



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: REGENERATION BOARD UPDATE

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide the Scrutiny Committee with an update on the work of the newly constituted Regeneration Project Board and its discussions in relation to an initial list of priority schemes for Development Funding.

2. SUMMARY

- 2.1 At its meeting on 30th May 2018 – Cabinet agreed that a Regeneration Project Board would be set up with a cross party political representation of Councillors plus key officers.
- 2.2 The Regeneration Project Board terms of reference were also approved by the Cabinet on 30th May 2018. The Board is chaired by the Cabinet Member for Economy, Infrastructure, and Sustainability & Well Being of Future Generations Champion.
- 2.3 The Project Assessment Panel met on the 3rd October and agreed the Membership and Terms of Conditions of the Panel. The first formal Assessment Panel was held in January 2019 where they considered the first suite of projects which have been identified by the Board to move to Assessment Stage.
- 2.4 This information report sets out the progress that the Regeneration Project Board has made as at January 2019.

3. LINKS TO STRATEGY

- 3.1 The Wellbeing of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural wellbeing of Wales. It requires public bodies to think more about the long term, working with people and communities, looking to prevent problems and take a more joined up approach. This will create a Wales that we all want to live in, now and in the future. The Act puts in place seven wellbeing goals and the contents of this report which will hopefully contribute to significant levels of community regeneration and infrastructure development potentially links into all seven wellbeing goals.
- 3.2 A Foundation for Success 2018-2023 (Approved July 2018) is the Regeneration Strategy for Caerphilly County Borough which sets out the strategic priorities for the regeneration and enhancement of Caerphilly County Borough which identifies four strategic themes on which regeneration efforts should be focussed namely: Supporting People; Supporting Business; Supporting Quality of Life and Connecting People and Places.

3.3 The Caerphilly Basin Masterplan (Approved July 2018) is the first of a number of area-specific strategies that identify projects that will help deliver on the Aims and Objectives set out within A Foundation for Success 2018-2023.

4. THE REPORT

4.1 Considerable work has been undertaken over the last nine months to better position the Authority in order to take advantage of funding opportunities arising from the City Deal, Metro, the Valleys Task Force and the Welsh Government (WG) Targeted Regeneration Programme Initiative.

4.2 On the 30th May 2018, Cabinet agreed that a Regeneration Project Board be set up. The Terms of Reference of the Board were approved by Cabinet at the same meeting.

4.3 The Regeneration Project Board's remit is to provide clear strategic direction in relation to the Regeneration Project Team (officers) on regeneration projects to enable the Authority to react to calls for expressions of interest in short timescales. Further the Project Board:

- Can agree the range of projects to be developed by the project team in order to take advantage of regeneration investment opportunities.
- Must provide periodic updates on project development to Regeneration and Environment Scrutiny Committee and Cabinet.
- Agree that officers sitting on the Board can submit expressions of interest (EOI's) for project funding streams as long as the EOI's do not bind the Authority to any financial commitment.
- Recommend the formal submission of projects to the Authority's Cabinet so that submission to external funding bodies can be made and/or Authority budgets can be committed accordingly.

4.4 In June 2018 the inaugural meeting of the Regeneration Project Board (the Board) was held. The Board comprises a politically balanced membership and includes:

- Councillor Sean Morgan – Cabinet Member for Economy, Infrastructure, Sustainability & Wellbeing of Future Generations Champion (Chair);
- Councillor Eluned Stenner – Cabinet Member for Environment & Public Protection;
- Councillor Brenda Miles – Labour Ward Member
- Councillor Kevin Etheridge – Independent Ward Member;
- Councillor Rob Gough – Plaid Cymru Ward Member.

4.5 At the June meeting a Project Prioritisation Toolkit was approved for the Board to prioritise projects and this was subsequently agreed by Council on 17th July 2018 as part of the Council's consideration of A Foundation for Success 2018-2023.

4.6 At its June meeting the Board had a detailed discussion concerning the Council's priorities for the Welsh Government Targeted Regeneration Investment (TRI) Programme. WG has identified Caerphilly and Ystrad Mynach as Strategic Hubs for the Valleys Task Force Initiative and it is these areas that will be targeted for WG TRI funding. It was therefore agreed that the first tranche of TRI funding bids should be targeted at these important Strategic Hubs.

