

GWYNEDD COUNCIL CABINET



A Report to a meeting of Gwynedd Council Cabinet

Date of meeting: 15 February 2022

Cabinet Member: Councillor Gareth Thomas

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Subject: CHALLENGE PERFORMANCE REPORT - CABINET MEMBER FOR ECONOMY AND COMMUNITY

THE DECISION SOUGHT

To accept and note the information in the report.

THE REASON WHY A DECISION IS NEEDED

In order to ensure effective performance management

1. INTRODUCTION

- 1.1 The purpose of this report is to update my fellow members on developments in the fields within my remit as Cabinet Member for Economy and Community. This includes outlining the latest developments against pledges within the 2018-2023 Gwynedd Council Plan; the progress of performance measures; and the latest on the savings and cuts schemes.
- 1.2 I will remind you that all matters have already been the subject of discussions and have been scrutinised at a meeting of the Department's Senior Management Team on 13 January 2022, which also included representatives from the Scrutiny Committee.
- 1.3 Given the impact of COVID-19 on the Department's services, I am satisfied with the performance. Some services have been redesigned with new service provision models being introduced to ensure the safety of staff and service users. Some services have had to change priorities entirely and divert staff to cope with the additional demand to support businesses. I'm very supportive of the changes that have been introduced to respond to the demand but there will be a need to revise the resources to remodel and maintain services in future.



2. PROJECTS IN THE GWYNEDD COUNCIL PLAN 2018-2023 [Improvement Priorities]

Project 1: Growth Vision for North Wales

- 2.1 There has been significant progress in the scheme so far during the year. The initial business plans of several schemes within the North Wales Growth Deal were approved including some that are a priority for Gwynedd such as the Rural Economy Hub in Glynllifon and Bangor University Digital Signal Processing Centre of Excellence. Officers and Members continue to make significant contributions to the work of the Economic Ambition Board to ensure that it delivers. Here is a [link](#) shows the scrutiny report that contains further details about progress on the various growth projects at the most recent reporting point to Members.

Project 2: Create High Value Jobs

- 2.2 The programme includes a range of activities including working with sectors that are likely to create good jobs (such as the media / digital), developing work opportunities that pay well within existing sectors and preparing Gwynedd school pupils to take advantage of the opportunities.
- 2.3 It continues to be a challenging period for the economy which influences the confidence of companies to invest, and as a result, the work of the scheme to Create High Value Jobs. However there have been a number of positive developments in the four months since my last report; including:
- Securing the support to extend the STEM Gogledd scheme to mid-2023 and commission joint research with the Education Department to help schools to understand the skills needs of our local businesses.
 - Guarantee the continuation of the Creative North Wales network by attracting funding from Welsh Government, all the north Wales counties and Llandrillo-Menai Group.
 - Recruit officers to the Egin company that has been established to facilitate the attraction of further investment to the Trawsfynydd Power Station site.
- 2.4 However, the decision by Welsh Government not to proceed with the development of the new access road to Llanbedr airfield site was exceptionally disappointing. Its decision has led to the loss of £7.5M of European funding to Gwynedd, and substantial private investment. The Council is continuing to challenge the decision and is committed to developing the airfield, but there is clear evidence that Welsh Government's choice is risking the opportunity to fully realise the site's potential to create good jobs for local people.

Project 3: Arloesi Gwynedd Wledig

- 2.5 The programme is working to strengthen the foundations of the rural economy through a range of interventions, including developing the county's digital infrastructure, helping rural businesses to establish and grow, and supporting more innovation in rural Gwynedd.



2.6 I reported previously on the success of the ARFOR scheme in Gwynedd and across the Western counties to demonstrate the opportunities to use economic development to support the Welsh language, and the Council has presented its case to Welsh Government to continue to invest in the programme in future. I was extremely pleased to see that £4M has been allocated for ARFOR in the Welsh Government's draft budget.

2.7 Beyond ARFOR, the programme has seen a number of other successes that should be noted:

- Securing funding from Welsh Government to support rural businesses to improve their internet presence and increase their use of technology, in particular to develop links between local suppliers and accommodation providers.
- Undertaking a programme of activities within the Ffiws Gwynedd network of locations to support businesses to use modern equipment ([further information](#)).
- Trialling a 'pop-up' shop to facilitate small rural businesses to grow ([further information](#)).
- Providing training and financial support under the 'Llwyddo'n Lleol' banner to help young people to establish businesses that respond to the needs of their communities ([further information](#)).
- Completing an experiment to evaluate the value of community electric vehicles to respond to the challenges of rural transport ([further information](#)).

Project 4: Promotion of Town Centres

2.5 Over the past 18 months the emphasis of this project has been diverted in light of COVID, with a package of short-term environmental improvements having being implemented in light of the success in attracting Welsh Government grants. The package also includes developing digital infrastructure in town centres to offer wi-fi, a new marketing and joint-commerce platform, a method for collecting and managing data on town centre trends.

