



CYNGOR GWYNEDD – Report to Cyngor Gwynedd Cabinet

Date of meeting: 7 July 2026

Cabinet Member: Councillor R. Medwyn Hughes
Cabinet Member for Economy and Community

Relevant Officers: Sioned Williams,
Head of Economy and Community Department

Item Title: **LOCAL GROWTH FUND: GWYNEDD 2026/27 PROJECTS**

1. DECISION SOUGHT

- 1.1. To agree to commit the £6,317,640 of funding provided to Cyngor Gwynedd for allocation to projects in 2026/27, to the 10 schemes listed in the report.
- 1.2. To delegate authority to the Head of Economy and Community Department - in consultation with the Head of Legal Service, the Head of Finance and the Chief Executive - to confirm the scheme details and financial contribution, to decide on issuing a letter of offer and any other documentation required to agree the funding of the projects.

2. THE REASON FOR THE NEED FOR A DECISION

- 2.1. The arrival of the Local Growth Fund (LGF) was reported to Cabinet on [10 March](#).
- 2.2. The first year of the Fund (2026/27) has now commenced, and an offer of funding from the Welsh Government to North Wales has been received.
- 2.3. The priorities of the LGF differ from those of the Shared Prosperity Fund (SPF), which has been in operation since 2022; however, 2026/27 is considered a transition year towards the new LGF arrangements.
- 2.4. In accordance with the wishes of the Welsh Government, the procedures established for the SPF will continue to be used for 2026/27.
- 2.5. Responsibility for the Local Growth Fund will transfer to the North Wales Corporate Joint Committee from 2027/28 onwards.
- 2.6. £6,317,640 of the North Wales budget has been allocated to Cyngor Gwynedd to commit to projects. 73% of the funding is capital, and

planning must be undertaken on the basis that the funding is spent before 31 March 2027.

3. INTRODUCTION

Background

- 3.1. Since 2022, North Wales has received funding from the UK Government's Shared Prosperity Fund (SPF). The SPF was administered jointly by the North Wales counties (through Cyngor Gwynedd), with a financial allocation to each county to determine its own use individually.
- 3.2. A total of £32.15 million has been invested by Cyngor Gwynedd through the SPF, benefiting individuals, businesses, local organisations and communities across Gwynedd (examples of schemes that have received support are available on the [Council's website](#)). 2025/26 was the final year of the SPF.
- 3.3. The Local Growth Fund (LGF) is the main successor to the SPF. £547 million will come to Wales from the Fund over three years between 2026/27 and 2028/29.
- 3.4. The LGF remains a UK Government programme, but the Welsh Government will receive the funding and be accountable for its expenditure. The Welsh Government intends to allocate a large proportion of the funding to regions and wishes to do so via the Corporate Joint Committees, namely Ambition North Wales in the case of Gwynedd.
- 3.5. Funding for the Fund has been confirmed until 31 March 2029. On 23 March, it was announced that the UK Government and the Welsh Government had agreed on a three-year [investment plan](#) for the Fund in Wales.
- 3.6. The Welsh Government considers 2026/27 to be a transitional year to allow time for the Corporate Joint Committees to prepare and plan, and therefore the SPF administration and governance arrangements will continue to be used this year.
- 3.7. Cyngor Gwynedd will be the lead Local Authority for the LGF on behalf of the North Wales counties in 2026/27. The Council has received an offer letter for North Wales' 2026/27 funding from the Welsh Government. The offer was signed on 23 April.

2026/27 Budget

- 3.8. £33,781,826 of Local Growth Fund funding has been allocated to North Wales for 2026/27. 70% of the funding will be received as capital.
- 3.9. In line with the principle of continuing the SPF delivery approach, there is agreement among the North Wales counties to allow individual counties to determine the use of the funding based on the spatial distribution of the SPF. 19.3% of the North Wales allocation has been earmarked for Gwynedd.
- 3.10. The total allocation for Gwynedd is £6,524,379. In line with the practice established by the SPF, 4% of the funding (£260,975) has been earmarked for the management and administration of the Fund; based on experience, this full amount is not required, and therefore it is intended to plan on the basis that £6,317,640 is available to be committed to activity.
- 3.11. The breakdown of the funding available to support projects is:
- | | |
|---------|------------------|
| Capital | £4,567,378 (72%) |
| Revenue | £1,750,262 (28%) |
- 3.12. The budget represents a reduction of 20% (£1.6 million) from the SPF in 2025/26. The shift in emphasis towards capital funding means that there is £4.2 million (70%) less revenue funding available in 2026/27.

