our proposals,** for example the Business Innovation and Challenge Fund
- Continue to work closely with our neighbouring Local Growth Partnerships **to ensure that MDA proposals are complementary and add value to existing propositions** like the LCR CA Recovery Plan, the North Wales Growth Deal and the Cheshire and Warrington Recovery Plan.

We are ready to deliver this quickly and to work with Government to make this happen.

We welcome feedback from Government on our proposals, and we look forward to working collaboratively to take this forward.

For more information, please contact us below. [need contact details]

- Contact details here [Who should be added here?]

Y Gwir Anrh/Rt Hon Eluned Morgan AS/MS
Prif Weinidog Cymru/First Minister of Wales

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/FM/0162/26

Delyth Jewell MS
Chair
Culture, Communications, Welsh Language, Sport,
and International Relations Committee
Welsh Parliament
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27 January 2026

Dear Delyth,

Thank you for the Committee's report on the 2026-27 Welsh Government Draft Budget, published on the 15 December 2025, outlining 21 recommendations for the Welsh Government.

We acknowledge the work undertaken by the Committee on their scrutiny of the Draft Budget and welcome this report. Please find enclosed the Welsh Government response to recommendations 18-21, relating to International Relations, in advance of the vote on the Final Budget on 27 January.

Responses to the other recommendations have been provided by the relevant Ministers separately.

Eluned Morgan

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Welsh Government Response to the Culture, Communications, Welsh Language, Sport, and International Relations (CCWLSIR) Committee's Report: Scrutiny of the Welsh Government Draft Budget 2026-27

Chapter 4: International Relations

Summary

This report sets out the Welsh Government response to the Culture, Communications, Welsh Language, Sport, and International Relations (CCWLSIR) Committee's Report on the Scrutiny of the Welsh Government Draft Budget 2026-27.

It provides responses to recommendations 18-21 which fall under Chapter 4 – International Relations.

A further two separate reports will be provided in relation to Chapter 2 – Culture, Communications and Sport (recommendations 1-11) and Chapter 3 – Welsh Language (recommendations 12-17) section of the report.

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1. Introduction

The Welsh Government Draft Budget for 2026-27 was published in two stages. The outline draft budget 2026-27 was published on 14 October 2025 with the detailed draft budget 2026-27 published on 3 November 2025. It set out revenue and capital spending plans for the period April 2026 to March 2027.

As part of the budgetary process written evidence was provided by the Cabinet Secretary for Finance and Welsh Language to inform scrutiny of the Draft Budget 2026-27. This paper provided information to the Culture, Communications, Welsh Language, Sport and International Relations (CCWLSIR) Committee on budget allocations relevant to the international relations activity.

Oral evidence sessions were held on the 19 and 27 November 2025 where the CCWLSIR Committee took evidence from the Minister for Culture, Skills and Social Partnership and the Cabinet Secretary for Finance and Welsh Language.

The Committee published its report on Scrutiny of the Welsh Government Draft Budget 2026-27 on 15 December. We thank the Committee for the report.

The Welsh Government has considered the Committee's report and responds to recommendations 18-21 in relation to International Relations below.

2. Recommendation 18

The Welsh Government should:

In line with our previous recommendations and the principle of Welsh Government accountability to the Senedd, the Welsh Government must ensure that, where requested by the relevant committee, the Minister with responsibility for International Relations appears in person for oral evidence sessions on future Draft Budgets

Response: Reject

When responsibility for International Relations came into the First Minister's portfolio it was decided that the First Minister would attend one scrutiny session annually on the basis that there are multiple opportunities for ministerial scrutiny throughout the year, as evidenced by the First Minister's appearance at the Committee for the Scrutiny of the First Minister in December 2024 which focussed on international activity and in March 2025 which focussed on international affairs. The position on First Minister attendance has not changed, but the new Government in May may wish to consider the Committee's request again in more detail once decisions are made on the new ministerial portfolios.

Until then, the First Minister will continue to provide written evidence on the draft budget allocation and follow up in writing as required.

3. Recommendation 19

- The Welsh Government should provide information on outcomes and deliverables relating to International Relations for 2024-25 and 2025-26.
- Provide information on out-turns, outcomes and deliverables relating to International Sustainable Development for 2024-25 and 2025-26
- Explain how the budget allocation for 2025-26 has been used to deliver the International Delivery Plan so far in the current budget cycle, and what there remains to deliver during the Sixth Senedd.
- Provide more information on the planned Overseas Network Review, including the rationale behind the decision, the review process, its scope, timings and resourcing

Response: Accept

The outcomes for both International Relations and International Sustainable Development for 2024/25 are set out in the 2024/25 Annual Report, which can be found here - International relations annual report 2024 to 2025 | GOV.WALES.

The outturn for 2024/25 and the forecasted outturn for 2025/26 are set out below.

International Relations BEL	2024-25 Outturn	2025-26 Forecast
Budget	£8,093,000	£8,193,000
Budget after 1st supp transfer	n/a	£8,168,000
Total	£7,903,106	£8,168,000

International Sustainable Dev. BEL	2024-25 Outturn	2025-26 Forecast
Budget	£1,050,000	£1,050,000
Budget after 1st supp transfer	£1,050,000	£1,100,000
Total	£1,055,273	£1,100,000

Deliverables against the International Relations budget for 2025/26

A significant programme of activity was delivered throughout the 2025–26 financial year, with the Wales and Japan Year representing a major highlight. Over the course of the year, the Welsh Government and its partners deepened cultural, economic and diplomatic ties through high-profile events and activities in Wales, Japan and London. This included an extensive cultural programme comprising 21 collaborative arts projects and Wales's participation in Expo Osaka 2025, which contributed to strengthened governmental links and long-standing people-to-people relationships.

The International Relations budget also supported a small network of strategic partners, enabling the promotion of Welsh culture, values and the Welsh language internationally. This included support for the formulation and distribution of the Urdd's 2025 Peace and Goodwill Message, which was translated into 50 languages and shared globally.

The budget additionally supported partner activity at major international events such as the UEFA Women's Championships in Switzerland, where Wales's participation generated 8 million digital impressions and 3.5 million video views. On-the-ground activity included the largest fan walk in the tournament's history, involving 8,000 participants, alongside 17 events delivered with 67 partners, artists and organisations. International Relations funding also facilitated Wales's participation in UNESCO's MONDIACULT conference in Barcelona, where Wales and the Welsh language were prominently represented at an internationally renowned.

Domestically, the International Relations budget funded activity to host and engage international audiences, supporting the promotion of Wales, Welsh culture and the economic opportunities that exist here. Notable activity included hosting a delegation of 14 European writers at Tŷ Newydd Writing Centre and subsequently showcasing their work at the Hay Festival, further enhancing Wales's international profile.

The budget also supported the Welsh Government's bilateral partnerships, including the latest iteration of the Wales–Québec joint funding call, which provided seed funding for new and existing collaborations between Welsh and

Québec institutions. It further supported the First Minister's visit to the Basque Country and Catalonia to formalise partnerships with both regions and enabled the delivery of a targeted diplomatic reception for priority international contacts at Wales's foremost technology event, Wales Tech Week.

Deliverables against the International Sustainable Development budget for 2025/26

In 2025/26 the Welsh Government has made two donations to the Disasters Emergency Committee, £100k was given for the DEC Myanmar Appeal in April 2025 and a further £250k given towards the DEC Middle East Humanitarian Appeal in October 2025. We continue to receive regular reports on the impact of our donations and on the sums raised in Wales.

Two rounds of the heavily oversubscribed Wales and Africa Small Grants Scheme have been held. Round 1 received a record 70 applications and 7 grants of up to £25k, have been awarded to a diverse range of Welsh groups. Details can be found here – Wales and Africa Round 1 Grant Awards.pdf. Round 2 received 48 applications and will be awarded in January 2026. This round includes £50k for inclusion projects resulting from the 2025 budget deal.

Seven highly successful International Learning Opportunities placements have taken place so far with a further two planned. Opportunities are now advertised on the Hub Cymru Africa website – reflecting our desire to be more demand led. Opportunities in the sector | Hub Cymru Africa

Hub Cymru Africa (HCA) has been supporting partnerships between Wales and Africa with one-to-one support, mentoring and networking. Hub Cymru Africa delivered five training sessions on fundraising and safeguarding during this period. HCA also ran the Global Health Partnerships Cymru conference in Cardiff in September with 130 people attending and speakers featured from Somaliland, Lesotho and Gaza. The Minister for Mental Health and Wellbeing spoke at the event. HCA Promoted equality and inclusion through a Gender Community of Practice, work with African diaspora communities, Disabled People's Organisations and promotion of the Hub Cymru Africa Anti-Racism Charter. More than 40 members of the African diaspora in Wales attended diaspora-led events in Cardiff and Bangor to discuss partnership projects.

The 2025 Fairtrade Fortnight took place in September-October with 50 local events and at least 3000 people directly engaged across Wales. Jenipher Sambazi of Jenipher's Coffi visited Wales and spoke at several events.

International Delivery Plan

There is no separate dedicated budget to deliver the International Delivery Plan (IDP). The IDP sets out our remaining priorities out to the remainder of the Senedd term. Officials provide a quarterly report to the Committee, and the third report is due with the Committee at the start of February. It is not expected that this Plan will continue into financial year 2026-27.

Overseas Network Review

The overseas network is reviewed on a regular basis to ensure that we have the right people in the right global locations in accordance with delivering our priorities. The current review is an internal process, and it would not be appropriate to share details at this early stage, but we aim to finalise the review during Summer 2026. This review is being carried out concurrently with the UK Government's Overseas Network Review, led by the Foreign, Commonwealth and Development Office (FCDO), as outcomes from that review may have implications for our operations, given our involvement with the One HMG Overseas Platform.

4. Recommendation 20

- The Welsh Government should explain the rationale behind the international BEL's real-term cuts in light of overall revenue increases of 2.2 per cent.
- Detail what discussions took place between relevant Cabinet Secretaries/Ministers that resulted in the international BEL's real-term cuts.
- Provide allocations for the profiled planned spend for the IR BEL and explain why these were not shared with the Committee in the First Minister's written information.
- Explain why the Welsh Government transferred £3,000 from reserves, and why this was not mentioned in the First Minister's written information.
- Set out where the £3,000 transfer from reserves will be allocated in the three areas the IR BEL (International Engagement, Overseas Office: running costs, Overseas Offices: combined activity).
- Ensure that the International Strategy, four action plans and the International Delivery Plan is subject to an external evaluation process, (as with the Export Action Plan).

Response: Accept in Principle

The CSA MEG is receiving a revenue uplift in 2026/27. As the CSA MEG, which primarily funds the running of the WG through staff costs (DRC funded staff), Estates and IT, is forecasting pressures on central running costs in 2026/27, it was agreed, through discussions between the Permanent Secretary, CSFWL and the CSI Group Finance Director, that the revenue uplift should primarily be applied to the Staff Costs BEL to ease the significant forecasted pressures against that BEL. These funds will assist in moving towards making the DRC funded posts financially sustainable.

(To note the revenue uplift to the MEG was 2% and then subsequently a further 0.2% was given to the MEG in relation to the assumed pay award figure of 2.2% for 26/27 – this equated to the £3k uplift. In addition, the International Relations BEL received an £11k uplift in relation to the impact of 0.75% non-SCS and 0.25% SCS pay uplift).

A full breakdown of planned spending can be provided once the budget has been approved for 2026-27 and new international priorities have been agreed as part of the next government term.

The Welsh Government transfer of £3,000 from reserves to the IR BEL in 2026/27 corresponds to the additional 0.2% uplift to the baseline for Public Sector pay. This will be assigned to the Overseas Network running costs.

External evaluation is an important tool to understand and apply lessons learned and maximising value for money. We have used this tool before, commissioning external evaluations of our Wales in France year and our World Cup engagement activity (in addition to the Export Action Plan). The Committee will also be aware that officials have been reviewing progress against the International Strategy and associated action plans and have recently provided an update to the Committee on the 270 identified actions.

We will give consideration to an external evaluation for the International Strategy, the associated Delivery Plan, and the remaining four action plans.

5. Recommendation 21

- The Welsh Government should set out the Welsh Government's delivery partners for 2026-27.
- Set out when funding will be confirmed for all delivery partners, and how many have submitted engagement and delivery plans.
- Clarify what steps were taken to obtain key financial information from partners during the Draft Budget's development.
- Explain the Welsh Government's contingency plan if strategic partners report that the real term cuts described above are insufficient to deliver their responsibilities.

Response: Accept

The Welsh Government's delivery partners for 2026-27 are:

- Academi Heddwch
- Wales Arts International
- Urdd Gobaith Cymru
- The Office of the Future Generations Commissioner for Wales

All partners have returned funding application forms, along with their draft engagement and delivery plans.

The plans set out their proposed activities for 2026-27 and a comprehensive breakdown of spend. As part of their funding application, partners were asked to identify any risks that could have a negative impact on the delivery of their proposed activities and set out the mitigation measures that will be put in place.

The plans are being considered by officials and are subject to approval. We aim to confirm their funding as soon as is practicable when the Welsh Government's final budget has been agreed.

Rt Hon Eluned Morgan AS/MS
Prif Weinidog Cymru/First Minister of Wales

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: PO/FM/0044/26

Delyth Jewell MS
Chair
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Sport, and International Relations Committee
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27 January 2026

Dear Delyth,

Thank you for your letter dated 17 December 2025 about the Wales-Ireland relationship. Please see the answers to your questions below.

An update on the recommendations has been provided at **Annex A**.

I am aware that the Committee will be visiting Ireland in the coming period and I am pleased that my officials have been engaging with you to support your visit. I hope that this will provide an important opportunity to find out more about our extensive work programme and focus on delivery.

General

Q1. Could you outline the next steps for delivery, including relevant dates such as the 2026 Ireland-Wales Forum?

A1. Delivery remains the key focus for the Shared Statement. Discussions are underway with the Irish Government about a potential date for the next Ireland-Wales Ministerial forum and a date will be confirmed after the Senedd elections.

Irish Government Ministers attended the recent British Irish Council, which I hosted in Wales, and this was an opportunity to discuss the renewed Shared Statement.

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Officials are planning events with stakeholders and partners to mark St David's Day in Dublin and Galway. This includes business and diaspora receptions and cultural events. Agile Cymru will launch a new round of seed funding before the end of March and the Welsh Government will also continue to take a lead role in the PEACEPLUS-funded *Developing Irish Sea Cooperation* project, including four nation stakeholder events in Scotland and Ireland in the first half of 2026.

We are in the final stages of agreeing dates for inward visits around the semiconductor, food and drink, education and energy sectors. This is supported by wider work including facilitating a visit for Welsh food and drink producers to visit Ireland and meet buyers in March. We are also working with the Tyndall research institute and Photonics cluster in Galway on a visit by the CS Connected partners, academics in the semi compound conductor sector. Finally, we are progressing a visit by renewable energy companies to Ireland to understand more about the supply chain opportunities and pipeline of projects being delivered in Ireland and Wales.

Stakeholder Engagement

Q2. How did the governments involve stakeholders in the renewal process, including those named in the Shared Statement 2030?

A2. This is a joint agreement, so our approach to stakeholder consultation must be agreed with the Irish Government. This is a government-to-government agreement, with the Irish Government's preference being not to publicise the draft with external partners as it wanted to maximise the time dedicated to delivery. This decision was in line with the Irish Government's previous approach, and, therefore, external consultation on the exact wording was limited.

