

COUNTY BOROUGH OF BLAENAU GWENT

REPORT TO: THE CHAIR AND MEMBERS OF THE COUNCIL

**SUBJECT: REGENERATION SCRUTINY COMMITTEE –
30TH JUNE, 2021**

REPORT OF: DEMOCRATIC & COMMITTEE SUPPORT OFFICER

PRESENT: COUNCILLOR J. HILL (CHAIR)

Councillors G.A. Davies
M. Cook
P. Edwards
K. Hayden
S. Healy
W. Hodgins
J.C. Morgan
L. Parsons
G. Paulsen
K. Rowson

AND: Corporate Director Regeneration & Community
Services
Service Manager Business & Regeneration
Team Manager, Regeneration Opportunities
Marketing & Communications Officer
Scrutiny & Democratic Officer/Advisor

ITEM	SUBJECT	ACTION
No. 1	<u>SIMULTANEOUS TRANSLATION</u> It was noted that no requests had been received for the simultaneous translation service.	
No. 2	<u>APOLOGIES</u> Apologies for absence were reported for Councillor B. Willis and the Head of Regeneration & Development.	
No. 3	<u>DECLARATIONS OF INTEREST AND DISPENSATIONS</u>	

	No declarations of interest or dispensations were reported.	
No. 4	<p><u>REGENERATION SCRUTINY COMMITTEE</u></p> <p>The minutes of the special Regeneration Scrutiny Committee held on 28th April, 2021 were submitted.</p> <p>A Member referred p.7 of the minutes, i.e. the Officer's response to a question raised by a Member regarding the rail link improvements and the £70m loan. He said he had listened to the recording of the meeting, and reported that the Officer did not refer to the £70m in her response, but stated that 'this was separate money for each Local Authority to work on projects alongside the railway renewal'.</p> <p>The Committee AGREED, subject to the foregoing, that the minutes be accepted as a true record of proceedings.</p>	
No. 5	<p><u>ACTION SHEET – 28TH APRIL, 2021</u></p> <p>The Action Sheet arising from the special meeting of the Regeneration Scrutiny Committee held on 28th April, 2021 was submitted, whereupon:-</p> <p><u>Cardiff Capital Region City Deal Performance Review 2020/21 Q4</u></p> <p>A Member referred to page 8 of the minutes of the previous meeting when a Member asked who would be responsible for any shortfall in funding should passenger numbers not meet the loan repayments. He said as the Officer was unable to respond at that time it was requested that it be noted as an action point.</p> <p><u>Locations for electric vehicle charging points</u></p> <p>A Member pointed out that there were currently no locations identified for Tredegar.</p> <p>In response the Team Manager Regeneration Opportunities explained that these were the original sites identified as the most affordable under the funding for the scheme. However, work was currently ongoing with City Deal for</p>	

	<p>additional charging points, to include Tredegar, and also the provision of charging points at taxi ranks throughout the Borough.</p> <p>The Officer said she did not know the exact number of additional charging points at this time, but she reported there were companies willing to install them free of charge for a commercial return, and this option was also being explored. However, it was likely there would be a minimum of 2 charging points per taxi rank.</p> <p>A Member asked whether members of the public would be able to use the charging points at taxi ranks, and the Officer said this was unlikely due to safety reasons with the movement of taxis etc, and the requirements of the traffic regulation orders that would be required. The Officer also pointed out that signage was part of the programme and these would be erected prior to the charging points going live.</p> <p>The Corporate Director Regeneration & Community Services said a briefing note on electric vehicle charging points would be beneficial for Members.</p> <p>A Member asked that Ward Members be consulted on the proposed locations for charging points moving forward, and the Team Leader Regeneration Opportunities confirmed that consultation would take place with Members in advance of any areas being identified.</p> <p>In relation to the Members Briefing Session, the Corporate Director reported that TFW had yet to confirm a date.</p> <p>The Committee AGREED, subject to the foregoing, that the Action Sheet be noted.</p>	
<p>No. 6</p>	<p><u>PROPOSED SCRUTINY COMMITTEE FORWARD WORK PROGRAMME 2021-22</u></p> <p>Consideration was given to the proposed Scrutiny Committee Forward Work Programme for 2021-22.</p> <p>A Member suggested that the Aneurin Bevan Report be put back to coincide with submission of the Tredegar Town</p>	

Centre Report/THI Report. He also suggested that a visit to 10 The Circle be arranged when the Covid restrictions are lifted.