Local Growth Fund Priorities

- 3.13. Although it succeeds the SPF, the intention and priorities of the LGF differ, reflecting new UK Government priorities and the change in the composition of the funding (i.e. a shift from revenue funding to predominantly capital funding).
- 3.14. The ambition is to *support productivity growth and address the issues that lead to economic inequalities across Wales*.
- 3.15. The Fund has three priorities and eight objectives. The Fund's priorities are:
- More productive and competitive businesses
 - Increasing skills and supporting people into work
 - Improving regional infrastructure
- 3.16. Appendix B of the Fund's [Investment Plan](#) lists the LGF objectives in Wales and includes important information on the activities envisaged by the Welsh Government.

4. RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION

- 4.1. The Local Growth Fund (LGF) is different from the SPF; the LGF prioritises economic development and securing growth, with an emphasis on activity of regional significance. There is no focus on community development within the Fund, and the scope for regeneration activity has been reduced.
- 4.2. The implications of the shift towards primarily capital expenditure are also significant, particularly given that planning must be undertaken on the basis that expenditure must be completed by 31 March 2027.
- 4.3. There is also a requirement to plan with incomplete information and within a short timeframe. The budget was confirmed at the end of March, only draft indicators for the LGF in Wales are available, and the Fund's guidance has yet to be published.
- 4.4. The development of a portfolio of schemes for the Local Growth Fund in Gwynedd in 2026/27 has been shaped by the above and, in particular, the practical requirements of meeting the conditions.

Principles and considerations

- 4.5. The above guides the Council's choices for the LGF. Ideally, in line with our usual practice, an open process would have been undertaken to invite applications in order to give local enterprises and organisations the opportunity to submit their proposals; however, there is insufficient time, and elements of the information that would be expected from applicants remain unknown.
- 4.6. Despite this, efforts have been made to identify a list of investments that could be eligible and suitable to receive funding from the Council through the LGF in 2026/27, based on:
 - the county's Local Area Regeneration Plans;
 - input from stakeholders and partners to the proposed delivery plan for our [Economic Strategy](#);
 - feedback from our officers working with communities and enterprises; and,
 - existing schemes that may be suitable for the LGF.

Anyone with appropriate suggestions was encouraged to get in touch (see [the Council's website](#)).

- 4.7. It is important to note that the LGF is one among a range of funding programmes and is not the sole source of investment in the county. Significant expenditure in Gwynedd is planned or underway through the North Wales Growth Bid, the Local Regeneration Fund, the Transforming

Towns programme and the Pride in Place programme, which will benefit areas across the county.

- 4.8. All schemes supported through the LGF will be required to demonstrate their intention to make a positive contribution to the future of the Welsh language.
- 4.9. It will also be required that all schemes deliver the following principles (originally established by the Council for the SPF):
- a) That there is a deliberate effort to ensure that the funding, and the benefits derived from it, helps communities and residents across Gwynedd.
 - b) That there is a deliberate effort to encourage activities (and organisations) that have not previously received funding to access support.
- 4.10. Further to the above, the key considerations in bringing together a package of proposals to receive funding from the Gwynedd Local Growth Fund allocation were:
1. the need to ensure that all parts of Gwynedd benefit;
 2. alignment with the priorities of the Economic Strategy;
 3. relevance to the Gwynedd Prosperous projects within the Council Plan;
 4. consistency with local priorities set out in the Area Regeneration Plans; and,
 5. fit with the priorities and objectives of the Local Growth Fund and the North Wales Regional Economic Framework.
 6. **the practicality of operating within the time constraints of the LGF** (planning on the basis that expenditure must be completed by 31 March 2027).