The Welsh Government undertook internal engagement and involvement with relevant policy leads across all themes, including areas such as culture, energy, innovation and sport, as well as holding discussions with external stakeholders, including the Urdd and Wales Arts International. Officials reached out to a wider group of stakeholders and potential partners to deliver the 2030 statement.

Q3. What opportunities will be made available for stakeholders who are not named to be involved in delivery, including in the planning meetings expected in early 2026?

A3. The Shared Statement has been designed to be a living flexible document that provides a platform that responds to opportunities as they arise. For the 2030 Statement, we have updated our approach towards collaboration to improve flexibility and our ability to adapt for change; therefore, we have moved away from naming stakeholders. The aim of this change is to enable different collaborations with a wider variety of organisations, as we have done previously as part of our Team Cymru approach, rather than restricting collaboration to a defined list of names. Agile Cymru will continue to support Welsh organisations from all sectors in their collaboration with Ireland.

Interaction with UK and EU arrangements

Q4. To what extent will Wales-Ireland cooperation be enhanced by closer UK-Ireland and UK-EU relations announced earlier this year?

A4. The announcement of the Common Understanding Agreement in May 2025 has laid the foundations for 're-setting' the relationship between the UK and the EU. The Welsh Government has consistently called for a closer association with the EU and welcomed the announcement of the Common Understanding. Discussions between the UK and EU are now underway on what that new relationship will ultimately look like, and we are engaging productively with the UK Government to ensure Welsh interests are represented. With the recent announcement that the UK is rejoining ERASMUS+, expectations of enhanced cooperation are hopeful.
With regards to Ireland specifically, the discussions in May 2025 have certainly helped to increase the appetite for cooperation on the Irish side and helped build links with EU stakeholders. Whilst it is still early days, there are signs of promising progress in enhancing the connections between the Irish Horizon Europe contact point network and UK/Welsh Horizon Europe contact point networks, as committed to in the Statement. A stronger relationship will benefit key sectors such as offshore energy in the Celtic and Irish Sea as projects move through from consenting to generation

The closer Ireland UK relationship will benefit Wales in areas such as renewable energy. The new MoU between UK and Ireland on energy has allowed Wales to be part of these discussions and contribute in areas for collaboration around offshore energy. Furthermore, Wales will have the opportunity to contribute to the 2026 Ireland UK Summit to be held in the first quarter of this year.

Q5. The Welsh Government said in response to our Culture Shock report that the new Shared Statement would form the basis for discussions on supporting those navigating Brexit effects in their Wales-Ireland cooperation. Could you provide an update on how this is taking place?

A5. We are holding routine meetings with impacted stakeholders. Officials in Dublin met with Wales Arts International in January 2025 to discuss the new Shared Statement and will be meeting them again at the end of the month.

The Holyhead Taskforce is one example of closer cooperation between Wales and Ireland in a post-Brexit environment. The Taskforce has brought together ports, government officials on both sides of the Irish Sea, and wider stakeholders to support the movement of goods. This cooperation was highlighted during the prolonged closure of Holyhead port in the winter of 2024-25 and, most recently, in January 2026 when the port was again briefly closed due to damage.

Funding and Budget

Q6. What funding will be made available by the Welsh Government to organisations delivering Wales-Ireland activity?

A6. The Welsh Government's Ireland office has an overall activity budget of £50,000 allocated for 2025-26. This funds all delivery undertaken by the office, including activity related to delivering the Shared Statement and support for trade and investment.

In addition, the Welsh Government has already committed over half a million pounds to support cooperation in the Irish Sea region through Agile Cymru, with £200,000 of that available in this financial year. Agile Cymru will launch a new round of seed funding before the end of March.

The Welsh Government's Innovation team has also contributed to the Universities Wales / Research Ireland Alliance funding which totals £0.5m. Funding has been allocated to support eight projects which have Ireland and Wales partners.

Q7. Could you confirm the Welsh Government budget allocations for Shared Statement delivery to date?

A7. The budget allocated to delivering the Shared Statement is £68,500 in total. Additional funded activities from the Dublin Office activity budget, the trade and investment budget, and major events budget also contribute to delivery of the Shared Statement.



Eluned Morgan

Annex A – Update on Recommendations

Recommendation 1.
The Welsh Government should outline the potential opportunities provided by renewed Horizon participation in response to the Committee's report.

Update:
We continue to urge Welsh stakeholders to make the most of access to the Horizon Europe programme. Relevant activity includes events, newsletters and publication of a "calls calendar" on the Welsh Government website. Agile Cymru provides seed funding to Welsh organisations who want to build Irish and European networks or apply to Horizon Europe. There are strong links between our work on the Shared Statement, the Irish Sea Framework, DISC and Horizon Europe, with capacity being built in key themes to bid for competitive funding.

Recommendation 2.
The Welsh Government should resume publishing annual reports on the achievements of Horizon participation in Wales.

Update:
The 'Wales in Horizon Europe: 2021 to 2023' was published on 19 September 2024 and contains an analysis of the first three years of Horizon Europe as well as case studies and advice. Our Horizon Europe Unit, part of Agile Cymru, issues a regular newsletter highlighting latest developments and success stories.

Recommendation 3.
The Welsh Government should increase the visibility of Wales-Ireland relations on its website by bringing together its strategies as they relate to Ireland in one place, to include the Irish Sea Framework, the International Strategy, the Shared Statement, and information about the role of the Dublin office, by the end of February 2024. This should be accompanied by clear explanations of how each strand relates to the others, and how this is coordinated.

Update:
Information concerning the Wales-Ireland relationship is available on the International Relations and Development page on the Welsh Government website with links to the Shared Statement, Forum Meetings, the Irish Sea Framework and the Agile Cymru funding call.

We will continue to explore strengthening this.

Recommendation 5.
The Welsh Government should involve relevant civil society expertise (including the Future Generations and Welsh Language Commissioners) in its future Wales-Ireland relations work and explain how this will be done in its response to the Committee's report.

Update:
Engagement and involvement are at the heart of our Team Cymru approach to diplomatic engagement. The Ireland office has, and continues, to work closely with the Future Generations commissioner and his team and has supported two visits to Ireland in the past 12 months. Most recently, the Future Generations Commissioner's visit in September 2025 included participation in a panel session at the Business in the Community Ireland Sustainability and Social Inclusion Summit in Dublin.

Given that Culture, Language and Heritage is one the key areas of focus, the team have recently worked with the Urdd, Literature Wales and Menter Caerdydd in supporting activity to deliver the Shared Statement.

The office will continue to regularly engage with the Commissioner and other Team Cymru partners in order to support their work from a Wales-Ireland perspective.

Recommendation 6.
The Welsh Government should provide more information about its activities to raise awareness of its Wales-Ireland strategies amongst Welsh stakeholders in its response to the Committee's report.

Update:
The Irish Sea email network and relevant social media accounts continue to provide information on events, funding opportunities, case studies and thematic topics to stakeholders from all sectors. Agile Cymru has supported several stakeholder-led thematic workshops in locations in Wales and across the Irish Sea region. The Welsh Government played a lead role in the Developing Irish Sea Cooperation Symposiums in Belfast in May and Cardiff in November.

Recommendation 11.
Where the Welsh Government adopts a similar approach for other priority international relationships, it should build in the findings of this report from the outset.

Update:
The Shared Statement is unique. It is our only agreement with a whole country and it is a government-to-government agreement that commits to ministerial engagement in Wales and Ireland.

We use the learning from this to inform future agreements and, in January 2026, the Welsh Government signed new agreements with the governments of the Basque Country and Catalonia. As with the Ireland Shared Statement, these are focussed on targeted areas where collaboration can support delivery to improve outcomes at home and overseas.

However, it is important to remember that, although we have a number of agreements in place, a templated approach is not feasible or realistic. Different governments have different approaches and a more flexible style that remains focussed on delivery but respectful of protocols and approaches is important.

Recommendation 12.
The Welsh Government should review the evidence we have gathered and use it to inform future decisions on priorities for Wales-Ireland cooperation post-2025. These lessons should be taken forward by the Welsh Government and reapplied to its other priority international relationships in future.

Update:
The Committee Report contained important findings which I accepted. Those findings including feedback from stakeholders urged focus, engagement and ensuring that funding was available.

The Wales Ireland Shared Statement 2025-30 is an action-oriented, forward-looking framework for bilateral cooperation between the governments of Ireland and Wales. It will advance work under six agreed areas. Financial support for cooperation is available.

That focus on delivery, collaboration and allocating appropriate resources extends to our other partnerships too. The recent agreements with the Basque Country and Catalonia are focused on delivering outcomes with work on areas such as technology, renewable energy, trade, investment, language and culture. We will work with our Team Cymru partners to achieve meaningful outcomes.

Recommendation 14.
As international relations policy appears indivisible from trade in respect of Wales-Ireland relations, the Welsh Government should clarify how they are coordinated across the work of government.

Update:
As previously set out, the Welsh Government's international relations, inward investment, export support and trade policy work is led by a single directorate and set by the International Strategy. Other teams across Welsh Government, for example Education, will undertake international activity and this will be aligned with the three goals in the Strategy. Our Ireland office will coordinate all of the activity that is being undertaken in its market.

The Ireland office directly worked with the Investment team to secure attendance to the 2025 Wales Investment Summit. These executives heard directly on investment opportunities in Wales across sectors including energy, Semiconductors and Tech. The Ireland office works closely with the trade colleagues sharing export opportunities in Ireland and encouraging Welsh companies to realise the opportunities to secure deals in Ireland. The Dublin team have and continue to attend the Wales Explore Export events to meet directly with Welsh businesses.

The Team have delivered trade and investment missions in the Tech and Cyber Security sectors, working with relevant chamber, Cardiff Capital region and Welsh universities. For example, the team supported a visit to Dublin in May 2025 by Tramshed Tech and Cardiff Council Inward Invest lead to build their connection with Ireland.

Recommendation 16.
The Welsh and Irish governments should commit funding to Wales-Ireland relations proportionate to their ambition beyond 2025 without delay, to provide certainty to stakeholders and to ensure that opportunity costs are minimised.

Update:
The Welsh Government has committed over £0.5m to support cooperation in the Irish Sea region through Agile Cymru, £0.2m of that in this financial year. Agile Cymru will launch a new round of seed funding before the end of March.

Irish Government funding is a matter for the Irish Government. However, it is a matter of public record that the Irish Government provided funding for the Research Alliance fund and the recent scheme to support Irish early career researchers to build collaborative links with Wales.

Recommendation 17.
The Welsh Government should provide more information on Agile Cymru, including its focus on developing new links rather than preserving existing ones and the involvement of stakeholders.

Update:
Information on Agile Cymru continues to be available on our website, through the Irish Sea email network and relevant social media accounts. This includes case studies demonstrating how stakeholders are maintaining existing links and developing new links through our support.

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol

—

Culture, Communications, Welsh Language, Sport and International Relations Committee

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Naoise Ó Cearúil TD

An Leas-Chathaoirleach

Comhchoiste na Gaeilge, na Gaeltachta agus
Phobal Labhartha na Gaeilge

9 February 2026

Dear Naoise Ó Cearúil TD,

I am writing to express my sincere gratitude for your kind invitation to meet during your forthcoming visit to Wales later this month. My Committee and I greatly value opportunities for constructive dialogue, and we are genuinely appreciative of your thoughtfulness in extending this invitation.

Regrettably, the timing of your visit coincides with a period of Senedd recess, during which Members return to their constituencies and are therefore unable to meet in person. I must offer my sincere apologies that it will not be possible to accept your invitation on this occasion, though I would greatly value being able to meet virtually soon, should that be possible.

You will also be aware that the Committee had intended to visit Dublin from 24 to 26 February 2026. Owing to unavoidable scheduling constraints, including the requirement for members to attend an important vote in Plenary on 24 February, the Committee is no longer in a position to proceed with this visit. We very much regret that these circumstances prevent us from engaging with you as originally planned.

The visit to Dublin was intended as part of our follow-up inquiry on Wales-Ireland relations, through which we have revisited the findings of our 2023 report, *Wales-Ireland relations: Exploring an old relationship in a new age*. Given the renewal in 2025 of the international agreement *Shared Statement 2030*, the Committee considered it timely to revisit our earlier work and to explore how Wales-Ireland relations have evolved, and the extent to which the Committee's findings have been reflected in the intervening period. The Committee will be publishing its second report on Wales–Ireland relations in due course, and we will be pleased to share our findings with you.

Once again, through this inquiry, we have been moved by the depth of the connections that bind our nations together. As the Sixth Senedd draws to a close, so too does the work of our Committee. The opportunities that stretch before Wales and Ireland, though, most certainly do not. We will appeal to a future Senedd Committee to continue with our work, to ensure that the Wales –Ireland relationship retains its special status and that our findings are carried forward.

We wish you every success with your forthcoming visit to Wales.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Dear Cabinet Secretary for Education and Committee Chairs,

I'm writing as a mum from Pembrokeshire. My daughter, [redacted], has trained since she was a little girl to audition for a specialist musical theatre and/or dance degree at a leading college in England. We have discovered that, because she is Welsh-domiciled, she may be unable to access Student Finance Wales for these courses even if she earns a place through a competitive audition.

Over recent weeks I have tried to understand the position. I have contacted multiple specialist colleges and Student Finance Wales. I am attaching our email thread with SFW (16 Sept 2025, 24 Sept 2025, 7 Oct 2025, 8 Oct 2025) for your information. In summary, I was advised that some providers do not meet the current designation conditions for Welsh students; that automatic designation in franchise arrangements requires both the lead university and the partner provider to be OfS-registered; and that where specific designation hasn't been sought, SFW applications will be declined. Colleges have begun posting notices to that effect, leaving Welsh families with no viable funding route for a musical theatre and/or dance degree.

I understand that, on paper, the routes of automatic and specific designation still exist. But in practice, the way the arrangements are now operating has shut Welsh students out of specialist training unless providers choose to apply for specific designation (which only enables a reduced tuition fee loan, leaving families to bridge several thousand pounds per year). For ordinary families, that shortfall is impossible and it turns an audition success into a closed door.

It is also impractical and unfair to expect families to chase eight or more separate colleges for answers and hope that each one understands and navigates Welsh designation in time. Parents cannot and should not be responsible for fixing a systemic issue college by college. Some specialist colleges have indicated they will not go down the specific designation route at all. That leaves Welsh applicants with no pathway, regardless of talent or effort. This is compounded by the fact that most of the long established, industry-recognised conservatoires and specialist colleges for musical theatre and dance are in England. If Welsh students cannot access support for those courses, they are effectively shut out of the main professional training pipeline.

The timing is now critical. [redacted] is aiming to start in September 2027, which means auditions begin from September 2026 and decisions will move quickly. Without clear funding arrangements, Welsh students will have to withdraw or decline offers purely because of where they live.

This isn't about special treatment; it's about fair access. [redacted] knows places are won through audition, and we aren't assuming an outcome. We simply need to know that funding rules won't be the reason she has to say no whether it's for a musical theatre degree or a dance degree.

