



CABINET – 9TH MARCH 2022

SUBJECT: **REGENERATION BOARD – PROJECT PROPOSALS**

REPORT BY: **CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT**

1. PURPOSE OF REPORT

- 1.1 To recommend the allocation of £24,950 Licence to Innovate funding for Caerphilly Music Service to offer two new innovative projects to schools in the Borough.
- 1.2 To further recommend the allocation of £16,000 from the same Licence to Innovate funding for Caerphilly Statutory team, who are working with the Digital Services to offer IT cubes in 2 schools as a pilot, one in a Secondary school and one in a primary school in the Borough.
- 1.3 To approve the allocation of £136,200 from the Regeneration Board Development Budget towards the overall cost of £906,000 to build a 5th unit at Ty Du Employment Park, Nelson.

2. SUMMARY

- 2.1 At the 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. This group is supported by a Regeneration Assessment Panel consisting of officers from a range of service areas. An initial sum of £300,000 was allocated to the Project Board.
- 2.2 The Regeneration Assessment Panel have met on numerous occasions to consider the prioritised list of capital projects, which have been identified by the Board to move to the Assessment Stage. Following subsequent Cabinet Approvals, since February 2019 numerous projects have been endorsed with financial assistance provided (where necessary) from the Regeneration Project Board Development Funds.
- 2.3 During January 2019 Cabinet resolved to release £1.2m of reserves for the Regeneration Board prioritised projects. This was supplemented in April 2021 when the Cabinet resolved to allocate an additional £1.0m to the Development Fund budget and again on the 7 July 2021 when Cabinet resolved that a further £1.0m should be allocated to the Board for prioritised capital regeneration projects. This decision was

approved by Full Council on 13 July 2021. This brings the total allocated Development Fund budget to £3.5M.

- 2.4 In December 2020 Cabinet resolved to allocate £50,000 seed money to the Regeneration Board for 2020/21 to progress concepts and ideas under the 'Licence to Innovate' Scheme. Due to the success of the initiative, Cabinet on 7 July approved a proposal for a further £200k to be set aside for the scheme. The total funding allocated to the Regeneration Project Board, including 'Licence to Innovate', is therefore £3.75M.
- 2.5 In October 2021 the Council gave delegated powers to the Regeneration Project Board to determine the priorities for the Charging Authority's Community Infrastructure Levy spend in line with the Council's Strategic Priorities and the CIL Regulation 123 List. Priorities for spend will be considered and determined by Cabinet.
- 2.6 This report seeks Cabinet approval for the allocation of £40,950 Licence to Innovate funding for specific education projects.
- 2.7 If approved, this will result in a balance of £168,361 in the Licence to Innovate Fund.
- 2.8 The report further outlines a request to the Regeneration Board for £136,000 of Regeneration Board development funding towards the delivery of a new employment unit at Ty Du, Nelson.
- 2.9 Another project has been before Regeneration Board for funding but due to its complexity will be presented separately to Cabinet. Also due to its commercially sensitive contents, it has been deemed exempt. If these requests are approved, then the balance of the fund will be £575,000.

3. RECOMMENDATIONS

- 3.1 That Cabinet:
 - i) Approve £24,950 Licence to Innovate funding be allocated to Caerphilly Music Service for 2 innovative projects.
 - ii) Approve £16,000 Licence to Innovate funding to be allocated to Caerphilly Statutory Team for the introduction of two IT Cubes.
 - iii) Approve the allocation of £136,000 from the Regeneration Project Board Budget for the delivery of an additional employment unit at Ty Du, Nelson
 - iv) Note that a further request is being made to the Regeneration Board development fund which will be set out in an exempt cabinet report