Another Member said a report on the Borough's commercial units should be brought forward, in light of recent issues regarding the new lease arrangements.

A brief discussion ensued when the Corporate Director pointed out that details of arrangements between the Council and individual companies would not be included in the Annual Industrial Property Performance report. The report provided an overall position in terms of reviewing leases and the number of people who had converted to the new lease arrangements as part of the Bridging the Gap programme agreed by Council. However, a specific report on lease arrangements and what had been agreed by Council could be drafted.

A Member referred to the recent presentation to Members on the Community Renewal Fund and Shared Prosperity Fund, and requested that bids for Levelling Up Funding be reported to Scrutiny prior to submission to Central Government.

The Corporate Director reported that a decision on the bids submitted for Community Renewal Funding would hopefully be received later in July, and a report on the approved bids would be submitted to the September meeting of the Committee.

In relation to bids for Levelling Up Funding, these would be subject to separate reports to Scrutiny seeking agreement on the type of projects to be submitted.

In response to a further question, the Corporate Director explained that the deadline for submission of bids for Community Renewal Funding was the end of July, but he could not provide a specific date.

In relation to Levelling Up Funding he could not provide a deadline for the next round of bids, however, the end date for the Fund was 2023/24. He also stressed the importance

of only submitting bids that were ready to go as it was a very competitive process.

The Corporate Director said he was unable to provide any details of the Shared Prosperity Fund, but the Community Renewal Fund was a potential precursor to that Fund. However, a successful bid for CRF did not mean automatic access to Shared Prosperity Funding. He assured that Members would be informed when further information on the Shared Prosperity Funding was received.

A Member requested a report on the number of jobs that had been created/lost and the impact of the Covid pandemic on unemployment levels in Blaenau Gwent.

In response the Service Manager Business & Regeneration said this information linked with the Covid 19 Recovery report further on the agenda in terms of building mechanisms to monitor how the work of the Council was supporting the community in job creation and safeguarding of jobs.

The Member said an annual report on job figures would be helpful, and the Officer said this information could be highlighted within the regular performance reporting mechanism.

Another Member referred to the date for submission of the Blaenau Gwent Replacement LDP report, and asked whether this was feasible given to the delay in the process.

The Corporate Director said this was the timeline currently being worked to, however, due to current pressures within the Planning Service this may change. The Council had a delivery agreement with Welsh Government and Officers were working hard to meet that deadline.

In relation to previous comments around employment figures, he said the Performance Report could be used to draw out specific information, and the Covid 19 Recovery report on the agenda would be lifting some key headline data around unemployment rates and benefit claimant rates which could be used to analyse our recovery.

	<p>The Committee AGREED, subject to the foregoing, that the report be accepted and the Forward Work Programme for 2021-22 be approved (Option 2).</p>	
<p>No. 7</p>	<p><u>COMMUNITY MUNICIPAL INVESTMENT</u></p> <p>Consideration was given to report of the Team Manager Regeneration Opportunities.</p> <p>The Team Manager Regeneration Opportunities presented the report which sought approval to progress Community Energy Investment as a financial instrument to fund low carbon energy generation infrastructure and technology to provide energy and heat to Blaenau Gwent residents and businesses.</p> <p>The Officer went through the report and highlighted points contained therein.</p> <p>A Member asked whether the Council would still be able to access EU funding, and what return people could expect on their investment.</p> <p>In response the Officer said a Member Briefing Session on European Funding would be beneficial. In terms of this funding, it was originally through Horizon 2020, and while the UK has left Europe there was agreement that the UK could continue to participate in this funding arrangement. This was also the case with Horizon European, its successor in the programme.</p> <p>In terms of the rate of return that could be expected, this was for the Council to determine. It was aimed to be below the Public Works Loan Board rate which tended to be between 2-4%. The Council would agree a rate slightly below that rate, and that would be the return given to residents.</p> <p>A Member referred to section 2.4 of the report and asked whether the bond fund could be used to provide loans.</p> <p>The Officer said the bond fund was a benefit for the Council to utilise rather than going to a bank or prudential borrowing.</p>	

The Member then referred to section 2.5 and asked who would be responsible for approving projects.