I am asking for urgent, higher-level scrutiny and a practical route forward:

1. A clear public statement (in plain language) on what Welsh-domiciled students can expect for 2026 audition season and 2027 entry to specialist musical theatre and/or dance degrees in England, without sending families back to each individual provider.
2. A workable pathway that does not place the burden on families, for example, a time-limited, streamlined process (with Medr and providers) to secure specific designation where appropriate, or an interim arrangement that restores fair access while the system is reviewed.
3. Recognition of the impact of the reduced tuition fee loan under specific designation and consideration of transitional support so successful Welsh applicants to musical theatre and/or dance degree programmes are not excluded purely because of funding.

An audition year is not just a date, auditions are seasonal, momentum matters, and opportunities don't always return. This is about the future of Welsh talent in dance and musical theatre, and about making sure our young people are not disadvantaged because of where they live.

Thank you for your time and for anything you can do to provide clarity and a fair route forward. I would welcome the opportunity to give evidence or supply further details.

With thanks,

Jenny [redacted]
[redacted]

From: Jennifer [redacted]
Date: 9 October 2025 at 10:54:29 BST
To: Jenny [redacted]
Subject: Fwd: Student Finance Wales Support for Specialist Dance & Musical Theatre Honours Degrees in England

Sent from my iPhone

Begin forwarded message:

From: studentfinancedivision@gov.wales
Date: 9 October 2025 at 10:24:47 BST
To: [redacted]
Cc: studentfinancedivision@gov.wales
Subject: RE: Student Finance Wales Support for Specialist Dance & Musical Theatre Honours Degrees in England

Dear Jenny

Thank you for your further email.

I appreciate the position for your daughter; however, I must correct your understanding of the situation and our student support regulations.

English institutions and their partner providers, who deliver the courses, must both be registered with the OfS to meet the conditions for automatic course designation in Wales. In recent months, we have written to a small number of English institutions, who work with partner providers, and not just those delivering performing arts courses, who have enrolled Welsh students onto their courses but have not complied with our student support regulations.

This is the error of the course provider, and unfortunately, as highlighted by the email I have sent to you and despite our letter to them explaining the situation, they have provided you with incorrect information. There has been no change in policy; I hope

you will appreciate where we have identified non-compliance that financially impacts current students, we have a duty to balance the harm between the providers error and protecting public funds.

The process of applying for specific designation has also not changed under Medr and is the same process that was previously completed by the Higher Education Funding Council for Wales (HEFCW). If providers do not satisfy automatic course designation they must apply for specific course designation. It has always been the provider's choice whether they apply for specific designation or not.

We keep our student support regulations under review, and Welsh Government consulted early this year on the Regulation of higher education providers and designation for student support | GOV.WALES. This will inform future policy, and we will publish further information when details are available.

Finally, higher education institutions are autonomous bodies with responsibility for their own academic affairs, including the provision they choose to offer. They are also responsible for compliance with our student support regulations.

Kind regards

[redacted]

Yr Is-adran Ariannu a Strategaeth / Strategy and Funding Division

Y Grŵp Addysg, Diwylliant a'r Gymraeg / Education, Culture & Welsh Language Group

Llywodraeth Cymru / Welsh Government

isadrancyllidmyfyrwyr@llyw.cymru

studentfinancedivision@gov.wales

From: Jennifer [redacted]
Sent: 08 October 2025 11:46
To: Student Finance Division – Is-adran Cyllid Myfyrwyr <studentfinancedivision@gov.wales>
Subject: Re: Student Finance Wales Support for Specialist Dance & Musical Theatre Honours Degrees in England

Dear [redacted],

Thank you for your response. I appreciate the clarification, but I must respectfully disagree with the assertion that this situation is not the result of a policy change.

While the technical framework for course designation may have existed previously, the practical implementation of the new regulatory structure under Medr and the requirement for specific designation for courses not automatically qualifying has materially changed access to funding for Welsh students.

These changes are now disadvantaging Welsh students who wish to pursue specialist performing arts degrees in England. Previously accessible courses are now out of reach unless providers go through a designation process. This creates a postcode lottery where English students can access funding for these courses, but Welsh students cannot.

While I understand that the reduced tuition fee loan under specific designation is technically available, the reality is that students would be left to self-fund the significant shortfall which would be several thousand pounds per year. This makes these courses effectively inaccessible for many Welsh students, even if designation is granted.

My understanding is that prior to these changes, partner institutions delivering courses on behalf of OfS-registered universities in England could be automatically designated for Welsh student finance, provided the lead university was OfS-registered and the arrangement met certain criteria. If this understanding is correct, it represents a significant shift in practice.

Even if [redacted] were to go through the process of becoming specifically designated, there is no guarantee my daughter would be offered a place due to the competitive audition process. This issue affects multiple specialist colleges, and the cumulative effect is a significant reduction in opportunities for Welsh students not just at one institution, but across the entire sector.

I would like to request that this situation be urgently reviewed. It cannot be acceptable that my daughter , who has dreamed of becoming a professional dancer since childhood, is now unable to study at any of the UK's leading dance colleges simply because she lives in Wales.

Thanks

Jenny

On 8 Oct 2025, at 09:50, Jennifer [redacted] wrote:

Sent from my iPhone

Begin forwarded message:

From: studentfinancedivision@gov.wales
Date: 8 October 2025 at 09:23:36 BST
To: [redacted]
Cc: studentfinancedivision@gov.wales
Subject: RE: Student Finance Wales Support for Specialist Dance & Musical Theatre Honours Degrees in England

Dear Jenny

Thank you for your follow up email.

The matter is complex and I must stress the position for English providers offering such courses is not as a result of a change in Welsh Government policy.

If providers are offering performing arts courses which satisfy the course designation conditions in the Welsh student support regulations, the courses will attract student support from Student Finance Wales. As covered in my previous email, there are currently two routes to course designation, and it is the responsibility of English providers to check if their courses meet the Welsh designation conditions and to use the appropriate route to attract student support.

A course can either be:

1. Automatically designated which attracts the higher rate fee loan up to £9,535. This means both the lead provider and partner provider who work under a franchise arrangement must both be registered with the Regulator in England, the Office for Students (OfS). We understand that [redacted] (as the partner provider) delivers courses under a franchise arrangement with English universities (as the lead provider); whilst the English universities are registered with the OfS, [redacted] is not registered and so the courses are not automatically designated.

or

2. Specifically designated which attracts the reduced rate fee loan up to £6,355. This route applies if a course does not satisfy being automatically designated. If a partner provider is not registered with the OfS in England, the lead provider (or partner provider) must apply to the Regulator in Wales, Medr to have its courses specifically designated..

If a provider's course is not automatically designated it is each provider's responsibility and decision to whether they wish to apply of Medr to have their course specifically designated for Welsh students. [redacted] has not applied to have its courses specifically designated. Welsh Government cannot intervene.

I appreciate [redacted] has made its position clear for 2027; however, we are unable to confirm what the Welsh regulations will be for a future academic year.

Currently, if it remains that [redacted] is not registered with the OfS or chooses not to apply to Medr to have its courses specifically designated, their courses will not attract student support from Student Finance Wales.

The rules for course designation are different across the UK and course providers in England should not assume they are the same. I encourage you to reach out to each of the providers you have listed to check if their courses currently attract student support for Welsh students.

I hope the above has provided further clarification.

Kind regards

[redacted]

Yr Is-adran Ariannu a Strategaeth / Strategy and Funding Division

Y Grŵp Addysg, Diwylliant a'r Gymraeg / Education, Culture & Welsh Language Group

Llywodraeth Cymru / Welsh Government

isadrancyllidmyfyrwyr@llyw.cymru

studentfinancedivision@gov.wales

From: Jennifer [redacted]
Sent: 07 October 2025 15:32
To: Student Finance Division – Is-adran Cyllid Myfyrwyr <studentfinancedivision@gov.wales>
Subject: Re: Student Finance Wales Support for Specialist Dance & Musical Theatre Honours Degrees in England

Hello

Unfortunately your response is not very clear for how I can take things forward. You advise that ‘ The providers you have listed do not have any courses specifically designated for Welsh students’ Do you mean that any dance degrees at those colleges would not provide my daughter with any access to funding? The degrees are through affiliated universities so would you need that detail to check?

I have received the below response from a college, can you explain what has happened here, has there been a change in policy? Who can I speak to about taking this further as this is a major disadvantage to any Welsh students wanting to study dance or musical theatre?

Thanks

Jenny

<image001.png>

Sent from my iPhone

On 24 Sep 2025, at 09:36, studentfinancedivision@gov.wales wrote:

Dear Jenny

Thank you for your email to the Welsh Government.

Regarding your daughter's eligibility to statutory student support from September 2027 (i.e. academic year 2027/28), as you will appreciate, I am unable to provide you with the confirmation you seek at this time as the matter relates to a future academic year. However, if there are no changes to our statutory student support regulations, the current provisions set out in our regulations will continue to apply.

Details about our statutory student support arrangements and regulations for academic year 2027/28 will be confirmed towards the end of next year. You may consider visiting the Student Finance Wales website for updates.

In response to your specific questions:

1.Which of these specialist Honours degree programmes are currently designated for Student Finance Wales support

It is each provider's responsibility to confirm to students if their courses are designated for Welsh student support.

The Student Loans Company (SLC), who provide the Student Finance Wales (SFW), does not publish a list of courses which are automatically designated for student support. Providers across the UK upload around 300,000 courses annually to SLC's system.

SLC does publish a list of courses which have been specifically designated by the Welsh Ministers. The current list can be found via this weblink: Designated courses in Wales, information for student finance practitioners | Student Finance Wales. The providers you have listed do not have any courses specifically designated for Welsh students.

2.Whether there are plans for further colleges/courses to be designated

There are currently two routes to course designation, and it is the responsibility of providers to check if their courses meet the designation conditions and use the appropriate route to attract student support.

A course can either be automatically designated (attracts the higher rate fee loan up to £9,535) or specifically designated (attracts the reduced rate fee loan up to £6,355), for the purposes of our student support regulations.

Higher education courses will be automatically designated if they satisfy the designation criteria set out in our statutory student support regulations: The Education (Student Support) (Wales) Regulations 2018.

If a course does not meet the automatic course designation criteria, the provider can apply for specific designation via the Regulator Medr; the application process can take up to 3 months.

3.What process a college must follow to secure designation so that Welsh students can access tuition fee and maintenance loans

As per 2. above. If a course is specifically designated the student can apply for the reduced rate tuition fee loan (currently set at £6,355) and full maintenance support. If the provider charges fees above the loan amount the difference between the loan and fees charged will need to be self-funded.

I trust the above has answered your questions and I would encourage you and your daughter to speak to her prospective provider(s) to check if their courses are designated, and if not, whether they will be seeking specific designation for them.

Kind regards

[redacted]

Yr Is-adran Ariannu a Strategaeth / Strategy and Funding Division

Y Grŵp Addysg, Diwylliant a'r Gymraeg / Education, Culture & Welsh Language Group

Llywodraeth Cymru / Welsh Government

isadrancyllidmyfyrwyr@llyw.cymru

studentfinancedivision@gov.wales

From: Jennifer [redacted]
Sent: 16 September 2025 13:53
To: Student Finance Division – Is-adran Cyllid Myfyrwyr <studentfinancedivision@gov.wales>
Subject: Student Finance Wales Support for Specialist Dance & Musical Theatre Honours Degrees in England

Hello

I am writing on behalf of my daughter, [redacted] who hopes to apply to specialist dance and musical theatre Honours degree programmes beginning in 2027 (applications opening next academic year). Dance has been her passion from a very young age, and attending one of these colleges would be a dream come true for her. We are starting to plan ahead and would like to understand the position for Welsh students.

Many of the leading conservatoires and performing arts colleges she is considering are based in England. While these institutions may be funded for English-domiciled students through Student Finance England, it appears that several do not currently offer funding for Welsh students. This creates a significant disadvantage for talented young people in Wales wishing to pursue specialist training at degree level in dance and musical theatre.

The colleges we are particularly interested in are:

[redacted]

Could you please advise:

1. Which of these specialist Honours degree programmes are currently designated for Student Finance Wales support,
2. Whether there are plans for further colleges/courses to be designated, and
3. What process a college must follow to secure designation so that Welsh students can access tuition fee and maintenance loans.

This information is essential for planning my daughter's future, as without access to Student Finance Wales, she would unfortunately be unable to take up a place at these colleges, despite her talent and dedication.

Any help or guidance would be much appreciated as it will make a real difference in helping us plan for her future.

Kind regards

Jenny [redacted]

EQUITY

Delyth Jewell MS
Chair
Culture, Communications, Welsh Language, Sport and International Relations Committee

13th February 2026

Dear Delyth,

I am writing to draw the Committee's attention to an emerging issue that may have implications for access to specialist creative higher education pathways for Welsh-domiciled students.

We have recently become aware of concerns regarding eligibility for Student Finance Wales support in relation to certain conservatoire-style degree programmes delivered outside Wales. These include disciplines such as musical theatre, dance and circus arts, where training is delivered by independent specialist institutions and validated by recognised UK universities.

It appears that current interpretation of course designation requirements may limit eligibility where the delivery provider is not directly registered with the Office for Students. In at least one case involving specialist circus training delivered in partnership with a university in England, Welsh applicants have been advised that funding support may not be available for future entry cohorts. Similar queries have arisen in relation to musical theatre and dance provision.

We are continuing to seek clarification as to whether this reflects a broader designation interpretation or a provider-specific circumstance. However, early indications suggest that Welsh learners may be placed at a disadvantage compared to students domiciled elsewhere in the UK. I attach correspondence with the Minister for Further and Higher Education Vicki Howells for your information.

Access to specialist professional training forms part of the long-term workforce pipeline into these sectors. In disciplines such as circus arts and conservatoire-style musical theatre, there is currently limited equivalent degree-level provision available within Wales. Access to nationally auditioned UK training routes is therefore an important pathway for Welsh artists seeking professional careers.

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Equity
Undeb Llafur Annibynnol
Ymgorffori'r Ffederasiwn Artistiaid Amrywiaeth
Yn gysylltiedig â'r TUC, STUC a FIA

Equity
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Incorporating the Variety Artistes Federation
Affiliated to the TUC, STUC and FIA

Llywydd Lynda Rooke
Is-lywyddion Jackie Clune, Nick Fletcher
Trysorydd Anrhydeddus David John
Ysgrifennydd Cyffredinol Paul W Fleming

President Lynda Rooke
Vice Presidents Jackie Clune, Nick Fletcher
Honorary Treasurer David John
General Secretary Paul W Fleming

Ymddiriedolwyr Judi Dench, Malcom Sinclair, Timothy West, Penelope Wilton, Johnny Worthy

Trustees Judi Dench, Malcom Sinclair, Timothy West, Penelope Wilton, Johnny Worthy

If funding eligibility constraints narrow access to those routes, there may be implications for workforce sustainability, sector diversity and Wales's participation in national and international creative industries.

This correspondence is intended to raise awareness rather than to present a concluded position. Given the Committee's role in scrutinising policy and holding the Welsh Government to account, members may wish to consider whether further clarification from the relevant Minister or from Medr would be helpful in understanding the policy position and its potential impact on the creative sector.

I would be happy to provide further information should that be useful to the Committee's work.

Yours sincerely,



Simon Curtis
National Official for Wales
scurtis@equity.org.uk

EQUITY

Vikki Howells MS
Minister for Further and Higher Education
Welsh Government
5th Floor
Tŷ Hywel
Cardiff Bay
CF99 1SN

10th February 2026

Dear Minister,

Funding Routes for Specialist Musical Theatre and Dance Training

I am writing to raise an urgent matter concerning Welsh-domiciled students applying for specialist musical theatre and dance degrees delivered in England.