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To allow the purchase of equipment for 2 innovative projects in Caerphilly's music service, with 50% of the income accrued to be reinvested through the licence to innovate fund, as approved by the Regeneration Project Board/ Licence to Innovate panel.
- 4.2 To purchase equipment for IT cubes to be rolled out in schools as approved by Regeneration Project Board/ Licence to Innovate Panel.
- 4.3 WEFO and WG have presented the Council with the opportunity to secure 85% of project funding to build a 5th Unit at Ty Du, Nelson. However this will require a match

from CCBC of the remaining 15% which equates to £136,000

5. THE REPORT

- 5.1 On the 30th May 2018, Cabinet agreed that Council Officers convene a Regeneration Project Board. The Terms of Reference of the Board were approved by Cabinet at the same meeting.
- 5.2 At the subsequent June 2018 Board meeting a Project Prioritisation Toolkit was approved for the Board to prioritise projects and this was subsequently agreed by Council on 17th July 2018. A Regeneration Assessment Panel has been set up to assess each of the projects using this toolkit. The Assessment Panel is an internal Officer panel from a wide range of Service Areas set up specifically to assess prioritised strategic physical regeneration schemes.
- 5.3 The Regeneration Assessment Panel has met several times to consider a list of previously prioritised capital projects These, for the most part, have been evaluated and considered by the Regeneration Project Board before being presented to Cabinet for endorsement and funding (where required) from the available Development Funds.
- 5.4 Initial funding of £300k was allocated to the Regeneration Board Development Fund in 2018. In January 2019 Cabinet resolved to release £1.2m of reserves for Regeneration Board Projects and then in April 2021 the cabinet resolved to allocate a further £1.0M. This was supplemented by an additional £1.0M in July 2021, bringing the Total Development Fund budget to £3.5M. This has allowed additional projects to be considered for development support, prioritisation and funding [Please refer to Appendix 1].
- 5.5 In December 2020 Cabinet approved the Council's Commercial and Investment Strategy and resolved that a further £50,000 from the Education and Corporate Services reserves be approved to progress 'Licence to Innovate' ideas via the Regeneration Project Board. In July 2021 Cabinet approved proposals to set aside a further £200,000 to the 'Licence to Innovate' scheme. All 'Licence to Innovate' project ideas are subject to a Panel Assessment to determine their eligibility prior to their presentation to the Regeneration Board. To date £40,689 has been allocated to Licence to Innovate Projects so this leaves a balance of £209,311 [Please also refer to Appendix 1].
- 5.6 In October 2021 the Council gave delegated powers to the Regeneration Project Board to determine the priorities for the Charging Authority's Community Infrastructure Levy spend in line with the Council's Strategic Priorities and the CIL Regulation 123 List. Priorities for spend will be considered and determined by Cabinet.

Regeneration Project Board 30th November 2021

- 5.7 The Regeneration Board meeting held on 30 November 2021 considered the following project proposal. A summary of the project and the Regeneration Project Board's recommendations are set out below.

Licence to Innovate Initiative – Caerphilly Music Service

Total project cost estimate: £24,950

- 5.8 In November 2021 the Licence to Innovate Panel considered a proposal to fund innovative projects for Caerphilly Music Service and purchase of the following:
- Turntablism – opportunity for pupils to experience this art;
 - GarageBand – free app on iPad teaching students technical skills.
- 5.9 These projects will provide CPD opportunities for teachers, will cover the digital elements of the Music/Expressive Arts Curriculum and allow schools to access equipment and resources which they would usually not be able to afford. With schools looking to get back to some normality, and in preparation of the Curriculum for Wales, Caerphilly Music Service would like to offer this innovative project to schools by purchasing the above equipment.
- 5.10 Schools would have access to the equipment for a term at a time. If two sets of equipment are allocated for each project, 12 schools per year could access the equipment, training, and resources. This equates to 60 schools over 5 years.
- 5.11 Caerphilly Local Authority has a focus of 'Re-ignite, Recover and Reform', which fits in perfectly with what we will be offering schools. The projects will re-ignite pupils' interests, engagement levels and motivation, with an all-round focus on the wellbeing of pupils and staff. It will support schools in recovering from the past 18 months and in reforming in preparation for the Curriculum for Wales. In the case of the Music Service proposals, the Turntablism and Garage Band projects are expected to bring a commercial return of £5,400 per school year, while providing 12 teachers with continuing professional development opportunities and around 360 pupils with new skills. Increased pupil attendance is a potential further benefit which will also be monitored.