2.6 However, more recently there has been more emphasis placed on trying to respond to challenges and opportunities that will face town centres in future. New arrangements were put in place to target Welsh Government's Transforming Towns funds in order to develop and implement a range of town centre regeneration projects. 'Placemaking' grant resources were secured for the following projects to be implemented during 2021/2:

Scheme	Organisation	Total Cost
Town Centre Property Improvement Grant	Economy and Community Department	£285,714
Empty Homes Grant	Housing and Property Department	£285,714
Improvements to Storiell, Bangor	Economy and Community Department	£199,800
Heritage Centre (Spar Building)	Partneriaeth Ogwen	£253,000
Cymru Fydd scheme	Siop Griffiths	£237,560
High Street, Blaenau Ffestiniog (3 properties)	Antur Stiniog	£360,000
Penygroes Decarbonisation Hub	Adra	£300,000
Tafarn y Fic, Bethesda	Tabernacl (Bethesda) Cyf	£75,000
	Total	£1,996,788



- 2.7 The work of developing projects as part of the Bangor City Centre Regeneration Scheme is also continuing. During the period work commenced on Cwmni Frân Wen's 'Nyth' project – an exciting project worth £3.2m to develop a bespoke creative hub for children and young people in the city centre. A £1.2m package was also secured for Bangor University's scheme to introduce improvements to College Park in the city centre. Developmental funding was secured for preliminary work on the Health and Well-being Centre scheme for the city. Grant funding has also been earmarked to renovate three empty buildings on the High Street, and work has been scheduled to begin during the last quarter of 2021/2.
- 2.8 An Action Plan for Empty Properties has been prepared – combining the functions and responsibilities of various Services across the Council. The first meeting of the Empty Properties Cross-departmental Group will be held in January 2022 in order to coordinate and supervise the implementation of the plan.
- 2.9 The Department has also provided input to the work commissioned on behalf of the six north Wales counties to develop a regional Town Centres Framework.

Project 5: Implementing the Gwynedd Slate Heritage

- 2.10 Six months have now passed since Gwynedd Council and its partners secured the Slate Landscape of Northwest Wales World Heritage Site designation. Following the huge interest, enthusiasm and pride within our communities, the Council and its partners have been developing and agreeing operational arrangements for the successful future management of the site. A new management structure has been agreed and over the next few months we will proceed to establish the Partnership Board, Action Group and specific sub-groups to ensure that all voices are heard in the management of the site, and that full advantage is taken of the opportunities that stem from the designation.
- 2.11 The activities of the LleCHI project funded by Gwynedd Council, Snowdonia National Park, Arloesi Gwynedd Wledig and the Heritage Lottery Fund have now ended, with a number of community activities having been developed across our slate valleys, including: art work, anthems, murals, interpretation, exhibitions, events, tours and schemes with Gwynedd's children and young people to highlight the importance of our slate story and to nurture local pride. A subsequent bid has been submitted to the Heritage Lottery Fund and we are awaiting a response to our application by the end of March 2022.
- 2.12 The Environment Department has launched a consultation on Supplementary Design Guidance to ensure that the site is developed sustainably in the future. Over the coming months, discussions will continue with partners, communities and landowners to secure the maximum benefits from the designation and we will continue to discuss projects that are developed across the slate valleys.

Project 6: Benefiting from Tourism

- 2.13 Work is being done to agree on Gwynedd tourism principles that will form the basis to future management plans. A number of meetings and events have been held to discuss these principles with members of Gwynedd Council and Snowdonia National Park, in addition to events with the sector and communities within Gwynedd. The purpose of these events was to provide input to future priorities and to identify the necessary support to develop and embed sustainable tourism in Gwynedd and Snowdonia.



- 2.14 In November 2021, a Memorandum of Understanding was signed between Gwynedd Council and Snowdonia National Park for future collaboration in this field. A formal collaboration structure has been agreed upon, and the close-knit and open joint working between both partners is continuing as we aim to adopt the Gwynedd and Eryri Sustainable Visitor Economy Plan 2035 in the coming months.
- 2.15 An Action Plan will be developed for the visitor economy as part of discussions and consultation on the Area Regeneration Plans and workshops will be held to ensure that the areas can contribute to the Action Plans. By learning from good practice in other areas of the world, we are confident that our Plan will break new ground to support a sustainable visitor economy.

Project 7: Businesses Receiving Support to Prosper

- 2.16 It continues to be an uncertain time for businesses in Gwynedd. Through this scheme we are maintaining our focus on providing support and assistance to enterprises in the county by working across Council departments.
- 2.17 Ensuring that our businesses have the information they need to keep their staff and customers safe continues to be a priority; which has increased as the requirements to prevent the spread of coronavirus have been reintroduced. The numbers receiving the Council's regular bulletin to businesses remains static at just over 4,200.
- 2.18 The work of providing practical and financial support for businesses continues, but with reduced emergency funding to administer since the summer. The emphasis has changed to monitoring the funding that has been provided and providing practical advice to businesses.
- 2.19 I previously reported my concern about the service's ability to sustain the level of support to businesses as staff have been temporarily diverted from different services in the Department over the past year to be able to cope with the demand for support from businesses. This challenge continues and I note that Welsh Government has once again turned to Local Authorities to distribute subsidies to businesses as a result of the restrictions introduced in December. This must take precedence from now until the end of the financial year.
- 2.20 The Department has taken initial steps to respond to the challenge by recruiting an additional officer temporarily but the wider challenge of stabilising the existing team that is available to develop the local economy and ensure that there are sufficient resources to address the needs of businesses for assistance to survive and grow continues.