Recent changes in how course designation and funding eligibility operate in practice have created a material disadvantage for Welsh applicants. A significant number of specialist performing arts degrees — typically delivered by recognised colleges and validated by UK universities — no longer meet Student Finance Wales conditions under current interpretation. This appears to stem from requirements relating to provider registration and designation following the transition of responsibilities to Medr.

The consequence is that Welsh students who successfully secure highly competitive audition-based places are, in some cases, unable to access full tuition fee support. In other instances, they are offered only a reduced loan, creating substantial and unaffordable funding gaps. Students domiciled elsewhere in the UK do not face comparable barriers in accessing the same courses.

This situation creates structural inequity and risks excluding Welsh learners from established UK-wide professional training routes purely on the basis of domicile. Given that specialist conservatoire-style musical theatre and dance provision is largely concentrated outside Wales, students cannot simply transfer to a local equivalent. Missing a single audition cycle can have long-term career consequences in professions where entry is intensely competitive and time sensitive.

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Trustees Judi Dench, Malcom Sinclair, Timothy West, Penelope Wilton, Johnny Worthy

As you will be aware under the Tertiary Education and Research (Wales) Act 2022, there is a clear statutory commitment to promote equality of opportunity and secure appropriate tertiary education provision for Welsh learners. The current designation landscape appears inconsistent with that objective and with longstanding Welsh Government commitments to widening access.

With students already in the current audition and offer cycle, there is an urgent need for clarity and for a fair and workable funding route — whether through revised designation guidance, transitional arrangements, or interim measures — to restore parity with students elsewhere in the UK.

I would be grateful for the opportunity to meet with you to discuss this issue further and explore potential solutions. Given the timing of the admissions cycle, an early meeting would be greatly appreciated.

I am copying this correspondence to the Chief Executive of Medr for information.

Thank you for your consideration of this important matter, which affects not only individual learners but Wales's participation in national cultural and creative industries.

Yours sincerely,



Simon Curtis
National Official for Wales
scurtis@equity.org.uk

c.c. James Owen, Chief Executive - Medr

Annwyl / Dear Member of the Senedd,

For your background, I wanted to flag that the BBC has today announced a **strengthening of our approach to reflecting audiences and communities across UK** following our latest wide-ranging thematic review.

The independent review, undertaken by former BAFTA Chair Anne Morrison and independent media consultant Chris Banatvala, assesses how accurately and authentically the BBC portrays and represents different groups and communities across the UK.

- The report finds that **significant progress has been made in how the BBC represents all communities of the UK**, including through **increased regional investment**, a **broader and more representative range of voices** on and off-air, and a strong focus on **authentic portrayal** in commissioning decisions.
- However, the report also **identifies areas where the BBC can do more** – such as further improving the way representation is measured in BBC output, including through geography and social class. There is also a recommendation to **strengthen the BBC's local decision-making** across the UK to ensure it is happening closer to audiences, meaning production is "rooted in the location, made by people who understand it in depth."
- The BBC has **agreed a set of progressive actions** in response to the review (detailed below).

The recommendations from the report build on recent BBC announcements to double spend on content in the nations by channelling more money from central budgets across the UK, and to accelerate the increase in commissioners and decisioning-making roles outside of London.

The full report can be accessed online here – please do let us know if you have any questions.

Best wishes,

Marged Elin Roberts

The BBC Executive has committed to the following actions:

- Strengthening how the BBC measures the ways in which different audiences are portrayed and represented in BBC output, reflecting a broader range of identity and experience that includes socio-economic background and geography. We will report on this new measurement framework from the next financial year.

- Doubling spend on high-impact contact in the nations, as well as accelerating plans to grow the number of commissioners and decision making out of London, as set out in December 2025.
- Systematically reviewing upcoming content plans to ensure underrepresented audience groups are reflected authentically.
- Using existing and new data to ensure social background, age and geographical representation also help inform how TV and Audio presenter roles are developed, including within improved presenter succession plans over the next year.
- Regularly distributing census information and other comprehensive data on the make-up of the regularly changing UK population, making sure this is understood by BBC staff and the independent producers and partner the Corporation works with.
- Supporting production and skills across the UK to drive authentic storytelling on air, building on previously announced measures to strengthen local spend in BBC commissions.
- Sharing the thematic review across the BBC, reporting progress on the actions regularly to the Executive Committee.

Marged Elin Roberts

Ymgynghorydd Cyfathrebu | Communications Advisor

BBC CYMRU WALES

Ysgrifennwch ataf yn Gymraeg neu Saesneg
Please write to me in Welsh or English

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol

—

Culture, Communications, Welsh Language, Sport and International Relations Committee

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0300 200 6565

Tim Davie CBE,
Director General, BBC
Rhuanedd Richards,
Interim Director of Nations, BBC
Garmon Rhys,
Interim Director, BBC Cymru Wales
By email only

13 February 2026

Public Service Broadcasting in Wales

Dear Tim, Rhuanedd and Garmon,

Thank you for your evidence on 22 January 2026.

The Committee would like to thank Tim Davie for his clear commitment to Wales during his tenure as Director General. As Professor Justin Lewis told us recently, "over the last ten years, and especially the more recent period, we've seen quite meaningful devolution to Central Square in Cardiff and BBC Wales." Although we feel that there is yet more work to be done, the BBC as it relates to Wales is in a markedly better place than it was a decade ago: the results are there to be found in spending figures, jobs, and on our screens. We have appreciated the positive engagement with the Senedd over this period and Mr Davie's personal appearances to give evidence to this Committee. We would expect that the next Director General continues in this positive manner.

There are a few further areas of questioning which we wanted to raise with you, which are set out below.

Content for audiences in Wales

In its 2024 report, State of Play, the Committee recommended:

> *The BBC's spend on English-language television content in Wales should grow year-on-year until it approaches parity with the BBC's spend on English language*

content in Scotland. The BBC should outline to this Committee how it will achieve this.

In 2024-25, the BBC's spend on English language TV content for audiences in Wales was £31 million (which was a slight decrease on spend in 2023-24 when it was £32 million).

In Scotland – which has a separate TV channel, BBC Scotland – spend on English language TV for Scottish audiences was £76 million in 2024-25, over double the equivalent spend in Wales.

In 2023, Rhuanedd Richards told the Committee:

> *"We have managed to increase our spend on English-language television last year, and this year I believe we'll see further growth. And that's really my aim: if I've got a target, it's year-on-year growth."*

We discussed the comparative levels of spending on local content in Wales and Scotland. Mr Davie told us:

> *"There are differences in the broadcasting shape. There are differences in the population numbers. There are all kinds of differences."*

We do not think that the fact that Scotland has a population 74 per cent larger than Wales justifies the BBC spending over 100 per cent more on content for local content in Scotland than Wales. Wales has the same breadth of devolved political institutions as Scotland, which require the same journalistic coverage, regardless of population size. Ms Richards told us (in 2023) that she hoped to see year-on-year growth on this spend in Wales: This hasn't happened. We reiterate the recommendation from our 2024 report:

Recommendation 1: The BBC's spend on English-language television content in Wales should grow year-on-year until it approaches parity with the BBC's spend on English language content in Scotland. The BBC should outline to this Committee how it will achieve this.

Network news

In our 2024 report, we recommended:

> *Network news providers, including the BBC and ITN, should keep driving improvements in their reporting of devolved policy issues.*

We discussed the extent to which network news accurately reflects the devolved nature of the UK with Professor Stephen Cushion of Cardiff University's School of Journalism, Media and Culture. He told us:

> *"Over recent years, standards have slipped a little bit, and it's perhaps a time to reset and to rethink again, particularly as we approach an election campaign in*

Wales and Scotland coming up, to reset and to actually think through again how network news are presenting politics across the UK."

He mentioned ongoing research into how broadcasters' social media posts reflect devolution, noting that "there is an awful lot—far more than we've ever found before—of headlines that simply make devolution invisible."

You described the work the BBC does to educate network news journalists about devolution, and said "I recognise the issue, and there's more to do."

Accurately reporting about the devolved UK is wired into the current BBC Charter. It says that the BBC should "help people understand and engage with the world around them" and "reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions."

Yet too often the BBC still broadcasts as though to audiences in England: that is, by explaining that a certain UK Government policy applies only in England, but not having the curiosity to explore what's happening in other UK nations. Reflecting the devolved nature of the UK isn't simply a case of adding "in England" to a news bulletin, but re-thinking how political news is presented to reflect the reality of how the UK is governed. This is an issue of accuracy, not just for audiences in Wales, but across the UK.

We reiterate our previous recommendation:

Recommendation 2: Network news providers, including the BBC and ITN, should keep driving improvements in their reporting of devolved policy issues.

As noted above, Professor Cushion's research has also highlighted how, on social media, headlines provided without context often "make devolution invisible."

Recommendation 3: The BBC should take note of Professor Cushion's research into how news social media content reflects devolution across the UK and drive improvements in this area.

Thank you for your comments on Ofcom's current consultation on prominence rules, and the BBC Charter Review Green Paper. We will consider these comments in our responses to the Ofcom and UK Government on these matters.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol

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Culture, Communications, Welsh Language, Sport and International Relations Committee

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Geoff Cooper, Chair
Priya Dogra, Chief Executive
Channel 4
By email only

13 February 2026

Public Service Broadcasting in Wales

Dear Mr Cooper and Ms Dogra,

I wish to thank Channel 4 for giving evidence to our Committee on 22 January 2026. This is the first time that Channel 4 have done so and we were pleased that Jo Street, Kevin Blacoe and Pete Andrews were able to join us.

Representing Wales

You explained to us the importance of Welsh representation and that you "celebrate Wales, Welsh culture and storytelling through the mix of programmes that we commission and broadcast". The Committee noted some of the examples of commission spend in Wales and of portrayals of Welsh life.

The Committee was pleased to note that spending on "Welsh content" has risen from £4 million in 2014 to over £15 million in 2024, though it was not clear whether you were referring to content made in Wales, or about Wales.

We discussed whether you had a specific figure for the percentage of Welsh representation of your output.

We were also interested in the work that you are taking forward with Media Cymru to better understand the qualitative aspects of representation. The Committee would be grateful to be kept informed of this work.

Recommendation 1: Channel 4 should provide the Committee with the results of its work with Media Cymru to understand representation of Wales on Channel 4, and details of any work planned to increase this.

Activity in Wales

We note that, in the new licence requirements, Channel 4 must now annually produce 12 per cent, by both hours and spend, of its UK content outside of England. We note Ofcom's report that network production in Wales for Channel 4 increased in 2024: network hours increased to 10.6 per cent and spend rose to 3.4 per cent.

You explained to us that Channel 4 has made strides in recent years in moving outside of London, establishing bases in Leeds, Manchester, Glasgow and Bristol.

The Committee has noted the positive impact of your *4 All the UK* strategy and the increase in investment in skills and content production in Wales. You told a positive story about the impact of your work in the Tramshed to deliver the Paris Paralympics from Cardiff and the impact this has had supporting local skills and employment.

Recommendation 2: Whilst noting the positive impact of the steps that you have taken to develop a presence in Cardiff, the Committee would urge Channel 4 to build on this work by establishing a Welsh hub.

Recommendation 3: Channel 4 should develop a specific strategy, with clear targets, to increase its network spend in Wales.

Network news

In our 2024 report, State of Play, we recommended:

> *Network news providers, including the BBC and ITN, should keep driving improvements in their reporting of devolved policy issues.*

We discussed the extent to which network news accurately reflects the devolved nature of the UK with Professor Stephen Cushion of Cardiff University's School of Journalism, Media and Culture. He told us:

> *"Over recent years, standards have slipped a little bit, and it's perhaps a time to reset and to rethink again, particularly as we approach an election campaign in Wales and Scotland coming up, to reset and to actually think through again how network news are presenting politics across the UK".*

We discussed Channel 4's approach to news reporting. Accepting that you do not provide a Wales specific news service, we discussed whether you have any plans to expand the outlook of the news programme with a view to increasing reporting of domestic news from a Welsh perspective.

Too often, network news providers still broadcast as though doing so to audiences in England alone: that is, they explain that a certain UK Government policy applies only in England, but do not show the curiosity to explore what's happening in other UK nations. Reflecting the devolved nature of the UK

isn't simply a case of adding "in England" to a news bulletin, but re-thinking how political news is presented to reflect the reality of how the UK is governed. This is an issue of accuracy, not just for audiences in Wales, but across the UK.

Whilst the Committee acknowledges the excellent work of your journalists, including some who are based in Wales, there is an opportunity, particularly in a year of devolved elections, to increase reporting of devolved matters. You said that you would write to the committee with more details about this.

Recommendation 4: Network news providers, including Channel 4, should keep driving improvements in their reporting of devolved policy issues.

Professor Cushion's research has also highlighted how, on social media, headlines provided without context often "make devolution invisible."

Recommendation 5: Channel 4 should take note of Professor Cushion's research into how news social media content reflects devolution across the UK and drive improvements in this area.

Prominence

We discussed the implementation of the Media Act 2024 and the effects that it has in terms of the prominence of different channels.

You explained to the Committee the importance of prominence to ensure that the public service content that you make is adequately visible and accessible to audiences in Wales and across the UK as platforms develop rapidly. The Committee agrees that this is of vital importance.

Thank you for your comments on both this and on the BBC Charter Review Green Paper. We will consider these comments in our responses to the Ofcom and UK Government on these matters.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol

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Culture, Communications, Welsh Language, Sport and International Relations Committee

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Magnus Brooke,
Group Director of Strategy, Policy & Regulation, ITV
Zoe Thomas,
Head of News and Programmes,
ITV Cymru Wales
By email only

13 February 2026

Public Service Broadcasting in Wales

Dear Magnus and Zoe,

Thank you for your appearance before the Committee on 15 January 2026. We have a number of recommendations and further queries which we set out below.

Network content

In our 2024 report, State of Play, the Committee recommended:

> *Ofcom should include a requirement for the Channel 3 licence in Wales to produce a greater proportion of network content in Wales. It should report to back to the Committee outlining how it will do this.*

The current channel 3 licence in Wales, which was renewed in 2024 for ten years, does not include this requirement. The licence includes a broader requirement that at least 35 per cent of originated network content is made outside of the M25 area.

In 2024, according to Ofcom figures, ITV's network spend in Wales was 0.8 per cent of the UK total (see graph at Annex A), which was a slight increase from 2022, when the figure was close to 0.

We remain of the view that ITV's network spend in Wales is unacceptably low, and following our meeting, are not reassured that ITV has a meaningful plan to increase it.

You outlined two visits that ITV commissioners had to Wales, one to meet Creative Wales, and the other to meet producers. You described the positive effect of this work on network commissions from

Wales, and said "maybe we'll do another of those journeys, but I don't think we need to do it again quite so soon." Rather than focusing on increasing the small proportion of network commissions from Wales you said that "the strategy very simply is to get the best ideas from wherever they come." You said that you "don't have a target for any individual nation."

You explained that the 2025 numbers will "confirm a very substantial increase" to network spend in Wales to "about 1.3 per cent", and also that "we're massively over-delivering on our out-of-London content obligation." The fact that you are "over-delivering" on making content beyond the M25 makes the low proportion of spend within Wales even more striking.