The proposals under consideration

- 4.11. Based on the above considerations, 10 projects have been developed for the Local Growth Fund in Gwynedd in 2026/27. A number of these projects include a programme of activities to ensure that all parts of Gwynedd are able to benefit from the schemes.
- 4.12. In light of the limited timescale for developing and delivering activity funded by the LGF, the development of the individual elements within the programmes is ongoing, and the composition of the activity will evolve as further information becomes available.
- 4.13. The package of activities under consideration has been discussed and has received input from the Council's partners through the Advisory

Group established for the purpose of the SPF, which includes representatives from the public, business and third sectors.

- 4.14. The programmes have been selected based on the themes of our Economic Strategy; *enterprise, people and place*:

ENTERPRISE	estimate: £1.27M	20%
------------	------------------	-----

M1: Menter Gwynedd support and assistance programme £990k

A package of practical and financial support from Cyngor Gwynedd and other business support providers in the county (Bangor University, the Enterprise Hub and Cwmpas) to help establish new enterprises led by women or young people, and to support all types of enterprises to adopt technology, innovate and reduce their costs.

M2: Trawsfynydd Innovation, Business and Skills Centre £280k

Completion of detailed planning work that will secure investment of £20 million+ to build a centre and science park in Trawsfynydd, in order to create employment opportunities in the area and prepare local residents and businesses to make the most of the opportunity.

PEOPLE	estimate: £1.56M	25%
--------	------------------	-----

P1: Gwaith Gwynedd support programme £462k

A package of support from Cyngor Gwynedd and local providers, such as Gisda and the county's housing associations, to help local people who are not in work to get the support they need to secure employment, and to support people in entry-level jobs to improve their skills in order to earn higher wages.

P2: Gwynedd workforce skills programme £600k

A package of support delivered by Grŵp Llandrillo-Menai to a) support vulnerable young people to transition successfully into the world of work, and b) help local businesses obtain the right skills to adapt to changes in the economy and to grow and create jobs.

P3: Gwynedd in its Community network development programme £495k

A programme to develop and pilot the concept of creating a network of locations to provide employability support, skills development, and business support across Gwynedd, co-located with the county's libraries.

- L11: Nôl i Wynedd Talent Vouchers £100k
Building on activity within the Council Plan to encourage/support young people to remain in and return to the county by working with Bangor University to secure work opportunities for graduates.
- L12: Community Asset Energy Efficiency Fund £350k
Providing financial support via Mantell Gwynedd to help install equipment that will reduce the energy costs of community assets in the county, making them more viable and sustainable for the future.
- L13: Bangor City Centre Programme £547k
Completion of detailed planning for the use of leisure, health and wellbeing assets as a tool for regenerating Bangor city's commercial centre.
- L14: Land and Property Infrastructure Programme to Enable Growth £1.06M
A programme of investments to improve and increase the provision of work units in the county, enabling local enterprises to establish and grow. Activities include improving working environments for businesses, providing additional units, and preparing detailed plans to target further funding to establish more units in the future.
- L15: Cultural Assets Programme to Enable Growth £1.39M
A programme of investments across Gwynedd in cultural, leisure and heritage assets to facilitate and encourage the development of the local economy.

4.15. The total of the above commitments is £6.28 million. There is some variation in the costs, and approximately £42,000 remains to be allocated as the final details of the schemes are confirmed.

4.16. Appendix 1 provides further outline of the individual schemes. Appendix 2 (available to Cabinet Members only) outlines the budget of the projects in question together with any co-funding.

5. NEXT STEPS AND TIMELINE

- 5.1. Through this report, the Cabinet will decide on supporting the 10 projects listed above and will determine the allocation of LGF funding.
- 5.2. Subject to Cabinet support for the portfolio of programmes, the final details of the schemes will be developed and confirmed through the application form.