RPB Decision: Project Approved

The RPB supported this project, recognising the exciting opportunities it will afford pupils, including future employment opportunities. It was recommended that £24,950 be awarded for this project with the Music service paying back 50% of income incurred to re-invest into the Licence to Innovate fund.

Regeneration Project Board 11th January 2022

- 5.12 The Regeneration Board meeting held on 11 January 2022 considered the following project proposal. A summary of the project and the Regeneration Project Board's recommendations are set out below.

Licence to Innovate Initiative – Caerphilly Statutory Team

Total project cost estimate: £16,000

- 5.13 In September 2021 the Licence to Innovate Panel considered a proposal to fund a project led by the Statutory team and supported by Digital Services.
- 5.14 A pilot project was previously carried out which has evidenced the merit of the project. It is intended to establish IT Cubes, one in a secondary school and one in a primary

school. The IT Cube will be a designated room in school which will be used for multi-agency working made more effective and efficient through greater connectivity and emerging technologies. The IT Cube will be accessible to all learners and their parents/carers. The costs will cover technical equipment, including hardware (computer, screens, cameras, whiteboards and other peripherals) and the associated software. The IT Cubes would be accessible to all learners and their parents/carers.

- 5.15 Work around the planning and implementation of the new Additional Learning Needs (ALN) Act has highlighted the need for a more accessible / central communication system for all learners and their families. The introduction of IT Cubes in schools, will allow learners and their families to access a centre of technology at the heart of their community, at their nearest school (not necessarily the school they are on roll).
- 5.16 Welsh Government is promoting the need to support digital services across Wales and support the Council's vision for a more accessible/central communication system in schools for all learners and their families.
- 5.17 The IT Cube will enhance working practices of all corporate services rather than create a new service. Over time the IT Cubes could be used to support the wider community to access front end corporate services by placing our "reception desk at Ty Penallta" remotely in the heart of our communities in our local schools, where families would have remote access to all corporate services not just education.
- 5.18 It is intended to place IT Cubes in schools who host specialist resources bases, meeting the needs of our most severe and complex learners, and aiming to develop a network of 12 x IT Cubes initially. This pilot of two IT Cubes, supported by the Licence to Innovate, will allow for an assessment of the benefits of the project and provide evidence in support of future funding from elsewhere to scale up into a larger number of locations. The IT Cubes project has no commercial element, but a range of potential benefits for learners, their families, the schools in which the pilot IT Cubes will be based, and the professional partners involved in using the IT Cubes have been identified, including improved attendance at case conferences, reduced travel time for both professionals and the people they support, and learning outcomes for the supported learners. A set of defined outcomes and measures will be developed as part of the pilot project, in order to build an evidence base to support the case for continued funding for future IT Cubes, with the aim of attracting investment from external sources.

RPB Decision: Project approved

The RPB recommend that the project be approved. Merit was seen in the innovation of the IT cubes and the cautious approach to pilot these in a small number of locations initially.

Remote Regeneration Board Appraisals

- 5.19 A project was reviewed for Regeneration Development funding during early February remotely by the Regeneration Project Board due to the urgency for a decision on funding. This item is Exempt due to the commercially sensitive information and will be presented separately to Cabinet.