The BBC explained to us on 22 January how shifting network production out of London - to the extent that Wales now has a larger than population share of BBC UK network production by spend and hours – required long-term planning and senior executive focus. They told us that "having that leadership for a sustained period of time backing the principle has embedded it; it's baked it in now to the BBC."

In 2017, our predecessor committee said:

> *"The sort of laissez faire approach described by ITV Cymru Wales has not led to Welsh voices being adequately represented on the ITV network."*[1]

Unfortunately, almost a decade later, we think this analysis remains true. The outcome of this hands-off approach is largely stagnant spending levels in Wales, whilst network spending from the BBC and Channel 4 is either close to or above Wales's UK population share of 5 per cent. The consequence of this is reduced economic activity in Wales, and an absence of Welsh representation across the UK network.

Recommendation 1: ITV should develop a strategy, with targets, to increase its network spend in Wales.

You told us about seed funding for "small independent producers, outside of London and the south-east, to come up to develop ideas." This sounds like a promising initiative. We would be grateful if you could provide figures for how this funding has been distributed across UK nations.

[1] Culture, Welsh Language and Communications Committee The Big Picture The Committee's Initial Views on Broadcasting in Wales, February 2017, p 28

Content for audiences in Wales

The Channel 3 licence for Wales requires ITV to provide four hours of news and 90 minutes of non-news programming for Wales every week. This licence was renewed in 2024 for ten years, with the commitments for Wales maintained at the same level.

According to Ofcom data, ITV's annual spend on non-network, first-run, UK-originated content for Wales has remained around £6.3 million since 2018 (a real-terms decrease of 26 per cent) (see graph at Annex A).

This real-terms cut in spending, compounded by the rate of above-inflation increases in television production costs, can only have led to a diminution in the quality or quantity of ITV content for audiences in Wales.

Recommendation 2: ITV should increase its spend on content for Wales, and have a strategy to do so consistently across the rest of its licence period.

We discussed the prominence of ITV Wales content on your streaming service, ITVX. Your answers focused on the prominence of ITV Wales news content, saying:

> *"If you look at the news rail on ITVX, we made a decision to put regional news very prominently."*

Audiences in Wales deserve to see their lives reflected on screen, in more than news content. Given the arguments ITV advances about the need for its content to be featured prominently on online platforms, including YouTube, we are disappointed that ITV does not seek to make all of its PSB content prominent on its own streaming service.

Recommendation 3: ITV should make all of its PSB content for audiences in Wales prominent on ITVX for users in Wales.

Network news

In our 2024 report, we recommended:

> *Network news providers, including the BBC and ITN, should keep driving improvements in their reporting of devolved policy issues.*

We discussed the extent to which network news accurately reflects the devolved nature of the UK with Professor Stephen Cushion. He told us:

> *"Over recent years, standards have slipped a little bit, and it's perhaps a time to reset and to rethink again, particularly as we approach an election campaign in*

Wales and Scotland coming up, to reset and to actually think through again how network news are presenting politics across the UK."

You described the work that ITV does to educated network news journalists about devolution, saying "There's constant dialogue between us *(in Wales)* and the network newsroom."

Too often, network news providers still broadcast as though doing so to audiences in England alone: that is, they explain that a certain UK Government policy applies only in England, but do not show the curiosity to explore what's happening in other UK nations. Reflecting the devolved nature of the UK isn't simply a case of adding "in England" to a news bulletin, but re-thinking how political news is presented to reflect the reality of how the UK is governed. This is an issue of accuracy, not just for audiences in Wales, but across the UK. We reiterate our previous recommendation:

Recommendation 4: Network news providers, including the BBC and ITN, should keep driving improvements in their reporting of devolved policy issues.

Professor Stephen Cushion of Cardiff University's School of Journalism, Media and Culture, in his evidence to us, also mentioned ongoing research into how broadcasters' social media posts reflect devolution, noting that "there is an awful lot—far more than we've ever found before—of headlines that simply make devolution invisible."

Recommendation 5: ITV should take note of Professor Cushion's research into how news social media content reflects devolution across the UK and drive improvements in this area.

Thank you for your comments on Ofcom's current consultation on prominence rules, and the BBC Charter Review Green Paper. We will consider these comments in our responses to the Ofcom and UK Government on these matters.

Yours sincerely,



Delyth Jewell MS

Chair

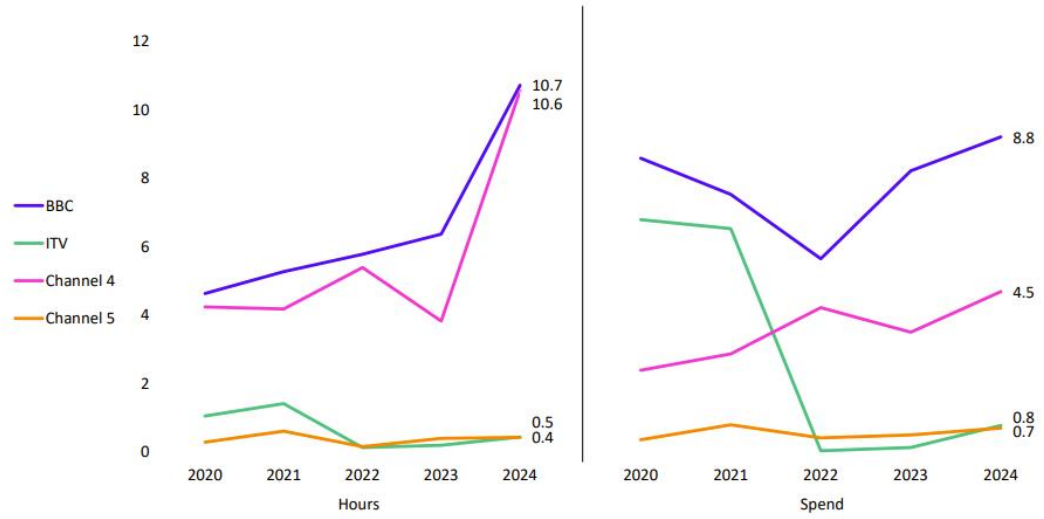
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Annex A

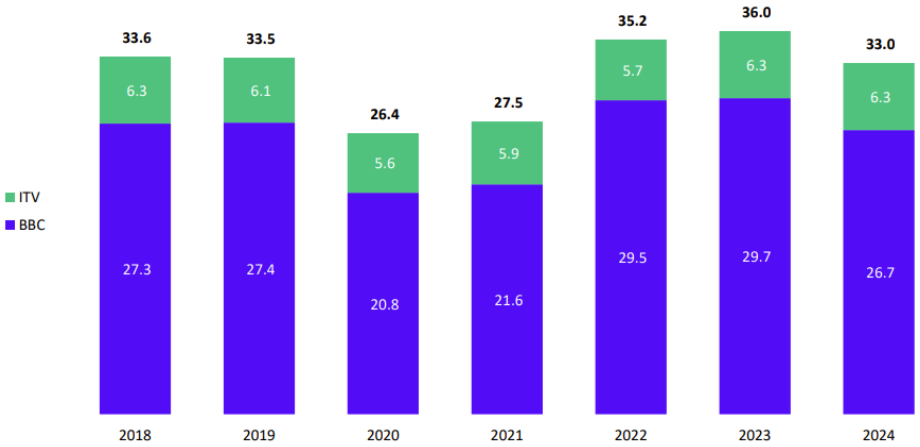
1. Proportion of qualifying network production allocated to Wales, by PSB: 2020-2024 (%)



Source: Ofcom/broadcasters.

Source: Ofcom, Media Nations Wales 2025

2. BBC and ITV Cymru Wales spend on non-network first-run UK-originated content for Wales: 2018-2024 (£m)



Source: Ofcom/broadcasters.

Source: Ofcom, Media Nations Wales 2025

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol

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Philip Henfrey, Wales Director
Cristina Nicolotti Squires, Group Director for Broadcast and Media
Ofcom
By email only

13 February 2026

Public Service Broadcasting in Wales

Dear Philip and Cristina,

Thank you for your evidence on 22 January 2026. We have a number of recommendations and further queries which we set out below.

Overview

In the Committee's 2024 report, State of Play, we recommended:

> *Ofcom should improve its analysis of media provision in Wales, including by increasing staffing levels in Wales.*

As a Committee, we agree with the view of our predecessor committee that the supply of media content for Wales is inadequate. In our 2024 report we said that "It is hard to see improvements coming from Ofcom regulation of broadcast media in Wales." Following our meeting on 22 January, we are still of this view.

We are concerned that your analysis of broadcasting in Wales is overly optimistic. You said you were "seeing more content being created in Wales" and noted that "Wales accounted in 2024 for 6 per cent of network hours and 5 per cent of qualifying network spend."

Conversely, and to take another figure, public service broadcasting (PSB) spend on first-run, UK-originated content for Wales was £33.1 million in 2024, compared with £33.6 million in 2018 (figures in

Ofcom's Media Nations: Wales 2025), which represents a real-terms reduction of about 28 per cent. People in Wales continue to be under-served in terms of media content about their lives.

This represents a disadvantage to Wales and its people on both a civic and democratic level, because people can't see themselves on their screens, and are less informed about the political structures that govern much of their lives. The Welsh Government, this Committee and the Independent Commission on the Constitutional Future of Wales have all raised concerns about the insufficiency of Welsh media content. We are concerned that Ofcom's analysis is based on narrow metrics and misses this bigger picture.

A 2023 Freedom of Information response showed that, at the time, about 1 per cent of Ofcom's staff were based in Wales. 16 were based in Cardiff, compared with 68 in Edinburgh and 13 in Belfast. We find it hard to justify this low proportion of staff based in Wales, especially given the additional needs in Wales of catering to Welsh language audiences.

Recommendation 1: Ofcom should use both its regulatory levers and substantial influence to improve the provision of media content for Wales.

Recommendation 2: Ofcom should provide current staffing levels for its offices across the UK, and explain how the seniority of staff in Wales compares with other offices across the UK. It should provide the median pay for its Cardiff office, and how this compares with the UK Ofcom median pay.

Recommendation 3: Ofcom should increase its number of employees in Wales.

ITV network spend in Wales

In our 2024 report, State of Play, the Committee recommended:

> *Ofcom should include a requirement for the Channel 3 licence in Wales to produce a greater proportion of network content in Wales. It should report to back to the Committee outlining how it will do this.*

The current channel 3 licence in Wales, which was renewed in 2024 for ten years, does not include this requirement. The licence includes a broader requirement that at least 35 per cent of originated network content is made outside of the M25 area.

In 2024, according to Ofcom figures, ITV's network spend in Wales was 0.8 per cent of the UK total (see graph at Annex A), which was a slight increase from 2022, when the figure was close to 0.

We remain of the view that ITV's network spend in Wales is unacceptably low, and following our meeting, are not reassured that ITV has a meaningful plan to increase it.

In our meeting you said that you "looked at their evidence last week, and there is an intent there *(to increase network spend in Wales)*" and that you "want to see them reflecting the audiences and audiences' lives, in a way that also is sustainable."

We are disappointed that you seemed content that only 0.8 per cent of ITV's UK network spend is within Wales. We appreciate that ITV's current licence does not compel them to spend more within Wales, but we feel that Ofcom has substantial influence that it could use to encourage ITV to spend more in Wales. We feel that in this, as in other areas (such as discussions of prominence guidelines), Ofcom seems to be operating more as an advocate for the broadcasting industry than a representative of audiences and citizens.

Recommendation 4: Ofcom should work with ITV to increase its UK network spend in Wales.

Prominence and accessibility on connected television platforms - Draft code of practice and draft guidance on the agreement objectives

On 14 January 2026, Ofcom launched a consultation: Prominence and accessibility on connected TV platforms - Draft code of practice and draft guidance on the agreement objectives. Ofcom explained:

> *"The Media Act 2024 introduced essential new rules to help make public service content easier to find and discover on the connected TV platforms that people increasingly use to choose and access TV programmes. These connected TV platforms must also take steps to incorporate accessibility features.*
>
> *"Under the new regime, for the first time, providers of the most-used connected TV platforms must make sure that BBC iPlayer and other public service broadcaster (PSB) TV players as designated by Ofcom, as well as the public service content and any public service channels they include, are available and prominent on their platforms."*

We discussed these proposals with witnesses. The BBC felt that "Our biggest issue is speed. We need the pace."

S4C had specific concerns:

> *"There's no regionalisation that's being mandated across all tech platforms. So, that is, you could have a situation where, shall we say, Roku, to discuss your example, may decide that S4C won't get any further prominence in Wales than it gets across the whole of the UK."*
>
> *"From what we understand, with the draft prominence code, will be able to reorder these tiles or delete the tiles. Now, that is not going to give us prominence."*

"There's no guarantee that the PSB rail will be on the homepage."

"We do feel that our current prominence could be diminished unless these securities are put in place."

"We were definitely not convinced that Ofcom would do our work for us with the tech platforms."

This is a summary of S4C's concerns, and we urge you to watch the session and meet S4C to discuss these concerns in detail.

We discussed some of these concerns with you. On the subject of regionalisation, you said "some of the TV platforms are able to do nationalisation/regionalisation, and some aren't." We are concerned that you may be accepting the position of television platforms without pushing back in the interests of UK audiences. In a world of hyper-personalised digital services, it doesn't seem beyond the abilities or resources of a multi-national company to provide regional services across the UK.

S4C, as the only broadcaster which operates solely in the Welsh language, is particularly vulnerable to a loss of prominence in the multi-channel, multi-platform world. As its Chair told us, "visibility is viability." We feel that their views are a litmus test for the suitability of your proposals, which in their current state, has not been met. A central principle, we think, is that S4C – and the other PSB channels – should not have their current prominence diminished under the new code of practice.

We are troubled that S4C were not certain of Ofcom's support in negotiations with TV platforms. As a publicly-funded, minority language broadcaster, there will be a financial asymmetry between S4C and the multi-national companies it is dealing with. Disagreements between PSBs and platforms seems likely, with Professor Justin Lewis telling us: "I do worry a little bit about global platforms being a little bit cute about the way that they interpret prominence."

S4C needs a strong regulator, with audiences at its heart, to make this a fair negotiation. S4C would benefit from clearer guidance. Ambiguity creates opportunities for disagreement with TV platforms, which could be costly and time-consuming for S4C to resolve.

You told us that you were "not prescribing on any PSB that you have to be a part of this, because at the end of the day, a PSB can take a decision, because there are requirements on the PSBs." We think that Ofcom will have failed significantly if its designs a prominence system that PSBs do not think it is worth signing up to. We urge you to address concerns raised by PSBs so that this does not happen.

Recommendation 5: Ofcom should revise the draft code of practice on prominence and accessibility on connected television platforms so that UK PSBs receive equivalent prominence as they do at present under the Electronic Programme Guide code.

Recommendation 6: Ofcom should revise the draft code of practice on Prominence and accessibility on connected television platforms so that S4C receives greater prominence within Wales than it does across the UK as a whole. S4C should also receive prominence across the UK, in recognition of its audiences outside of Wales.

Recommendation 7: Ofcom should make it clear that it supports PSBs in their negotiations with television platforms. To this end, Ofcom should provide clearer guidance, so that there is less scope for disagreement between PSBs and platforms.