The Officer said some Authorities had taken the approach of stating a specific project, or the Council may want to take a more generic approach, and state that money would go towards a number of projects included within our Energy Prospectus, with the assurance of a business case. However, the risk would be with the Council to undertake those projects and have the money to repay the borrowing, so it was important not to access any money until projects were ready to proceed. The Council's normal structures could be used to govern that process.

A Member referred to the potential impact on projects should an investor decide to pull their money.

In response the Officer said bonds would normally be invested for a set period of time, generally 5 years. However, should an investor want to withdraw their money it would go back to the platform through Abundance and the bond would be re-advertised.

A brief discussion ensued when the Officer clarified points raised by Members.

A Member expressed concerns regarding the financial impact on the Authority in the event of the company failing, and asked whether the funding would be underwritten.

In response the Officer explained that the company was a platform to facilitate the investment, and the money was for the Council to invest. The Council's failure to deliver the project was the biggest risk to investors, however, this would be made clear as part of due diligence processes and discussions with our Legal Section.

The Committee AGREED to recommend that the report be accepted and the Scrutiny Committee:

- Endorse Option One as the preferred way to proceed;
- Due diligence be commenced alongside the Head of Legal and Corporate Compliance together with the Chief Officer Resources;

	<ul style="list-style-type: none"> • Endorse the launch of Community Municipal Bonds subject to due diligence and final sign off of the necessary agreements delegated to the Head of Legal and Corporate Compliance in consultation with the Chief Officer Resources; and • That the Chief Officer for Resources be delegated to determine the date of the formal launch of the bond, bond length period and bond issue rate so long as it is below the PWLB rate. 	
<p>No. 8</p>	<p><u>DEVELOPMENT OF BUSINESS ENERGY MODEL TO ENABLE BUSINESS PARKS TO ACHIEVE NET ZERO OUTCOMES</u></p> <p>Consideration was given to report of the Team Manager Regeneration Opportunities.</p> <p>The Team Manager Regeneration Opportunities presented the report which provided details of the background to the project, and progress made as a demonstrator of the Welsh Government Smart Living Programme. The report also provided an overview of the newly established Whole System Business Research Innovation for Decarbonisation (WBRID) Project, and an overview of the Blaenau Gwent WBRID Competition.</p> <p>Members welcomed the report.</p> <p>The Committee AGREED to recommend that the report be accepted and the information contained therein be noted.</p>	
<p>No. 9</p>	<p><u>COVID-19 RECOVERY – ECONOMY</u></p> <p>Consideration was given to report of the Service Manager Business & Regeneration.</p> <p>The Service Manager Business & Regeneration presented the report which provided Members with a summary of work undertaken and proposals to support economic ‘recovery’ within Blaenau Gwent.</p> <p>The Officer went through the report and highlighted points contained therein.</p>	

A Member said he would have liked to have seen a link into current employability programmes in Blaenau Gwent, that could provide training opportunities to help businesses identify any skills gaps moving forward.

In response the Service Manager Business & Regeneration said the Council had very good relationships with a number of partners in this area, and existing networks would continue to play a key part in this work.

The Chair referred to previous comments and said it would be interesting to know how many businesses were in operation prior to the Covid pandemic and how many were still in operation.

The Officer confirmed that analysis of this data was a key part of the work currently being undertaken in terms of identifying the impact of Covid on local businesses.

The Committee AGREED to recommend that the report be accepted and the information contained therein be endorsed.