4.7 The Board also agreed that a report should be prepared to capture all the existing (in construction) and proposed regeneration schemes across the County Borough, in order to provide a clear indication in terms of the value of the projects being proposed; their spatial distribution; and the likely timescales for delivery. Officers were tasked with preparing this Capital Projects List for consideration by the Board at its second meeting in September 2018.

4.8 £300k has been set aside as a Development Fund to work up projects in readiness for any calls for funding. The appropriateness of this level of Development Fund will be kept under

review over the coming months as project work develops. However it is firmly the view of the Board that this level of funding is insufficient and that further funds need to be allocated to the Development Fund.

- 4.9 A second meeting of the Project Board was held on the 11th September 2018 at which the Draft Caerphilly Capital Projects List (CCPL) was presented. The CCPL sought to capture all key existing (in construction) and proposed capital projects across the County Borough, in order to provide an indication of value, spatial distribution, likely timescales for delivery and internal resource/lead.
- 4.10 The CCPL was divided into various section headings and sub sections such as “Physical Infrastructure” – “Transport”. Each sub section was further sub-divided to ascertain whether a project was: Small (less than £1m); Medium (£1m - £5m); or Large (greater than £5m); and the anticipated delivery timeframe. Each project was considered in turn and the Board identified a number of projects to be moved to formal assessment stage for 2019/2020.
- 4.11 An Assessment Panel has been set up to assess each of the projects using the agreed Project Prioritisation Toolkit. The Assessment Panel is an internal officer panel from a wide range of service areas set up specifically to assess strategic regeneration schemes.
- 4.12 The first meeting of the Assessment Panel took place on 3 October 2018 where the Terms of Reference of the Group were discussed and agreed. A series of meetings were then held in December 2018 and January 2019 to assess the projects that were progressed to assessment stage by the Board at their Meeting on 23 October 2018 as follows:
- T1 Ystrad Mynach Park & Ride;
 - T5 Llanbradach Park & Ride;
 - T6 Caerphilly Interchange;
 - Gen 19 Oakdale Business Park;
 - Gen22 Cwmcarn Forest Drive;
 - Gen23 Park Lane, Caerphilly;
 - Gen24 Pentrebane Street, Caerphilly.
- 4.13 The Caerphilly Interchange has secured £180k of development funding already and therefore at this stage there is no call on the Board’s Development Fund for this project. A project group has been set up for this project comprising CCBC/Welsh Government and Transport for Wales Officers to progress the feasibility work.
- 4.14 A number of other projects are already in development either by the Council or in partnership with the Private Sector and /or Welsh Government and therefore these are not required to move to Assessment e.g. The Lawns, Rhymney; Ty Du, Nelson; Caerphilly Business Park; Penallta Colliery; Monmouthshire and Brecon Adventure Triangle; Longbridge Baths; Brooklands Risca. However officers will work closely with the relevant partners and provide any necessary additional support/intervention to ensure that these important projects are realised.
- 4.15 Further to assessment of projects in December 2018 and January 2019, an initial list of priority schemes will be recommended for final decision by Cabinet as follows:

Development Funding Tranche 1 – Total £290,000

T5 Llanbradach Park & Ride

TOTAL PROJECT COST ESTIMATE (£): £300,000 budget required for feasibility works. £150,000 is being requested to act as match to Local Transport Funding.

Gen23 Park Lane, Caerphilly

TOTAL PROJECT COST ESTIMATE (£): £10million. £40,000 request to act as match to TRI grant for purchase of No. 25 Cardiff Rd.

Gen 19 Oakdale Business Park

TOTAL PROJECT COST ESTIMATE (£): Unknown. £100,000 to undertake feasibility work. In the short term this will not lever in external match funding towards feasibility, however it will provide a budget to allow the Council to work up costed proposals that can then be used to target external funding mechanisms to unlock private sector investment which is anticipated to run into millions of pounds.