Network news

In our 2024 report we recommended:

> *Ofcom should continuously review UK network news coverage of devolved policy issues. It should report to back to the Committee outlining how it will do this*

We discussed the extent to which network news accurately reflects the devolved nature of the UK with Professor Stephen Cushion of Cardiff University's School of Journalism, Media and Culture. He told us:

> *"Over recent years, standards have slipped a little bit, and it's perhaps a time to reset and to rethink again, particularly as we approach an election campaign in Wales and Scotland coming up, to reset and to actually think through again how network news are presenting politics across the UK."*

He mentioned ongoing research into how broadcasters' social media posts reflect devolution, noting that "there is an awful lot—far more than we've ever found before—of headlines that simply make devolution invisible."

Too often, network news providers still broadcast as though doing so to audiences in England alone: that is, they too often merely explain that a certain UK Government policy applies only in England, but do not show the curiosity to explore what is happening in other UK nations. Reflecting the devolved nature of the UK isn't simply a case of adding "in England" to a news bulletin, but re-thinking how political news is presented to reflect the reality of how the UK is governed. This is an issue of accuracy, not just for audiences in Wales, but across the UK, and so is a matter which should concern Ofcom. We reiterate our previous recommendation:

Recommendation 8: Ofcom should continuously review UK network news coverage of devolved policy issues. It should report to back to this Committee (and a future Senedd committee) outlining how it will do this.

Thank you for your comments about the BBC Charter Review Green Paper. We will consider these comments in our response to the UK Government.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol

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Culture, Communications, Welsh Language, Sport and International Relations Committee

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Delyth Evans, Chair
Geraint Evans, Chief Executive
S4C
By email only

13 February 2026

Public Service Broadcasting in Wales

Dear Delyth and Geraint,

Thank you for your appearance before the Committee on 22 January 2026. As we mentioned during the meeting, we have some additional questions, which are set out below.

Performance

We discussed the trends in viewing figures that S4C (and indeed all public service broadcasters) are experiencing.

The Committee understands that this reflects wider changes to viewing habits, driven by developing technology and increased competition from global streaming platforms.

Nevertheless, we remain concerned that, whilst other PSBs do also lose viewers to these global players, in those instances, viewers are essentially moving from one English language service to another. When viewers leave S4C, on the other hand, they are also leaving behind Welsh language programming. This is therefore a unique risk to S4C's purpose.

We noted your response to these challenges in developing content on platforms beyond traditional television, commissioning digital content and working to make such content available on multiple platforms.

Furthermore, we discussed the need for legislation to keep pace with the changing broadcasting landscape and would be grateful if you could set out in more detail any legislative changes that would help S4C compete in the marketplace in the coming years.

Prominence

We discussed the implementation of the Media Act 2024 and the effects that it has on prominence of different channels.

As you explained to the committee, "visibility is viability". You expressed your view that the implementation of the Media Act must ensure that S4C is adequately visible and accessible to audiences in Wales and across the UK as platforms develop rapidly.

In this context, you set out for the Committee the continuing importance of Clic, the opportunity that the Media Act could present for Clic to have increased visibility on smart television, and your concerns about Ofcom's draft code of practice on Prominence and Accessibility on connected Television platforms .

We also discussed the recent agreement between you and the BBC about the prominence of S4C on iPlayer. We were reassured to hear that the agreement will give S4C more prominence on iPlayer itself, and that you will be curating your content on iPlayer.

We were struck from your evidence about the fact that you were not certain about Ofcom's support when it comes to negotiations with television platforms. We were also surprised that Ofcom did not seem to be aware of your concerns with its draft prominence code of practice. These omissions suggested to us that the relationship between S4C and Ofcom was not as strong as we would expect. We will be raising all these concerns directly with Ofcom and suggesting that they hold meetings with you as a priority to see how these concerns can be addressed. Specifically, we will be recommending that:

- Ofcom should revise the draft code of practice on Prominence and Accessibility on connected television platforms so that UK PSBs receive equivalent prominence as they do at present under the Electronic Programme Guide Code.
- Ofcom should revise the draft code of practice on Prominence and Accessibility on connected television platforms so that S4C receives greater prominence within Wales than it does across the UK as a whole. S4C should of course also receive prominence across the UK, in recognition of its audiences outside of Wales.
- Ofcom should make it clear that it supports PSBs in their negotiations with television platforms. To this end, Ofcom should provide clearer guidance, so that there is less scope for disagreement between PSBs and platforms.

Culture

Although this was not the main focus of our session on this occasion, we discussed the progress that has been made under your leadership since the events that took place in 2023. We were pleased to

note that you feel that good progress has been made in developing, embedding and monitoring a new culture at S4C.

We were reassured to hear that you consider this to be an important ongoing task, and we urge you to continue to give it your highest priority. No doubt a future Senedd committee may wish to return to this in future scrutiny sessions.

We are keen to see evidence to support the anecdotal evidence you gave us that good progress has been made, so that we can have reassurance that past problems are unlikely to be repeated:

Recommendation 1: S4C should provide empirical evidence (such as headline results of staff surveys) that monitors the state of its workplace culture.

Charter review

The Committee has previously expressed its view that the UK Government should significantly increase S4C's funding and should consider funding S4C according to a formula, to give S4C greater certainty over future funding.

The UK Government's review of the licence fee funding model will "explicitly consider the funding arrangements of Welsh language broadcasting". The Committee will make sure that its views are expressed to the UK Government as part of this review.

In the context of the Charter review and the issues surrounding budgets, we considered your relationship with the BBC and the potential for joint working to drive efficiency. We would encourage both broadcasters to continue to explore where S4C and the BBC can reduce duplication and unnecessary costs. We would grateful if you could send us further information relating to the financial relationship between the two broadcasters.

It is crucial that S4C has a strong voice in the Charter Renewal process. To this end, we would be grateful if you could explain how the UK Government has engaged with you in developing the Green Paper.

Recommendation 2: S4C should explain what engagement it has had with the UK Government, including meetings with the Secretary of State, whilst the Green Paper proposals were being developed.

We touched briefly on your relationship with Creative Wales and the potential that exists in terms of developing content. You explained that Creative Wales has funded a number of productions that wouldn't have happened without that funding. We would be grateful if you could provide us with some written information relating to that.

Thank you once again for your evidence.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

UK-EU Parliamentary Partnership Assembly: Sixth meeting summary report

February 2026

The Parliamentary Partnership Assembly (PPA) is a formal body established under the UK-EU Trade and Cooperation Agreement (TCA). It plays an important role in overseeing the implementation of the TCA and all subsequent UK-EU agreements.

The sixth meeting of the PPA took place in London on 17-18 November. This report provides a summary of the issues discussed of importance to Wales.

Delyth Jewell MS, Chair of the Culture, Communications, Welsh Language, Sport and International Relations Committee and Hannah Blythyn MS, a member of the Economy, Trade and Rural Affairs Committee participated in the sixth meeting and the report has been agreed by them in that capacity.

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1. Roles and responsibilities

The UK-EU Trade and Cooperation Agreement (TCA) provides for the establishment of a UK-EU Parliamentary Partnership Assembly (PPA) as part of its governance structure, referred to as the 'institutional framework'. This framework will oversees the TCA and all subsequent UK-EU agreements.

The TCA does not provide a formal role for the UK's devolved legislatures, the EU's regions and cities, nor for civil society in the work of the PPA.

However, given that large parts of the TCA fall within areas of devolved competence or have an impact on them, the rules of procedure adopted allow for the devolved legislatures to be invited to attend meetings as observers. Representatives with observer status do not have ordinary speaking rights during Plenary sessions and have no voting rights.

The proceedings are available to view on the UK Parliament's YouTube channel, 17 March Plenary session, 18 March Plenary session.

Senedd Member contributions

Senedd Members were asked to contribute to Plenary agenda items on two topics and to participate fully at breakout groups. The invitation to participate in two plenary items rather than one, as has previously been the case, is welcome progress.

Plenary

Delyth Jewell MS contributed to the Plenary agenda item on creative and cultural exchange. She said:

> *Four of our committees published a joint report on how the TCA operates in Wales, we heard once again about Brexit's adverse effects on touring artists and how UK participation in Creative Europe remains elusive.*
>
> *Our artists our crying out for help, we must show them that we are listening. Touring artists have been handed one of Brexit's most intractable problems, it need not be so. Young artists in particular risk missing out on opportunities that cannot be measured as they never were.*

> *We must ensure that we do not create a generation of lost chances, missed moments, broken dreams. We owe them nothing less than to ensure that does not happen. Culture connects us. Culture enriches us. Above all as the great Welshman Raymond Williams said 'culture is ordinary". Let us do all we can to keep it as the treasure of the many and not the luxury of a few.*

Hannah Blythyn MS spoke in the item on AI and digital cooperation, drawing particular attention to the need to consider workers' rights in UK-EU conversations. She said:

> *AI is the topic of our time, the automation of our age, bringing with it both opportunities and the need to balance challenges. In Wales, we want to get a better understanding of what AI means for the workforce and my Senedd committee's work on AI has recently reported on the potential impacts on both individual businesses and workers.*
>
> *We have called for greater analysis on which groups are most likely to be impacted by job displacement in order to best place governments to mitigate against adverse effects.*
>
> *We do need to move beyond the hype and focus on hope, working together with workers to put them front and centre of this. We have heard repeatedly that we don't want to be left behind but to make sure we leave no one behind, workers' rights should be at the heart of our discussions on AI in this Assembly and a collective approach and commitment to ethical AI is not just essential to our economies but to our democracies as well.*



Hannah Blythyn MS and Delyth Jewell MS during the Plenary session
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Breakout group: Trade, supply chains and workers' rights

The need for a regular UK-EU social dialogue summit was a key recommendation from the breakout group. The group agreed a summit could help to ensure the protection of workers' rights features more 'systematically' in the UK-EU economic relationship.

Hannah Blythyn MS attended the breakout group which discussed the need for further action to reduce non-tariff barriers to trade between the UK and EU. This was an important issue highlighted in the cross-committee Senedd report on the implementation review of the TCA.

The discussion considered how the proper protection of workers' and social rights, in addition to tackling the cost of living, are key tools in tackling the rise of the far-right. The group discussed the shared challenge of ensuring sustainability in their supply chains and saidthat cooperation on this issue is critical.

Breakout group: Review of the Trade and Cooperation Agreement and the 2026 UK-EU Summit

Delyth Jewell MS highlighted the key findings from the Senedd cross-committee report on the implementation review of the TCA.

The group agreed the TCA review and the regular UK-EU summits should ensure the agreements governing the UK-EU relationship keep pace with the changing geo-political climate.

The group agreed the full potential of the TCA has not yet been maximised and the review should:

> *- map underused or unimplemented provisions, and set out a clear roadmap to exploit the potential of the TCA to the full including:*
>
> *-regulatory cooperation and dialogue,*
>
> *-financial services cooperation,*
>
> *-mutual recognition of professional qualifications, and*
>
> *-customs cooperation.*

On the Common Understanding agreement, the group agreed work on an SPS agreement, ETS-linkage, electricity trading, and UK participation in Erasmus+ should be accelerated.

Issues that should be a focus of the next UK-EU summit include support for touring artists and broader cultural and creative cooperation. The UK and EU should also develop a more long-term strategic approach to identifying areas for deepening cooperation, and where appropriate, alignment.



Delyth Jewell MS contributes to the TCA review breakout group

2. Key issues for Wales

The TCA sets the terms for the UK-EU relationship after the Withdrawal Agreement withdrew the UK from the EU. Many of its provisions either fall within devolved competence or affect areas within devolved competence, from fisheries to healthcare cooperation.

State of play

The Common Understanding agreement and the progress resulting from the May UK-EU summit were welcomed in the Assembly's discussions, but the need to 'proceed swiftly' to implement commitments was emphasised. Nick Thomas-Symonds MP, UK Minister for EU relations, welcomed and agreed with calls for the 'need for speed' and urgency to implement agreements reached in May in his remarks to the PPA. He said this was critical to ensure citizens feel the benefits in their everyday lives.

The EU's Ambassador to the UK, Pedro Serrano, noted that what has been agreed shows a high level of ambition for closer cooperation and said the EU

hopes to have concluded agreements on a number of areas ahead of the next UK-EU summit in 2026. He also set out the European Commission's view that work is needed to fully implement the Windsor Framework and citizens' rights provisions of the Withdrawal Agreement are needed.

The recommendation adopted by the Assembly sets out the need for work and progress by the UK and EU.

The co-chairs of the Assembly called for greater parliamentary engagement in the 2026 UK-EU summit to enhance transparency and the democratic accountability of its outcomes.

Specific areas of cooperation

Over two days, the PPA debated specific areas of UK-EU cooperation of importance to Wales and the Senedd:

- The EU's proposals for steel tariffs were discussed in the Plenary and breakout groups. Concern about the impacts on the UK were expressed by UK members. The EU's Ambassador to the UK said the EU's proposals foresees a similar regime to the current one for GB-Northern Ireland steel movements and that specific country and product quotas would be discussed with the UK. The recommendation adopted by the Assembly called for this to be done at the 'earliest opportunity' and for collaboration to take place between the UK and EU at fora like the Global Forum on Steel Excess capacity and the OECD Steel Committee.

- On creative and cultural exchange, delegates once again expressed strong support for further and more comprehensive measures to support touring artists. Delegates spoke of the need to ensure the opportunities available to young people are not less than those afforded to previous generations. Addressing the Assembly, Richard Szostak, Director of Western European Partner at the European Commission, said the issue of touring artists is more challenging than may appear on the surface but the European Commission notes the strength of feeling on this issue which it will report to Member States. He said the European Commission is 'open to hearing ideas' for how issues could be resolved. He highlighted the increased investment by the EU in its Creative Europe programme and noted the opportunities for third party countries to participate in it. Rejoining Creative Europe is a key priority for the culture sector in Wales, as set out in the Senedd

committees' TCA review report. The UK Minister for Creative Industries, Media and Arts, Ian Murray MP, told the Assembly that the existing UK-EU agreements and the commitments reached in Common Understanding should be viewed as a 'floor' and not a 'ceiling' to future cooperation between the UK and the EU. He urged the Assembly to continue its collective work on this issue, setting out his view that Assembly discussions will be a key part of the political context for further agreements at the next UK-EU summit.

- On climate and energy, the view that UK-EU cooperation is essential to lowering energy costs and ensuring energy security was reiterated. There was support for the principle of linking the UK and EU emissions trading schemes but concern was expressed about the potential impact of the EU's Carbon Border Adjustment Mechanism (CBAM) on trade. They called for temporary exemptions to be provided while negotiations on linkage continue, particularly for Northern Ireland. The Assembly said agreeing interim measures could avoid unwanted costs and impacts for industries and households in the UK and EU.

3. Recommendations

As we have noted previously, devolved legislatures have much to contribute to the PPA. The number of devolved issues discussed in this most recent meeting alone highlights the necessity of ensuring that we are fully engaged in the work of the Assembly. This will be more important than ever as negotiations for closer alignment on fully devolved areas such as SPS and emissions trading continue and conclude.

We welcome the opportunity to have contributed to more than one item in Plenary and the opportunity afforded to us by the UK Co-chair to input ideas for agenda items in advance. These are important developments in the role of the devolved legislatures and we hope they are now adopted as routine practices. We reiterate two of our recommendations in our last report and will continue to explore opportunities to further this work with colleagues in the PPA.