- 5.3. Completion of the application form will require details of the scheme activities, confirmation of costs, proposed outcomes, and alignment of the proposed activity with the LGF and local, regional, and national priorities. It will also be necessary to prepare an impact assessment and outline how the scheme addresses the requirements of the Well-being of Future Generations Act and contributes to the prosperity of the Welsh language.
- 5.4. The Head of Economy and Community, in consultation with the Head of Legal Services, the Head of Finance, and the Chief Executive, will assess the proposals by confirming the scheme details and financial contribution. On this basis, it will be possible to request that funding agreements are drawn up and released, with the aim of having activity underway before the summer.
- 5.5. The budget has only been confirmed for the first year of the Local Growth Fund (2026/27), and responsibility for the Fund will transfer to the Corporate Joint Committee (North Wales Ambition) in April 2027. Planning must therefore be undertaken on the basis that the funding committed through this report must be spent before 31 March 2027.
- 5.6. The Joint Committee will receive funding from the Welsh Government in 2026/27 to plan and prepare for Years 2 and 3 of the Fund. This work will include preparing a vision and growth plan outlining the intention for investing the £70.61 million that will be available to the region over the period.
- 5.7. Although the Joint Committee will not be able to confirm any financial commitments to schemes, we wish to seek their support in principle to support certain schemes in Gwynedd that are of regional priority as soon as possible, with the Trawsfynydd Innovation, Business and Skills Centre (M2) and Bangor City Centre (L13) schemes as initial priorities.

6. OBSERVATIONS OF THE STATUTORY OFFICERS

6.1. Chief Finance Officer:

"The funding being offered to Gwynedd under the scheme for 2026/27 is significantly lower than that received in the previous period, and changing the profile of funding with a greater emphasis on capital funding adds to the challenge. As the report makes clear, the money has to be spent during the current financial year and that is going to be extremely challenging given the limited time that has been available to identify and plan for projects. It is already June, and while acknowledging that the preferred approach could not be used to identify suitable projects, the report offers a pragmatic solution, and I support the decision sought."

6.2. Monitoring Officer:

“As stated in the report the decision sought is based on a transitional situation as the management of this fund is transferred to the North Wales CJC. As the timetable is extremely short there is a need to create a regime that can respond to this challenge. The proposed delegation responds to this in an appropriate way. I am satisfied with the propriety of the decision sought.”

Menter Gwynedd support and assistance programme (M1)**ENTERPRISE**1. Funding forecast

Local Growth Fund	£	990k
Funding from other sources	£	130K

2. Proposed partnership

Cyngor Gwynedd (lead), Bangor University, Enterprise Hub, Cwmpas

3. Proposed activity

- Support / grants for women and young people to start enterprises within specific sectors
- Support / grants for enterprises with growth potential to decarbonise and adopt technology
- Supporting local enterprises to benefit from the University's expertise
- Supporting enterprises wishing to transition to employee ownership

4. Delivery area

The project will operate across Gwynedd.

5. Likely outcomes

- Women encouraged to start local enterprises
- Local young people supported to start enterprises
- More enterprises within sectors that add value to the local economy
- Local enterprises within growing sectors in the county supported
- More local enterprises making use of the University's expertise
- The University more embedded within the local business community
- Long-established local enterprises continuing and remaining in local ownership

6. Estimated outputs

- Local enterprises supported 65

Trawsfynydd Innovation, Business and Skills Centre (M2)

ENTERPRISE

1. Funding forecast

Local Growth Fund	£	280k
Funding from other sources	£	None

2. Proposed partnership

Cyngor Gwynedd (lead), M-SParc, NRS / NDA, Welsh Government, Ambition North Wales, Eryri National Park Authority

3. Proposed activity

- Prepare a Full Business Case for the Centre
- Prepare detailed designs for the Centre and secure planning permission
- Prepare local enterprises to take advantage of the opportunities
- Prepare local young people to take advantage of the opportunities

4. Delivery area

The project will operate in Bro Ffestiniog

5. Likely outcomes

- £20M+ secured to build the Centre
- Designs have received planning permission
- Tender documents for appointing contractors have been prepared
- Local enterprises are ready to take advantage
- Local young people wish to remain in the area to take advantage of opportunities

6. Estimated outputs

- Local people supported 20
- Local enterprises engaged 40

Gwaith Gwynedd support programme (P1)

PEOPLE

1. Funding forecast

Local Growth Fund	£	462k
Funding from other sources	£	None

2. Proposed partnership

Cyngor Gwynedd (lead), Gisda, Adra / housing associations

3. Proposed activity

- Support to direct economically inactive individuals to the appropriate programmes
- Help individuals in entry-level jobs to improve their skills and secure better employment
- Support young people with complex needs to be ready to receive help in securing a job
- Support individuals with learning disabilities—who do not meet the threshold for mainstream support—to gain employment
- Help housing association tenants to access training / work experience

4. Delivery area

The project will operate across Gwynedd.