Project 8: Gwynedd Residents Playing a Full Part in the World of Work

- 2.21 The labour market in Gwynedd continues to change. At the beginning of the COVID crisis unemployment was a significant challenge, but employers are now reporting that they are encountering difficulties in relation to staff recruitment. The reasons for this are complex, but Brexit and the impact of the pandemic are certainly a significant part of the problem.
- 2.22 Throughout this period the Council's Gwaith Gwynedd team has responded quickly and flexibly to address the demand. The team has been helping businesses to promote jobs and recruitment and has focused on supporting individuals who are outside the labour market to return to work. 178 people have secured work as a result of the assistance they have received from the team so far this year.



Project 9: Forming a Regeneration Plan for our Areas

- 2.23 The Council's Regeneration Board has supported the proposal of developing a New Regeneration Framework for the County, but the work had to be postponed last year due to the pandemic. Earlier this year, it was decided to proceed with the programme, and the preparatory work has been completed. The proposed Regeneration Framework will include a county document along with local regeneration plans for 13 areas across Gwynedd.
- 2.24 During the autumn, initial conversations were arranged with Members, Town / Community Councils and progressive regeneration groups to ask for views on the main issues in each of the 13 local regeneration areas. Reports on the outcome of the initial conversations are available through this link ([LINK](#)).
- 2.25 During February 2022, detailed and comprehensive engagement work has been arranged in each of the 13 local regeneration areas. Further information on the engagement arrangements are available through this link ([LINK](#)).

3. PERFORMANCE

- 3.1 The Department is in the process of reviewing its performance measures with new arrangements for collecting data being established due to COVID, e.g. new arrangements to collect customer satisfaction levels currently being used by a number of services.
- 3.2 From reviewing the Department's 2021/22 Performance Dashboard it is clear that there is an increase in the number of service users compared to 2020/21, although these numbers continue to be far lower than the level in 2019/20 prior to the COVID crisis. This is evident in the Library Service with 102,834 items borrowed in an 8 month period between April and November 2021 compared to 40,719 over the corresponding period in 2020 and 286,803 in 2019. The same pattern can be seen with the number of users of the Byw'n Iach's Centres with 208,898 visits over 6 months compared to 79,550 total visits in 2020/21, but 1,204,641 in 2019/20. Alternative services have been provided, but the impact of this must be considered on future budgets for these services.
- 3.3 The performance of the Economic Development Service and the Regeneration Programmes Service is more concerning currently due to the irregular demand on these services to deliver Government support packages to businesses and town centres.
- 3.4 Grants were allocated to 1,550 of Gwynedd's businesses principally to support them to overcome the impact of COVID-19 in 2020/21. In 2021/22, emergency support continued to be available to businesses that were still affected by the restrictions prior to the summer period, but the number supported has been significantly lower, with 86 businesses supported up to the end of December 2021. However, since 20th January 2022 a new business support package has opened that needs to be administered before the end of March 2022. While these resources are welcomed, the service's ability to respond is affected as there is a shortage of staff within the services.

4. FINANCIAL POSITION/SAVINGS

- 4.1 The Economy and Community Department underspent by £100k at the end of the 2020/21 financial year, mainly as there were fewer costs in light of closing a number of services for significant periods of the year. A detailed review of the Department's financial situation in 2021/22 was held recently as part of the November revenue review for the entire Council. It is anticipated that the Department will underspend by **£86,453** by the end of the 2021/22 financial year. The main reason for the underspend is that the Department is exceeding its income levels for this year again, specifically in the areas of beaches and Hafan moorings. This situation will be reported as a separate item to the Cabinet on 15 February 2022.
- 4.2 I will need to discuss the budget for 2022/23 with the Department in light of the increase in the income and the demand for a higher budget to meet the demand due to COVID once the Government grants come to an end.
- 4.3 The Department does not have a new savings scheme for 2021/22 but there are four plans that are continuing from previous years with three awaiting approval to increase fees as part of a parking review. The Environment Department has made arrangements to undertake the review and the timetable to realise the savings is dependent upon this work. I hope to be able to confirm the timetable at the next meeting.

5. NEXT STEPS AND TIMETABLE

I will continue to monitor the performance of the various services on a monthly basis and will submit a further report for the Cabinet's attention on remodelling the regeneration and business support service.

VIEWS OF THE STATUTORY OFFICERS

The Monitoring Officer:

No observations to add in relation to propriety

Head of Finance Department:

I am satisfied that the report conveys a fair picture of the Economy & Community Department's financial situation.