Recommendation 1: We welcome improvements in the engagement and role of the devolved legislatures in the work of the PPA. These important developments should be adopted as routine practice.

Recommendation 2: We continue to press for devolved representatives to participate fully in the PPA interparliamentary meetings where devolved matters are engaged.

Recommendation 3: The Co-chairs of the PPA should explore hosting a UK meeting of the PPA in a devolved nation.

This report will be shared with relevant Senedd committees and the Welsh Government as with previous reports.



Delegates of the UK-EU Parliamentary Partnership Assembly
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Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Delyth Jewell MS
Chair
Culture, Communications, Welsh Language, Sport and International Relations Committee
Senedd Cymru

10 February 2026

I am writing to inform the Committee of my intention to proceed to lay the following draft legislation before the Senedd today:

- The Welsh Language (Wales) Measure 2011 (Amendment of Schedule 6) Order 2026
- The Welsh Language Standards (No. 10) Regulations 2026

If approved by the Senedd, the Order will add Community Housing Cymru to Schedule 6 to the Welsh Language (Wales) Measure 2011, and the Regulations will make Welsh Language Standards specifically applicable to Registered Social Landlords, as providers of social housing, as well as making standards within the Welsh Language Standards (No.2) Regulations specifically applicable to Community Housing Cymru.

A consultation was held on the policy proposals between 24 June and 16 September 2025. A summary report of the consultation responses will also be published on the Welsh Government website on the same day as the Order and Regulations are laid, and my intention is to hold a Plenary debate on the Order and Regulations on 24 March 2026.

Yours sincerely,



Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

MINISTERIAL INTERNATIONAL ENGAGEMENT

January 2026

INWARD VISITS	
22 Jan	**Visit to Wales by the German Ambassador to the UK** The German Ambassador visited Wales for a two day programme. During her visit, the Ambassador held a reception in Cardiff for the German community. The Deputy First Minister met with the Ambassador ahead of the reception to discuss the ongoing relationship with Germany as a priority country.
OUTWARD VISITS	
06 Jan	**First Minister Visit to Spain** The First Minister visited Spain for a three day programme of meetings. This included the signing of a new Memorandum of Understanding with Catalonia and the re-signing of a Memorandum of Understanding with the Basque Country. Further details can be found in the written statement - Written Statement: First Minister's Visit to Catalonia and the Basque Country (22 January 2026) | GOV.WALES

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol
—
Culture, Communications, Welsh Language, Sport and International Relations Committee

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Jack Sargeant MS,
Minister for Culture, Skills and Social Partnership
Welsh Government

11 February 2026

Dear Jack,

Of and For Wales: Recommendations of the Wales Public Interest Journalism Working Group

I write following correspondence from the National Union of Journalists (NUJ). They write that:

> *"We discussed the report and recommendations of the Welsh government's public interest journalism working group, Of and For Wales. The NUJ is keen for some clarity on whether the Welsh government formally accepts all, some, or none of the recommendations made in that report."*

In your recent response to the Committee's 2026-27 Draft Budget report, you said:

> *"The Welsh Government responded to the 2023 report 'Of and for Wales: Towards a Sustainable Future for Public Interest Journalism' in its Written Statement of 12 May 2025[1], where it was confirmed that £350,000 from Creative Wales' budget would be allocated to support journalism in 2025-26."*

The 12 May Written Statement you refer to does not provide a substantive response to the Of and For Wales report. It says:

> *"Recognising that accurate and trusted news across all channels is critical to ensuring a strong media landscape, I have asked the Wales Public Interest Journalism Working Group to continue its work. The Working Group will move*

[1] Welsh Government: Written Statement: Update on Broadcasting and Media, 12 May 2025.

forward with a refreshed Terms of Reference, following the publication of its recommendation report 'Of and For Wales: Towards a Sustainable Future for Public Interest Journalism'. I note the recommendations in the report and thank the Working Group for its ongoing commitment to supporting a strong media sector in Wales. The Welsh Government remains committed to working with the sector and through the Working Group to take forward these recommendations where possible, in the context of ongoing financial challenges. To support this, I have set aside £350,000 within Creative Wales' budget to support journalism in 2025-26."

We are disappointed that, over two years after this report was published, the Welsh Government has not responded in detail to its recommendations. The sector clearly cares about these proposals, and the effort put into this report by the Working Group.

We reiterate our call for the Welsh Government to respond to the recommendations of the 2023 report Of and for Wales: towards a sustainable future for public interest journalism, explaining how any work implementing this report will be funded. This should include the key recommendation:

"Welsh Government should support a robust and transparent process to appoint a steering committee to oversee the establishment of a Wales Media Institute, and commit to a budget of at least £1m a year to arms-length support for public interest journalism."

I look forward to hearing from you.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Senedd 2026 - NUJ Manifesto asks

The newspaper industry in Wales is ailing with continued cuts of journalists and newspaper offices exacerbating the situation.

Since the pandemic the financial pressures faced by many news outlets in Wales has worsened with publications and newspaper office closures and further job losses.

There is a lack of coverage of Wales in the majority of daily newspapers sold in Wales. There are news deserts in areas of Wales where there is no local newspaper, denying local communities a voice and access to news affecting them.

Good journalism is a public service and without public funding Wales will continue to be under-reported and its democratic deficit will grow. The Welsh government has the necessary competence to help rebuild public interest journalism in Wales.

The public interest journalism working group has produced a detailed report which sets out our preferred solutions and is published on the Welsh government website: Of and For Wales bit.ly/OfandForWales or use the QR code.

The key NUJ asks are:

• Public interest journalism should be designated a public service;

• A Wales Media Institute funded by the Welsh government will administer funding of journalism in Wales and help improve standards. It will also advise the government on broadcasting, in particular coverage and content about Wales;

• Local democracy-style reporters placed in news deserts around Wales recruited from the local community - this follows on from the funding already put in place for a full-time reporter covering the Senedd;

• Improve the diversity of journalists in Wales by developing apprenticeships and online training;

• Devolve control of S4C to Wales along with the necessary funding.

Senedd 2026 – deisyfiadau Maniffesto'r NUJ

Mae'r diwydiant papurau newydd yng Nghymru yn llesg ac mae'r toriadau parhaus i newyddiadurwyr a swyddfeydd papurau newydd yn dwysáu'r sefyllfa.

Ers y pandemig, mae'r pwysau ariannol a wynebir gan lawer o allfeydd newyddion yng Nghymru wedi gwaethygu, gan arwain i gau cyhoeddiadau a swyddfeydd papurau newydd a cholli mwy o swyddi.

Mae prinder cynnwys sy'n berthnasol i Gymru yn y rhan fwyaf o'r papurau newydd dyddiol a werthir yng Nghymru. Mae ardaloedd o anialwch newyddion yng Nghymru sydd heb bapur newydd lleol, gan atal cymunedau lleol rhag cael llais a mynediad at newyddion sy'n effeithio arnynt hwy.

Mae newyddiaduraeth dda yn wasanaeth cyhoeddus, a heb gyllid cyhoeddus, bydd Cymru'n parhau heb ohebiaeth ddigonol a bydd ei diffyg democrataidd yn tyfu. Mae gan lywodraeth Cymru'r cymhwysedd angenrheidiol i helpu i ailadeiladu newyddiaduraeth er budd y cyhoedd yng Nghymru.

Mae'r gweithgor newyddiaduraeth er budd y cyhoedd wedi cynhyrchu adroddiad manwl sy'n egluro ein hatebion dewisol ac sydd wedi'i gyhoeddi ar wefan Llywodraeth Cymru: O Gymru ac i Gymru bit.ly/OfandForWales, neu defnyddiwch y cod QR.

Dyma bryf ddeisyfiadau'r NUJ:

- Dylai newyddiaduraeth er budd y cyhoedd gael ei dynodi'n wasanaeth cyhoeddus;

- Bydd Sefydliad Cyfryngau Cymru a ariennir gan lywodraeth Cymru yn gweinyddu cyllido newyddiaduraeth yng Nghymru ac yn helpu i wella safonau. Bydd hefyd yn cynghori'r llywodraeth ar ddarlledu, yn benodol yr ymdriniaeth a'r cynnwys sy'n ymwneud â Chymru;

- Gosod gohebwyr lleol yn null democratiaeth mewn ardaloedd o anialwch newyddion o gwmpas Cymru, a gânt eu recriwtio o'r gymuned leol – daw hyn yn sgil y cyllid sydd yn ei le eisoes ar gyfer gohebydd llawn amser yn y Senedd;

- Gwella amrywiaeth y newyddiadurwyr yng Nghymru trwy ddatblygu prentisiaethau a hyfforddiant ar-lein;

- Datganoli rheolaeth S4C i Gymru, ynghyd â'r cyllid angenrheidiol.

STATEMENT FROM NUJ WELSH EXECUTIVE COUNCIL

The National Union of Journalists is concerned at the increasing attacks on the media in Wales. Public interest journalism in Wales is fragile and these attacks are both unwarranted and damaging to our democracy. In one case, one of our members has had to seek police advice following threats on social media.

The National Union of Journalists in Wales condemns unequivocally the recent attacks on Welsh media by Reform UK. Nigel Farage, the party's leader, made a wholly unwarranted personal attack on Rhuanedd Richards, the Director of BBC Wales, who is currently performing the role of Interim Director of Nations for the BBC as a whole.

Without any evidence to back up his claim that BBC Wales is biased, he has sought to smear Ms Richards on the basis that she is a former Chief Executive of Plaid Cymru. This is unacceptable behaviour, and additionally so from someone who is paid handsomely to present his own show on another broadcaster, and has a vested interest in undermining the BBC.

Ms Richards, by contrast, is a television executive of the utmost integrity who is strongly committed to impartial broadcasting, a point she made clearly in a speech to the Voice of Listener and Viewer (VLV) Autumn Conference a few weeks ago.

NUJ Wales also condemns the attempt to bully Nation.Cymru with legal threats following articles it has published about Reform UK. In particular, a story that exposed racist, homophobic and other offensive comments made by the man who is now the party's Director of Communications, Ed Sumner. In threatening Nation.Cymru, Reform's barrister has falsely alleged that the news website breached Mr Sumner's right to privacy.

Furthermore, the union is appalled at the revelation that in a message chat with Reform colleagues, Mr Sumner used highly offensive language to describe a respected Welsh journalist.

The NUJ calls on Senedd Members from all political parties to defend transparency, press freedom and be proactive in protecting and promoting public interest journalism in Wales.

DATGANIAD GAN GYNGOR GWEITHREDU CYMRU YR NUJ

Mae Undeb Cenedlaethol y Newyddiadurwyr yn pryderu am y cynnydd yn yr ymosodiadau ar y cyfryngau yng Nghymru. Mae newyddiaduraeth er budd y cyhoedd yng Nghymru yn fregus ac mae'r ymosodiadau hyn yn ddigyfiawnhad ac yn niweidiol i'n democratiaeth. Mewn un achos, mae un o'n haelodau wedi gorfod gofyn am gyngor gan yr heddlu yn sgil bygythiadau ar y cyfryngau cymdeithasol.

Mae Undeb Cenedlaethol y Newyddiadurwyr yng Nghymru yn llwyr gondemnio'r ymosodiadau diweddar ar y cyfryngau yng Nghymru gan Reform UK. Gwnaeth Nigel Farage, arweinydd y blaid, ymosodiad personol cwbl ddigyfiawnhad ar Gyfarwyddwr BBC Cymru, Rhuanedd Richards, sydd ar hyn o bryd yn Gyfarwyddwr y Cenhedloedd (Dros Dro) dros y BBC i gyd.

Heb unrhyw dystiolaeth i gefnogi ei gyhuddiad bod BBC Cymru yn rhagfarnllyd, mae wedi ceisio pardduo enw da Ms Richards am ei bod yn Gyn-brif Weithredwr Plaid Cymru. Mae'r ymddygiad hwn yn annerbyniol, ac yn enwedig gan rywun sy'n cael ei dalu'n hael i gyflwyno'i sioe eu hun ar sianel ddarlledu arall, ac sydd â diddordeb personol mewn tanseilio'r BBC.

I'r gwrthwyneb, mae Ms Richards yn weithredwr teledu o'r uniondeb mwyaf sy'n gwbl ymrwymedig i ddarlledu diduedd, ac fe bwysleisiodd y pwynt hwn mewn araith yng Nghynhadledd yr Hydref Voice of Listener and Viewer (VLV) ychydig wythnosau yn ôl.

Mae NUJ Cymru hefyd yn condemnio'r ymdrech i fwlio Nation.Cymru gyda bygythiadau cyfreithiol yn sgil erthyglau a gyhoeddodd ynglŷn â Reform UK. Yn benodol, y stori a ddatgelodd y sylwadau hiliol, homoffobig ac ymosodol eraill gan y dyn sydd bellach yn Gyfarwyddwr Cyfathrebu'r blaid, Ed Sumner. Wrth fygwth Nation.Cymru, mae bargyfreithiwr Reform wedi honni ar gam fod y wefan newyddion wedi torri hawl Mr Sumner i breifatrwydd.

At hynny, mae'r undeb wedi brawychu wrth glywed y datguddiad bod Mr Sumner wedi defnyddio iaith tra ymosodol mewn sgwrs negeseua gyda'i gydweithwyr yn Reform, wrth ddisgrifio newyddiadurwr Cymreig uchel ei barch.

Mae'r NUJ yn galw ar Aelodau'r Senedd o bob plaid wleidyddol i amddiffyn tryloywder a rhyddid y wasg, a bwrw ati'n rhagweithiol i ddiogelu a hyrwyddo newyddiaduraeth er budd y cyhoedd yng Nghymru.

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon a Chysylltiadau Rhyngwladol
—
Culture, Communications, Welsh Language, Sport and International Relations Committee

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Rebecca Evans MS
Cabinet Secretary for Economy, Energy and Planning
Welsh Government

11 February 2026

Request for final update on the Committee's Culture Shock report

During our recent evidence sessions on Wales-Ireland relations, several witnesses raised the continuing adverse effects of post-Brexit arrangements on the culture sector, including for touring artists and on UK participation in EU programmes. The transcripts are available here.

In evidence we received, witnesses once again outlined continuing issues experienced by touring artists and disappointment that UK participation in relevant EU programmes remains out of reach. This marked the Committee's fourth consecutive international relations inquiry where these matters have been raised.

Our recommendation for the Welsh Government, to continue raising these matters with the UK Government, was accepted in response to our cross-committee report on the UK-EU implementation review of the Trade and Cooperation Agreement.

As the Sixth Senedd draws to a close, the Committee would be grateful to receive a final update relating to your efforts in this area of work. Please could you provide an update on:

1. How the Welsh Government has raised ongoing issues affecting touring artists and cross-border creative work with the UK Government, and how the UK Government has responded. We would be grateful if you could also confirm how this was raised by the Welsh Government, for example, at the latest Culture and Creative Industries Inter-Ministerial Group and/or at the Interministerial Group on UK-EU relations;
2. The status of UK-EU discussions on this matter, including confirmation that it is being discussed;

3. Discussions with the EU on UK participation in EU programmes', including an update on whether the UK Government's agrees with the Welsh Government, that participation in Creative Europe should be pursued.
4. Whether the Welsh Government now considers AgoraEU as a priority programme for UK participation, given its subsumption of Creative Europe since our last exchange.

We would be grateful to receive a response by 26 February 2026.

Thank you for your continued attention to this matter.