(The RPB Assessment Panel – Project Information Forms for the Tranche 1 projects are attached at Appendix 1).

Development Funding Tranche 2 – Residual £15,000 (Awaiting assessment)

- T1 Ystrad Mynach P& R
- Gen22 a Cwmcarn
- Gen24 Pentrebanne Street

4.16 If agreed, this will result in a pipeline of prioritised projects that will be the focus of the Council's initial regeneration priorities in the short to medium term. The pipeline of projects will be reported to Cabinet on a six monthly basis and be updated accordingly as schemes progress.

5. WELL-BEING OF FUTURE GENERATIONS

5.1 This report potentially contributes to all seven wellbeing goals as set out in the Links to Strategy section above. These include:-

- A globally responsible Wales
- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language

6. EQUALITIES IMPLICATIONS

6.1 There are no specific equalities implications associated with this report for any specific groups or individuals therefore a full equalities impact assessment has not been carried out.

7. FINANCIAL IMPLICATIONS

- 7.1 As stated above an initial project development fund of £300,000 has been approved and will allow a project team of officers to develop projects ready for implementation once funding becomes available.
- 7.2 If approved, the Tranche 1 projects would utilise £290,000 of the £300,000 Development Fund leaving £10,000 for Tranche 2.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications associated with this report.

9. CONSULTATION

- 9.1 All consultation responses are reflected in the report.

10. RECOMMENDATIONS

- 10.1 The Scrutiny Committee is asked to note the contents of the report and the priority projects being presented to Cabinet.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To progress feasibility works in respect of those priority regeneration schemes identified by the Regeneration Project Board.

12. STATUTORY POWER

- 12.1 Sections 70 and 71(1) of the Government of Wales Act 2006 and sections 126-128 of the Housing Grants, Construction and Regeneration Act 1996.

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Consultees: Cllr Sean Morgan, Cabinet Member for Economy, Infrastructure, Sustainability & Wellbeing of Future Generations Champion (Chair)
Mark S. Williams, Interim Corporate Director Communities
Stephen Harris, Interim Head of Business Improvement Services
Marcus Lloyd, Head of Infrastructure
Nicole Scammell, Head of Corporate Finance and Section 151 Officer

Appendix 1: RPB Assessment Panel – Project Information Forms for the Tranche 1 projects

APPENDIX 1

RPB Assessment Panel – Project Information Forms for the Tranche 1 projects

RPB ASESSMENT PANEL – PROJECT INFORMATION FORM (PIF)

PROJECT NAME: Llanbradach Strategic Park and Ride

SECTION/TEAM SUBMITTING PROJECT: Head of Infrastructure

LOCATION AND WARD: Llanbradach Village, Llanbradach

DESCRIPTION:

This project proposes a new park and ride facility in Llanbradach that would accommodate up to 500 spaces. The existing station only has 10 P&R spaces which is deemed totally unsuitable for the introduction of a much better and frequent rail service under Transport for Wales. The availability of an accessible public transport network is critical to service these areas within the county borough and a P&R at this location would remove traffic and reduce congestion on the strategic highway network.

The location of the new park and ride would be located some distance from the existing rail station and as such the scheme would require a new rail halt to be constructed.

Residual land at this location could accommodate employment growth

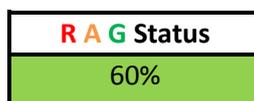
Overall benefits include

- Increasing levels of public transport use
- Reducing car usage on heavily congested networks
- Improve modal interchange
- Create employment opportunities by improving connectivity to a larger catchment
- Allowing those who cannot afford their own cars to access more employment/training opportunities
- Make good use of derelict land and stimulate local employment opportunities and local land assets becomes more attractive to investors.

Programme timeframe of 2023 is achievable for feasibility /design and implementation. WG and Transport for Wales are aware of this project and have been supportive.

This bid seeks £150k to match fund a Regional Transport Bid for resources to undertake further feasibility/design work on this project in 2019/20. This work will provide a robustly costed project which will prove beneficial when seeking funding to implement the scheme.