5. Likely outcomes:

- Local people accessing the appropriate support
- More local people succeeding after receiving support
- Fewer young people becoming economically inactive
- Local people supported to achieve their potential and less likely to experience in-work poverty

6. Estimated outputs:

- | | |
|--|-----|
| • People helped to secure employment | 120 |
| • People attending accredited training | 115 |

Gwynedd workforce skills programme (P2)

PEOPLE

1. Funding forecast

Local Growth Fund	£	600k
Funding from other sources	£	None

2. Proposed partnership

Grŵp Llandrillo Menai (lead), local employers

3. Proposed activity

- Help to ensure that vulnerable young people remain in college and complete their courses
- Help to ensure that vulnerable young people successfully transition to further training or employment upon finishing college
- Training for employees of local enterprises to improve their skills
- Upgrade engineering equipment at the College in Dolgellau

4. Delivery area

The project will operate across Gwynedd.

5. Likely outcomes:

- Fewer young people becoming economically inactive
- Local workers improve their skills and are able to achieve their potential
- Local enterprises have the right skills to enable development
- More courses for employers in Meirionnydd

6. Estimated outputs:

- | | |
|--|-----|
| • People helped to secure employment | 200 |
| • People attending accredited training | 80 |

Gwynedd in its Community network development programme (P3) PEOPLE

1. Funding forecast

Local Growth Fund	£	495k
Funding from other sources	£	125k

2. Proposed partnership

Cyngor Gwynedd (lead), Jobcentre, Citizens Advice / Mid Wales Council, local housing associations

3. Proposed activity

- Develop a model to establish a sustainable network of centres across Gwynedd to provide training, employability support, business advice and access to services
- Pilot the model in Tywyn at the library site by adapting the building, improving digital connectivity and providing accessible spaces
- Develop detailed plans to extend the model to Barmouth and Blaenau Ffestiniog
- Develop provision across Gwynedd to help local people begin using the internet to access services, improve skills and secure employment

4. Delivery area

Direct investment will take place in the Bro Dysynni area, with plans for investment in the Dolgellau area and Bro Ffestiniog. An element of the project will also operate across Gwynedd.

5. Likely outcomes:

- Redevelopment of Tywyn Library as an example of how existing space can be adapted to extend its capacity to deliver a range of services
- Development of an alternative model that can be rolled out across Gwynedd
- More people accessing employability services and employment advice
- More people using digital and online services
- More people receiving cost-of-living support and partner services
- Improved digital skills and confidence among users

6. Estimated outputs:

- New support centre developed

Nôl i Wynedd Talent Vouchers (LI1)

PLACE

1. Funding forecast

Local Growth Fund	£	100k
Funding from other sources	£	None

2. Proposed partnership

Cyngor Gwynedd (lead), Bangor University

3. Proposed activity

- Placing local graduates within local enterprises for up to 3 months.

4. Delivery area

The project will operate across Gwynedd.

5. Likely outcomes:

- Local graduates gaining work experience within a local enterprise
- Promotion of graduate employment opportunities in Gwynedd
- Local enterprises benefiting from the talent of local young people

6. Estimated outputs:

- | | |
|---|----|
| • Local enterprises supported | 14 |
| • Young people given the opportunity to work within their community | 14 |

Community Asset Energy Efficiency Fund (LI2)

PLACE

- 1. Funding forecast
 - Local Growth Fund £ 350k
 - Funding from other sources £ None

- 2. Proposed partnership

Mantell Gwynedd (lead), Department for Economy and Community

- 3. Proposed activity
 - Support / grants for enterprises and voluntary community organisations with growth potential to decarbonise and adopt technology

- 4. Delivery area

The project will operate across Gwynedd.