Yours sincerely,



Delyth Jewell MS

Chair

Culture, Communications, Welsh Language, Sport and International Relations Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Llywodraeth Cymru
Welsh Government

Delyth Jewell MS
Chair
Culture, Communications, Welsh Language,
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Welsh Parliament
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17 February 2026

Dear Delyth,

Thank you for your letter requesting a final update on the Committee's 'Culture Shock' report, which comprehensively examined how the UK's departure from the European Union (EU) has impacted on our culture sector in Wales.

I hope you find the following responses helpful.

Please could you provide an update on:

1. **How the Welsh Government has raised ongoing issues affecting touring artists and cross border creative work with the UK Government, and how the UK government has responded. We would be grateful if you could also confirm how this was raised by the Welsh Government, for example, at the latest Culture and Creative Industries Inter-Ministerial Group and/or at the Interministerial Group on UK-EU relations.**

   The Welsh Government is using all available levers to encourage the UK government and the EU to ease the difficulties being faced by creative sector workers, particularly touring artists.

   During the meeting of the Culture and Creative Industries Inter-Ministerial Group (IMG), which took place on 16 July 2025, international activity was discussed, including Creative Europe.

   The IMG on UK-EU relations has met on two occasions since the UK-EU summit on the 19 May 2025 and the announcement of the UK-EU Common Understanding Agreement. The IMG UK-EU met most recently on 21 January 2026, and my officials shared a list of our priorities before that meeting which included improving mobility arrangements for touring artists. I also raised the issue of touring artists in the IMG on UK-EU relations in September.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

At official level, this matter is raised at all opportunities, including at pre- and post-briefing meetings about the UK-EU Trade Specialised Committee on Services, Investment and Digital, which we attend as an observer. Officials also have fortnightly meetings with the UK government's Cabinet Office who are coordinating the EU reset work.

We continue to actively engage with the UK government and the EU, to ensure that the interests of Welsh creative workers are represented and advanced.

2. **The status of UK-EU discussions on this matter, including confirmation that it is being discussed.**

   The matter of cross-border cultural collaboration and mobility for creative professionals is an active topic in UK-EU discussions. These issues are being discussed frequently at both ministerial and official levels, with ongoing dialogue aimed at addressing the numerous practical challenges caused by the UK's departure from the EU. Discussions are ongoing.

3. **Discussions with the EU on UK participation in EU programmes, including an update on whether the UK Government agrees with the Welsh Government, that participation in Creative Europe should be pursued.**

   The Welsh Government continues to advocate for renewed UK participation in EU programmes, including Creative Europe, recognising its importance for the Welsh creative and cultural sectors. While the Welsh Government strongly supports pursuing this participation, the UK Government has not yet committed to rejoining Creative Europe.

4. **Whether the Welsh Government now considers AgoraEU as a priority programme for UK participation, given its subsumption of Creative Europe since our last exchange.**

   The European Commission's proposal on AgoraEU is currently being discussed by EU institutions. The Welsh Government is monitoring these discussions and is considering if AgoraEU should be a priority programme for UK engagement, to maximise opportunities for Welsh creative professionals and organisations. It is expected that the programme will start in the next Multiannual Financial Framework cycle in 2028.

In summary, the Welsh Government remains committed to advancing the interests of Wales's creative and cultural sectors in all relevant forums and will continue to press for solutions that restore opportunities for international collaboration and improved mobility. We will keep the Committee informed of any developments in these areas.

Yours sincerely,



Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

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13 February 2026

Dear Members of the Communications, Culture, Welsh Language, Sport and International Relations Committee.

We attach a document regarding Sport Wales' work with our partners and stakeholders to look ahead at policy recommendations in 2026 and beyond. We hope that the committee finds this document useful and we are happy to supply any further information that members or the committee clerks find useful.

Sincerely,

Brian Davies
CEO

Baroness Tanni Grey-Thompson DBE
Chair

How sport can help Wales thrive:

Recommendations for 2026 and beyond

How sport can help Wales thrive

The four key recommendations from Sport Wales are interlinked and deliver on the ambition of the sport sector in Wales to unleash the power of sport for the benefit of everyone. These policies can unlock the potential of sport to contribute society wide benefits. As the four Chief Medical Officers of the UK said, **"If physical activity were a drug, we would refer to it as a miracle cure, due to the great many illnesses it can prevent and help treat."**[11] Investing the right resource to unlock sport's full potential.The daily active. Creating the right environments for young people. The beacon of ambition. New National Centre - from grassroots to the world stage. A preventative agenda for sport. Driving multi-sector solutions.

The recommendations start with unlocking the full potential of sport **by investing the right level of resource**, comparable to other nations in Europe. The focus of that investment is to recognise the collaborative role sport can play in a **preventative agenda**, contributing to the nation's health and wellbeing as a cross-policy solution. Targeting future generations through a **daily active offer improving children and young people's health, education and prosperity**. Finally, with the ambition for the home of sport in Wales, from grassroots to Wales on the world stage signalled in an **ambitious new National Centre**.

Key recommendation:

For a thriving sport sector, delivering lifelong benefits for everyone, Wales needs an increase in sport funding until comparable with those of similar countries.

Why this recommendation?

The power of sport to drive social and economic value is a proven concept. It is seen across the entire policy spectrum in Wales. The opportunity to ensure the people of Wales are healthier, wealthier and more prosperous exists by adequately funding sport to its full potential.

The recent report by the Senedd's Culture, Communications, Welsh Language, Sport, and International Relations Committee[12] recommended an increase in funding for sport to ensure it reaches more comparable international levels, something that the Welsh

[11] UK Chief Medical Officers' Physical Activity Guidelines (PDF)

[12] Welsh Government Response to Senedd Committee Report: A Decade of Cuts (PDF)

Government have supported in principle[13], and that Sport Wales has used as the basis of this recommendation.

The impact of funding sport has been well established. A UK wide report in 2024 demonstrated that in Wales, the direct gross value added (GVA) contribution through sport amounts to £1.9 billion pounds. Including the effects in the upstream value chain (the indirect impact of sport on wider economic industries), this increases to £2.9 billion pounds.

This economic value is underpinned by 38,345 FTE individuals employed directly in sport, a figure which rises to 58,997 when roles that are not directly sport-related but rely on sport related activity are included.

Furthermore, a Social Return on Investment study in 2023 highlighted that for every £1 invested in sport there was a £4.44 social return on that investment through improved health outcomes, public wellbeing, social capital and volunteering outputs.[14] The study found that even at 2021-22 funding levels around 113,000 cases of ill-health were prevented annually due to sport.

Potential increase levels

Baseline - Based on a current population level of 3.11m[15], for Wales to reach parity in culture funding with the UK, there would need to be approximately an additional £20m invested annually in sport.

Medium - For Wales to be ranked within the middle of the assessed European nations, an additional £208m annually would be required.

Top quartile - Whilst a top quartile funding picture would mean approximately between £438m-£553m in annual support.

Key benefits

- Unleash the benefits of sport for everyone, as a proven multiplier effect in maximising the contribution to the environmental, health, social and economic prosperity of Wales
- More funding for all communities across Wales with under-served communities being prioritised
- Creating the foundations for the visibility and success of Wales on the world stage. Utilising sport as Wales' most powerful asset for international reputation
- All young people are supported to integrate sport and physical activity into their daily routines, delivering lifelong health and wellbeing benefits

[13] Welsh Government Response to Senedd Committee Report: A Decade of Cuts (PDF)
[14] Sport Wales – Social Return on Investment of Sport in Wales
[15] Statistics Wales Demography Newsletter – March 2025

Key recommendation:

Wales needs to introduce a 'preventative health and well-being' category of spend in future budgets, moving towards a longer-term budgeting view to help build and protect population health. This would help recognise and properly fund sport and unleash its societal benefits for everyone.

Why this recommendation?

The Wellbeing of Future Generations Act requires all public bodies to be focused on a prevention first agenda. Sport and physical activity have the potential to be the most effective preventative health tool in Wales. However, this will only be realised if the full potential of sport is maximised across health services -

"If physical activity were a drug, we would refer to it as a miracle cure, due to the great many illnesses it can prevent and help treat."[16]

There is a significant national health challenge:

Mental health

Since 2016-17 population's general health has decreased over time and the number of people "reporting a mental health condition as a long-term illness" has increased to 12% in 2022-23. A 2025 Public Health Wales (PHW) survey showed 36% of people reported a decline in their mental health over the past three years[17]. In 2021-22, the category with the largest NHS expenditure by budget category was mental health problems which accounted for 10.9% (£962 million) of all NHS expenditure in Wales.

Whilst this mental health crisis continues to impact Wales, sport and physical activity remain a powerful, and underutilised tool. Findings for 2022-23, found "better mental wellbeing" among those who participated in sport at least three times a week.

Physical health

- **Overweight:** 13.4% of children in Wales are overweight
- **Obese:** 11.4% of children in Wales are obese

Whilst we know that physical activity is only one aspect of tackling the issues of obesity, the current challenge in Wales does demand sport plays an active contribution to a collective response. By 2050 PHW estimate the cost of treating obesity alone will rise to £465m with a broader cost to society by 2050 estimated at £2.4bn.

[16] Academy of Medical Royal Colleges – Exercise: The Miracle Cure (PDF)
[17] Public Health Wales – Survey on Physical and Mental Health Decline

We know that sport is already making a significant contribution to Wales through the nation's Social Return on Investment Study.[18]

- £621m in annual health savings due to reduced instances of preventative illnesses through sport
- 113,000 cases of ill-heath prevention through sport
- Impacts across Stroke, Type 2 diabetes, Breast cancer, Colon cancer, Hip Fractures and Chronic Heart Disease
- These impacts are delivered through both physical and mental health, and the mental health impact is significant across issues such as subjective wellbeing/positive outcomes for mental health and dementia

Key benefits

- A significant, positive impact on the health and wellbeing of the Welsh population – no other intervention has the potential to be the nation's most effective preventative health tool
- A low-cost solution, capable of supporting all communities across Wales and protecting the scarce resources in the health service
- Tackle the impact of obesity, especially for young people, and reduce the future burden on health budgets
- Tackle health inequalities and improve people's physical and mental health
- Making the prevention of ill health everyone's business, by ensuring all budgets have a preventative category
- Creates stronger links between health and sport ensuring that people are equipped to avoid illness in the first place, are better prepared for surgery when that is required, and recover more quickly post-surgery

Key recommendation:

Wales needs a whole school approach to young people's engagement in physical activity in, and around, the school day. This can be achieved through committing adequate resource to a 'Daily Active Offer', supporting the health and wellbeing of future generations.

Why this recommendation?

The latest School Sport Survey[19] figures noted that only 39% of school age children are active three or more times a week. Furthermore, within a school environment the study captured that on average schools were providing only 93 minutes of curriculum based Physical Education a week - well below the recommended requirements. However, demand for more sport amongst children and young people is at a staggering 93% - that

[18] Sport Wales – Social Return on Investment of Sport in Wales
[19] Sport Wales – School Sport Survey 2022 (PDF)

is 292,000 children in Wales seeking more opportunities to be active. We therefore know that our future generations have a desire to increase their activity levels, but the existing infrastructure and environment in and around the school day is not supporting that to take place.

The Daily Active

The Daily Active offer is a cross-policy, multi-agency initiative to promote a whole-school approach to physical activity which will aim to shape how we can drive forward a revised and refreshed approach for schools, to improve opportunities for physical activity in and around the school day. Daily Active is structured around eight domains that create movement opportunities across and beyond the school day.

It is also a proposal that has significant support, backed by Sport Wales and Public Health Wales as national organisations responsible for sport and physical activity. Additionally, the Children's Commissioner's 2022-23 annual report recommended "The Daily Active Programme should commence without further delay."[20]

Key benefits

Resourced correctly (at £3m per annum) the key benefits for pupils:

- Improved mental and physical health
- Improved resilience, confidence and social skills
- Improved school attendance and educational attainment
- Promotes equality and activity
- Teachers are better equipped to deliver the Curriculum for Wales
- Healthier School Environments
- Schools are better connected to the wider community, including local health and physical activity providers

Key recommendation:

Wales needs a new National Centre for sport. A fit for the future National Centre will significantly enhance support for the general public, athletes, coaches, sports leaders, and national governing bodies of sport to realise their sporting ambitions, from grassroots to world stage.

Why this recommendation?

The current Sport Wales National Centre has been a focal point for Welsh sport for over 50 years. It is the home of Sport Wales and many National Governing Bodies of Sport (NGBs) and is the base of the Sport Wales Institute - where we provide support for our most talented athletes.

[20] Welsh Government Response to the Annual Report of the Children's Commissioner for Wales 2022–2023 (PDF)

However, following extensive consultation, to go on supporting people in the future continuing to modify the facility is no longer a viable option. A review of comparable facilities across the UK nations, Ireland and further afield has identified Wales as a poor relation.

New National Centre

The vision is to create a new centre that sets the benchmark for sports facilities in Wales - one that meets the needs of our stakeholders, and is fully inclusive in its design, development and operation, **"To be an environmentally sustainable beacon for Welsh sport, connecting individuals and organisations together in a sporting hub designed to foster a culture of excellence, innovation, learning, development and well-being."**

The new Centre will continue to be the home/training/competition base for many of our Welsh NGBs, Sport Wales, and the Sport Wales Institute with significantly enhanced facilities, including the ability to host more national and international sport events in a purpose-built 3,000 seat indoor arena – an arena that's primary use is sports events. An investment of circa £150m spread over 5 years will deliver significant benefits to Wales.

Key benefits

Alongside the sporting benefits a new National Centre will deliver, there will also be a range of significant social and economic benefits:

- £180m social and economic benefit quantified in the business case
- Environmentally sustainable building
- Enhanced profile of Welsh sport internationally through increased sports events
- Wales hosting larger national and international events
- Fully inclusive facility with a key focus to promote para sports
- World leading athlete services for those competing on the world stage
- Purpose built training and competition facilities for athletes, coaches and members of the public

Agenda Item 6

Document is Restricted

Y Pwyllgor Deddfwriaeth, Cyfiawnder a'r Cyfansoddiad
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Legislation, Justice and Constitution Committee

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Delyth Jewell MS
Chair, Culture, Communications, Welsh Language, Sport and International Relations Committee

Llyr Gruffydd MS
Chair, Climate Change, Environment and Infrastructure Committee

17 February 2026

Dear Delyth and Llyr,

UK-EU Germany Treaty on Friendship and Bilateral Cooperation

The Committee considered the latest international agreements laid in the UK Parliament under the *Constitutional Reform and Governance Act 2010*.

During our consideration of the UK-Germany Treaty on Friendship and Bilateral Cooperation, we considered that its contents may be of interest to your Committees. The Treaty includes cooperation in several reserved and devolved areas, including:

- International relations between the UK and Germany.
- Measures to promote people-to-people contacts, including the facilitation of bilateral school and youth exchanges.
- Climate, energy, nature, environment and agriculture. Climate and environmental joint work, both bilaterally and via the UN, sit alongside energy cooperation with a geographic focus on the North Sea.
- A commitment to explore a UK-Germany direct rail link.

On the role of the devolved governments, the UK Government's Explanatory Memorandum confirms that the Welsh Government was consulted on the agreement but no further detail is provided.

As such, we wanted to draw the agreement to your attention, in light of your respective interest in these areas.

Yours sincerely,



Mike Hedges
Chair