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Y Gweinidog Cymunedau a Threchu Tlodi
Minister for Communities and Tackling Poverty



Llywodraeth Cymru
Welsh Government

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William Graham AM
Chair - Enterprise and Business Committee
National Assembly for Wales
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Dear William,

Further to my evidence session to the Enterprise and Business Committee last month, I undertook to provide further information. Specifically, the Committee requested:

- A note on the footfall statistics for Bargoed, following the location of Morrisons in the town centre.
- Information on the criteria used to allocate funding from the Tackling Poverty Fund, Vibrant and Viable Places and clarification on how it coincides with the Town Centre First policy with specific reference to the example of the funding provided for Barry Island.
- A note on why it appears the Welsh Government's 'town centre first' policy is only being applied in practice to retail and not to the location of office developments or the location of local authority services and staff.

Bargoed

Bargoed town centre has been the subject of a comprehensive regeneration programme over recent years, as part of the Heads of the Valleys Strategic Regeneration Area. The Welsh Government has supported key projects including a new transport interchange, new Library, extensive public realm works and, more recently, a new retail development at the southern end of the town.

The new retail development was completed at the end of 2013 and has delivered a 5,110 square metre anchor food store (Morrisons) with filling station, seven retail units totalling 1,858 square metres and a car park in the heart of the town centre. The Welsh Government has supported the project by providing a funding contribution of £3.172 million and in doing so securing a further £22 million of private sector investment. The retail scheme was the first phase of a larger scheme, which includes a multiplex cinema and a leisure quarter. Morrisons' new store has created 250 new jobs and the company worked in partnership with Jobcentre Plus to offer pre-employment training to 60 local people. Of the 250 people recruited, 172 were previously unemployed.

With regards to the footfall rates, measured by the Local Authority, it is appropriate to consider the combined average weekly footfall figure of two counters based in the town to assess its overall performance. In 2010, the combined figure stood at 18,769 and in 2014, 17,254. The number of people visiting the town centre as a whole has remained fairly constant, what has changed is the way that people are using the town. The short term impact of the implementation of the regeneration scheme to footfall has been significant but now the physical works are complete and the Morrisons store has traded for over a year, there is evidence of a shift in footfall patterns. The full picture will not be seen until the full retail offering planned is in place.

Barry - Strategic Regeneration Area and Tackling Poverty programme

The investment provided to the Barry Island enhancements were made as part of the Strategic Regeneration Area programme, the predecessor to Vibrant and Viable Places. One of the SRA's priorities was to support the development of Barry Island as a tourism destination, which would in turn bring more visitors and additional investment to the wider area. Barry is still best known for its beach - its unique selling point – and the SRA Partnership Board saw this as an important element as part of a wider regeneration programme for the town and surrounding area.

Barry is also now one of the seven areas we are supporting with funding from the Tackling Poverty programme. Vale of Glamorgan County Borough Council will receive £1 million under the programme for regeneration projects in Barry. Welsh Government funds will be supported by public and private investment.

Whilst the Vibrant and Viable Places and Tackling Poverty programmes are not exclusively focused on town centres (investment is targeted at town centres, coastal communities and Communities First clusters) the Committee will note that the majority of our investment will be concentrated within Barry town centre. The examples below also highlight the range of activities we are supporting in tackling poverty.

The projects which will receive Tackling Poverty Fund investment include:

Town Centre - Third Sector Hub

Feasibility work to explore new premises in the town centre to help raise the level of voluntary and citizen action in Barry. Explore potential for incubator units for community and social enterprises and meeting space to develop partnership working.

Improve Health and Play Opportunities

Help to improve play areas in the Castleland and Gibbonsdown. Although the site is maintained, the equipment is outdated and unattractive to local children and is underused. As a result, new play equipment for younger children and picnic benches for parents will be introduced at Dryden Terrace and disabled access will also be improved. The play area at Meggitt Road suits older children. Work will include re-surfacing, new football goals and improved access for pushchairs and disabled users.

Holton Road Grant Programme

Many properties in Barry town centre have empty, unused space, particularly above shops. The investment will help owners bring this space back into use as affordable homes for young people and families.