- 5. Likely outcomes:
 - Community enterprises adopting technology and decarbonising assets
 - Running costs of community assets reduced
 - Community assets remaining viable

- 6. Estimated outputs:
 - Local community enterprises supported 15
 - Improvements to community facilities 15

Bangor City Centre Programme (LI3)

PLACE

1. Funding forecast

Local Growth Fund	£	497k
Funding from other sources	£	100k

2. Proposed partnership

Cyngor Gwynedd (lead), Byw'n Iach, Betsi Cadwaladr University Health Board

3. Proposed activity

- A further stage in the development of the business case for the Menai Health Centre development completed
- Safeguarding assets to facilitate the use of leisure, health and wellbeing as a tool for regenerating Bangor city centre

4. Delivery area

The project will operate in the Bangor Area

5. Likely outcomes

- Progress in developing the vision for using leisure, health and wellbeing as a tool for regenerating Bangor city
- Progress in developing the Menai Health and Wellbeing Centre scheme
- Assets of community/societal benefit safeguarded

6. Estimated outputs

- Land unlocked for development 0.54 hectares

Land and Property Infrastructure Programme to Enable Growth (LI4) PLACE

1. Funding forecast

Local Growth Fund	£	1.06M
Funding from other sources	£	1.85M

2. Proposed partnership

Cyngor Gwynedd (lead), Welsh Government, Dolgellau Mart, Adra, Plas Heli, Antur Nantlle, Ynni Stradau / Cwmni Bro

3. Proposed activity

- Completion of enterprise units in Minffordd
- Improvements to the appearance / environment of industrial estates to support the businesses located there
- Pre-development and planning for new units at Tywyn Business Park
- Development of an initiative to refurbish and let vacant commercial properties
- Pre-development and planning for new units at Glyn Rhonwy
- Development of the Dolgellau Mart site
- Feasibility work and creation of technical designs for an energy scheme in Tanygrisiau
- Decarbonisation of an Enterprise Centre in Talysarn
- Conversion of vacant space into 4 work units / targeting commercial investment in Penrhyn Glandon

4. Delivery area

Elements relevant to the county as a whole and specific developments in the Porthmadog / Penrhyndeudraeth area, Bro Dysynni, Bro Peris, the Dolgellau area, Bro Ffestiniog, Bro Lleu / Nantlle and the Pwllheli area.

5. Likely outcomes:

- Plans in place to secure funding to develop more work units
- Employment sites becoming more sustainable and attractive for investment
- Reduction in enterprises' energy costs
- More business units available to local enterprises

6. Estimated outputs:

- Facilities refurbished 10
- New space available for enterprises 1.58 hectares

Cultural Assets Programme to Enable Growth (LI5)

PLACE

1. Funding forecast

Local Growth Fund	£	1.39M
Funding from other sources	£	472k

2. Proposed partnership

Adran Economi a Chymuned (lead), Caernarfon FC, Llyn Tegid Railway, Byw'n Iach, Cwmni Tabernacl, Menter y Tŵr, Galeri Cyf., Y Ganolfan, Porthmadog

3. Proposed activity

- Development of The Oval to secure international football matches
- Extension of the Llyn Tegid Railway path through Bala town centre
- Establishing Byw'n Iach Penllyn as a centre of excellence for water sports
- Upgrade Tafarn y Fic, Bethesda, to include accommodation
- Improve the lecture theatre and shop at the Lloyd George Museum
- Improve cultural infrastructure
- Improve harbour facilities
- Upgrade commercial infrastructure at the harbours of Aberdyfi, Barmouth and Porthmadog
- Improve coastal infrastructure at the far end of Llŷn
- Development of the stables at Menter y Tŵr into business units and a heritage museum

4. Delivery area

Developments in the Caernarfon area, Bala / Penllyn area, Dyffryn Ogwen, Pwllheli area, Bro Peris, Bro Dysynni, Porthmadog / Penrhyndeudraeth area, and Dolgellau area.

5. Likely outcomes:

- Cultural, heritage and leisure assets developed
- Local fishing industry supported
- New space for local businesses

6. Estimated outputs:

- Facilities improved