STRATEGIC FIT (SF) ASESSMENT (R A G):



Notes:

TOTAL PROJECT COST ESTIMATE (£): £300,000 budget required for feasibility works. £150,000 is being requested to act as match

DELIVERABILITY ASESMENT (R A G):

R A G Status
60%

Notes:

<p>CCBC REGENERATION BOARD RECOMMENDATION: APPROVAL</p> <p>The provision of a large, strategic park and ride facility at Llanbradach will help to absorb the excess park and ride demand and also create new demand at a station that does not currently benefit from a notable park and ride facility. It will encourage greater use of the rail service on the Rhymney Valley line for those in the Mid Valleys area and offer a more accessible rail network that will enable car users to switch to rail for their everyday journeys. The proposed scheme will increase levels of public transport use, reduce levels of car use, and improve modal interchange by providing a new strategic park and ride facility.</p> <p>Identifying the necessary match for the Local Transport Fund bid is critical to feasibility/design work being conducted in 2019.</p> <p>The proposals contribute to the following themes within the CCBC Regeneration Strategy:</p> <ul style="list-style-type: none">• Supporting people• Supporting Business• Supporting Quality of Life• Connecting People and Places <p><i>DATE: 15th January 2019</i></p>	<p>CHAIR'S SIGNATURE</p>
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RPB ASESMENT PANEL – PROJECT INFORMATION FORM (PIF)

PROJECT NAME: Park Lane Hotel Development

SECTION/TEAM SUBMITTING PROJECT: Head of Regeneration and Planning

LOCATION AND WARD: Caerphilly Town Centre, Morgan Jones ward.

DESCRIPTION:

This project is aimed at stimulating the visitor economy in Caerphilly. It is acknowledged that to date, the town and Caerphilly castle are not attracting the visitor numbers they should. As a response, the Council has cleared 0.2 hectares of Council owned land at Park Lane in order to accommodate a use that would bolster the town's current visitor offer. In addition, Cadw have recently produced a masterplan that they hope to implement over the next 5 years to double the visitors to the castle and turn it into a Tier One destination

Plans are in place to develop a quality 4 star hotel at the Park lane site. A preferred developer has been secured and there is interest from the Accor Hotel group to take up residency at this site.

Welsh Government's Visit Wales Team have indicated that they are willing to support the scheme financially through grant aid to ensure that a prestigious building and hotel operator are secured.

At present the preliminary designs for the site show a 70plus bedroomed hotel development over 4 floors with a strong food and beverage offer – consisting of restaurant and banqueting/conference facilities.

Although the scheme has stunning views over the castle, it is somewhat hidden and out of the way of the main commercial strip on Cardiff Road.

An opportunity has presented itself to purchase the currently empty No.25 Cardiff Road and add it into the red line boundary of the site. This would give the site much better visibility and presence.

The owner of the property is keen to sell and the preferred developer is keen to add this land into the red line boundary and will be willing to increase his annual premium on the proposed long lease if this can be achieved.

WG have agreed in principle to a mixture of loan and Targeted Regeneration Investment grant allow the Council to purchase the building. It is then intended that the developer will demolish the building when he commences his hotel build. The WG loan element could be repaid with the annual income from the developer whilst the Council need to find match funding to secure the grant element.

This bid seeks a capital contribution of £40,000 to be used as match to secure TRI grant.

Overall benefits include:

- Beneficial use of brownfield site in the heart of the town centre
- Bolstering visitor offer in town and therefore increase spend and dwell times in the town.
- Opportunity for local supply chains - both in construction and running of venue
- Opportunities for local people to gain employment
- Act as a catalyst to further investment in the visitor, evening and wedding/conference economy
- A small outlay of £30k could secure up to £10m of hotel development

STRATEGIC FIT (SF) ASESMENT

R A G Status
42.5%

(R A G):

Notes:

TOTAL PROJECT COST ESTIMATE (£): £10million. £40,000 request to act as match to TRI grant for purchase of No. 25 Cardiff Rd.