Main Street Grant Programme

Our investment will help to convert empty shops into homes and create homes in empty spaces above commercial premises. A range of different grants and assistance will be offered to tackle problems such as housing disrepair, poor conditions in the private rented sector and home energy efficiency. The area will be regenerated and the affordable one or two bedroom homes created will help people affected by the bedroom tax.

Improve the Quality of Public Spaces

Victoria Gardens is unwelcoming due to unlit paths and difficulties with disabled access. Our investment will address both these issues and encourage greater use and enjoyment of the gardens as a whole. Work will include improvements to the bus stop, balustrades, seating and the central grass area. There will also be improved links which will complement the redevelopment of Main Street.

Fuel Poverty Reduction Measures

An Energy Champion will be employed and trained to give residents advice on energy efficiency, fuel tariffs and fuel debt.

Making better use of property owned by third sector groups - Third Sector Youth Partnership and Community Internet Café

Tackling Poverty Fund investment will help to create a community and internet café offering training and job opportunities. Barry YMCA, working in partnership with the council's Youth Services, will refurbish and reduce the size of an existing and unused café. The new internet café will be managed by a start-up social business, training and employing adults who are out of work.

More generally, the selection criteria that has been used across Vibrant and Viable Places and the Tackling Poverty programmes is outlined below:

General	%
<u>Key outputs:</u> <ul style="list-style-type: none"> • Investment levered in (Welsh Government, public, private and third sector) • Net additional jobs created. • People supported into work. 	20
<u>Strategic fit</u> – with Local Development Plan, Single Integrated Plan, regional priorities and Welsh Government Programme for Government commitments, including tackling poverty, delivering jobs and growth and promoting equality.	20
<u>Policy fit</u> – extent to which programme is directly addressing regeneration of town centres, coastal communities and/or Communities First clusters in an integrated way.	15
Contribution to improving housing condition and supply, for example increasing residential accommodation in town centres.	15
Quality of programme delivery, for example in terms of: <ul style="list-style-type: none"> • clear rationale and case for change; • clear links between activities, outputs and the national outcomes for regeneration, with RBA use evidenced; and • robust governance and project management. 	10
Evidence of value for money.	10
Evidence of creativity and innovation, including where appropriate creating opportunities for social enterprises and the use of new financial models.	10

Town Centres First Policy and Office Uses

Welsh Government planning policy to support town centres is set out in Planning Policy Wales (PPW). PPW adopts the town centres first principle which states (in paragraph 10.29) that: “uses which need to be accessible to a number of people including retailing, major leisure uses...offices of central and local government, commercial offices, hospitals and tertiary education facilities are preferably to be located in town centres”. The sequential test for site selection should be applied to these uses (paragraph 10.2.11 refers).

In addition, Chapter 7 of PPW which deals with Economic Development issues states that local planning authorities should aim to align jobs and services so as to reduce the need to travel. This is reinforced by the detailed guidance contained in Technical Advice Note (TAN) 23: Economic Development.

Despite this clear guidance in national policy, the recommendations of the Genecon Report on Town Centres and Retail Dynamics state that the application of the town centres first principle should extend to other uses such as business which can support the diversity of centres. It is therefore necessary to ensure that existing guidance needs to be made clearer in this regard and as a consequence work is in hand to consider these recommendations.

A Technical Advice Group (TAG) has been established to carry out a review of the existing PPW chapter on retailing and TAN4: Retailing and Town Centres. This issues is been specifically addressed as part of their work. Draft revised versions of these documents are due to be published for public consultation by the summer.

However, responsibility of the day-to-day operation of the planning system in Wales lies with the 25 Local Planning Authorities who are responsible for preparing local development plans which accord with national policy and guidance and taking development management decisions on individual planning applications.

The Wellbeing of Future Generations Act will place additional duties on public bodies to act more sustainably in their business decisions which include the location of new facilities.

I am copying this letter to Cabinet colleagues with a portfolio interest.

Regards
Lesley

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Minister for Communities and Tackling Poverty

cc: Carl Sargeant AM, Minister for Natural Resources
Edwina Hart AM, Minister for Economy, Science & Transport