- 5.20 Another project has recently been appraised and approved remotely by Regeneration Board Members, again due its urgent nature. The project centres on delivery of an additional employment unit at Ty Du, Nelson. Four Units have been built on this site and all of the units will be occupied shortly. The fifth Unit has planning permission but has not progressed due to budgetary constraints. The build costs for this additional unit have an estimate of £908,000 and would be delivered over an 11month programme from design through to delivery.
- 5.21 WEFO have recently indicated that they would be receptive to an application for 70% of the overall costs and have indicated that they will consider allowing this project to stretch beyond their current deadline date of December 2022 into early Spring. WG are prepared to share equally the remaining 30% match which stands at £272,000. This will mean a contribution of £136,000 from Caerphilly CBC and it is proposed that this is funded from the Regeneration Board Development Budget. It is imperative that a decision on match funding is taken as soon as possible to allow the scheme to be delivered within the timeframe outlined above.
- 5.22 The additional unit will create 12 plus jobs, 3 plus SMEs could be supported and would create up to 300m² of new employment floorspace.
- 5.23 Rental on this additional unit would be strong. It is estimated that when fully let it would return circa £24k per annum. Under the terms of the Joint Venture, this would be split 50/50 with WG
- 5.24 Projects are monitored and impacts will be measured. Larger projects supported by the Board have their own Project teams with governance and reporting mechanisms in place. The Regeneration Board also gets periodic updates from officers in relation to projects funded. It is worth noting that a number of Regeneration Board allocations have been made to get schemes to a “shelf ready” state or as match funding contributions to secure WG funding for investment in physical infrastructure to take place at a future date. Being able to measure impact on these schemes is still therefore a little way off.
- 5.25 The Transformation Team work with the teams proposing ideas for the Licence to Innovate, to support the development of their ideas, including the identification of suitable measures to assess the benefits of each project. In the case of projects with a commercial element, the realisation of profits generated from the project is a natural measure. Other projects are better measured in terms of efficiency savings within the service area, benefits to other services or customers, or alternative measures tailored to the specific project. Projects supported by the Licence to Innovate are expected to report regularly to the Licence to Innovate Panel and the learning from the projects that have been supported to date is being used to inform current work on outcomes and measures across the wider Transformation programme, linking quantifiable benefits to the Medium Term Financial Plan.

Conclusion

- 5.26 If Cabinet are minded to approve the recommendations contained in the Report, the residual funding available to the Regeneration Project Board is:
- Licence to Innovate Fund - £168,361;
 - Regeneration Development Fund - £575,000
 - CIL - £2.9m - (as at 05.01.22).

6. ASSUMPTIONS

- 6.1 This report assumes that the identified projects, will be developed further and where applicable implemented, with assistance from appropriate sourced and secured external funding.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 The recommendations contained in the report have a neutral overall impact, however schemes supported through the board will all have varying impacts and will all be subject of full IIA.

8. FINANCIAL IMPLICATIONS

- 8.1 An overall project Development Fund of £3.5m has been previously approved to allow a project team of officers to develop projects ready for implementation when funding becomes available.
- 8.2 A Licence to Innovate budget of £250,000 has previously been approved, of which £40,689 has previously been allocated by the Regeneration Board. If these two projects are approved, it will leave a residual balance of £168,361.
- 8.3 A separate report which includes exempt information identifying funding requested from the Regeneration Board Development Fund will be presented to Cabinet. If approved the residual budget would be £575,000

9. PERSONNEL IMPLICATIONS

- 9.1 There will be a requirement for Officers from different departments within the Authority to dedicate human resources to the project activities outlined in order to progress them, the level of which depends on the status of each project.

10. CONSULTATIONS

- 10.1 All comments received from consultees have been incorporated into the report.

11. STATUTORY POWER

- 11.1 The Planning and Compulsory Purchase Act 2004.
- 11.2 The Local Government Acts 1998 and 2003.
- 11.3 Town and Country Planning Act 1990

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Consultees:
Cllr Eluned Stenner, Cabinet Member for Performance, Economy & Enterprise

(and Chair of the Regeneration Project Board)

Christina Harrhy, Chief Executive

Mark S. Williams, Corporate Director for Economy & Environment

Dave Street, Corporate Director for Social Services and Housing

Richard Edmunds, Corporate Director for Education and Corporate Services

Stephen Harris, Head of Financial Services & Section 151 Officer

Marcus Lloyd, Head of Infrastructure

Robert Tranter, Head of Legal Services/Monitoring Officer

Sue Richards, Head of Education Strategy & Finance (Interim Head of Transformation)

James Penfold, Transformation Manager, Corporate Policy Unit

Lynne Donovan, Head of People Services

Anwen Cullinane, Senior Policy Officer

Rhian Kyte, Head of Regeneration and Planning

Hamish Munro, Caerphilly Place Making Programme Manager

Paul Hudson, Business, Enterprise & Renewal Team Manager

Annex 1. List of Approved Projects and Funding Allocations