DELIVERABILITY ASESMENT (R A

R A G Status
70%

G):

Notes:

CCBC REGENERATION BOARD RECOMMENDATION: APPROVAL

This is identified as a strategic project in the recently adopted Caerphilly Basin Masterplan and is one of the key schemes identified for the regeneration of Caerphilly Town Centre and the development of its visitor economy. The small financial requirement from the Council will help towards bringing a town centre brownfield site back into beneficial use and will help ensure up to £10m is invested in a quality hotel at Park Lane.

The time envelope for purchasing No. 25 is very short, so it is imperative that the Council establishes the match funding required for the TRI application for financial support

The proposals contribute to the following themes within the CCBC Regeneration Strategy:

- Supporting people
- Supporting People
- Supporting Quality of Life

DATE: 15th January 2019

CHAIR'S SIGNATURE

RPB ASESMENT PANEL – PROJECT INFORMATION FORM (PIF)

PROJECT NAME: Oakdale Business Park Expansion

SECTION/TEAM SUBMITTING PROJECT: Head of Regeneration and Planning

LOCATION AND WARD: Oakdale Plateaux, Penmaen ward.

DESCRIPTION:

Oakdale business park is the largest employment site in the County Borough and consist of a number of distinct plateaux. There are still substantive amounts of undeveloped employment zoned land on Plateau 1, 2 and 4.

The Council is currently working with Welsh Government (WG) to develop out Plateau One. Fifteen Hectares will be unlocked when Welsh Government invest up to £3m towards introducing the necessary infrastructure to the plateau to make it attractive to investors.

On a smaller scale, land next to General Dynamics on Plateau 2 is being sold to Senior Flexonics who will build a hi- tech research facility there. A core component of this scheme is a WG funded access road that will provide access to Senior Flexonic's new facility and will also provide spinal access to the remaining 7 hectares of undeveloped land.

Plateau 4 at Foxes Lane has residual undeveloped land of circa 2 hectares that is currently lying dormant at the northern most part of the plateau.

The current momentum with Plateau 1 and 2 needs to be maximised and it is proposed that feasibility work be undertaken to establish costs of providing the necessary infrastructure to the remainder of Plateau 2 and Plateau 4.

Although the Council are unlikely to fund any infrastructural works from internal budgets, there should be opportunities to bid into WG or other funding vehicles to implement spinal infrastructural works to open up these sites for development.

£100,000 is being bid for to undertake this feasibility work. At present, this will not lever in any external match funding towards feasibility but it will provide a budget to allow the Council to appoint consultants to work up costed proposals that can then be used to target external funding mechanisms which may unlock millions.

The benefits of the proposals are set out below:

- Land is owned by the council which makes it easier to undertake feasibility study
- A strong feasibility study and skeleton layout would allow the Council to market the plateaux more actively.
- Costed proposals and preliminary layouts will make any applications for external funding more coherent
- It will allow the private sector to better understand the upfront costs of putting the infrastructure in themselves (should external funding not become available)
- It will hopefully lead to the infrastructure being provided which in turn will stimulate further investment from the private sector employment

STRATEGIC FIT (SF) AESSMENT (R A G):

R A G Status
38.75%

Notes:

TOTAL PROJECT COST ESTIMATE (£): feasibility £100,000 with no match funding identified. Project implementation £2million plus.

DELIVERABILITY AESSMENT (R A G):

R A G Status
50%

Notes:

<p>CCBC REGENERATION BOARD RECOMMENDATION: APPROVAL</p> <p>This is CCBC’s largest council owned undeveloped employment site and has regional significance. It has been identified as a Cardiff Capital Region Strategic Site and therefore every opportunity should be taken to maximise its potential and fulfil its purpose of creating local jobs. Providing infrastructure on the plateaux will makes the sites more attractive to investors and stimulates the local economy, hopefully attracting millions of pounds worth of private investment.</p> <p>It is critical that these feasibility works are undertaken to continue the momentum being experienced on Plateau 1.</p> <p>The proposals contribute to the following themes within the CCBC Regeneration Strategy:</p> <ul style="list-style-type: none">• Supporting people• Supporting Business• Supporting Quality of Life <p><i>DATE: 15th January 2018</i></p>	<p>CHAIR’S SIGNATURE</p>
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