

## **Evidence submitted by the Vale of Glamorgan Council to the National Assembly for Wales Finance Committee regarding the effectiveness of European Structural Funding in Wales.**

### **Background to the Vale of Glamorgan**

The Vale of Glamorgan Council was established in 1996 following local government reorganisation. It is Wales' most southern unitary authority, bounded to the north by the M4 motorway and to the south by the Severn Estuary. It covers 33,097 hectares with 53 kilometres of coastline, including 19 kilometres of Heritage Coast.

Based on the latest mid-year estimate (2010), the population of the Vale is 124,976. This number is expected to rise by 0.75% each year to 2023. The estimated number of households in the Vale is 52,818 (2008 estimate); however, this will continue to grow, to an expected 62,702 households by 2023. The age profile of the Vale's population is also expected to change; the number of children (age 0 - 14) is forecast to rise from 22,650 in 2008 to 24,885 in 2023 whilst the number of people aged 65+ will increase from 22,119 in 2008 to 31,413 in 2023.

The main settlements are Barry, Penarth, Llantwit Major, Dinas Powys, Cowbridge and Rhose. Barry, the largest town with a population of nearly 50,000, is the Vale's administrative centre, a seaside resort and port. Four miles to the west of the town centre, at Rhose, is Cardiff Airport.

The unemployment rate in the Vale was 3.9% in November 2011. Within the Vale the highest rates were found in Barry, particularly in the wards of Castleland (8.6%), Gibbonsdown (6.4%), Court (7.5%), Cadoc (6.2%) and Buttrills (6.0 %).

Employment is characterised by a high proportion of people in the service sector. Compared with the rest of South East Wales, the Vale has a lower proportion of manufacturing jobs and a higher proportion in distribution, hotels and catering. The number of VAT registered businesses in 2007 was 3,165 (revised, up from 3,145 in 2006).

The Index of Multiple Deprivation for Wales (2011) showed the most deprived areas as sub-wards (known as Lower Super Output Areas) and these were ranked with the highest scores representing the most deprived. In the Vale of Glamorgan these were shown to be Gibbonsdown 2, Cadoc 4, Court 3, Cadoc 1 and Castleland 1 in Barry. These are in the top 10% of the most deprived areas (Lower Super Output Areas) in Wales.

### **THE COUNCIL**

There are 47 Councillors for the Vale of Glamorgan who represent the community and make decisions about priorities and use of resources. The Council has agreed a Cabinet system of governance with a constitution. The

Cabinet comprises 10 Councillors who make decisions on both strategic and operational issues.

Councillors not in the Cabinet remain active in Council business through a system of scrutiny and other committees. There are five scrutiny committees: Corporate Resources; Lifelong Learning; Social Care and Health; Economy and Environment and Housing and Public Protection.

The day-to-day management of the Council is the responsibility of a team of directors led by the Chief Executive, John Maitland Evans. The Council is organised into five directorates (supplemented by the Chief Executive's Department): Learning and Development; Social Services; Environmental and Economic Regeneration; Legal, Public Protection and Housing Services and Finance, Information and Communication Technology (ICT) and Property.

The Council is the Vale's largest employer, with approximately 6,702 full-time, part-time and casual employees (as at 10 February 2011) and a net budget of £216 million for 2011/12. The Council works in partnership with many different agencies in the public, voluntary and business sectors to deliver a wide range of services.

### **Views regarding utilisation of European Structural Funding**

The Vale of Glamorgan Council wish to take this opportunity to highlight the importance of ensuring European Structural Funding is dovetailed with the Welsh Government's Regeneration Framework. This would allow the linking of European and domestic funding streams which support the regeneration of communities, taking advantage of synergies between programmes, reduction of bureaucratic administrative costs and economies of scale. Clarity on co-ordination of funding is important to avoid duplication and conflicting priorities.

In 2005, a league table of town centres in Wales compiled by King Sturge, based on shopper numbers and shopper spend power, showed Barry Town Centre (Holton Road) ranked 28<sup>th</sup> out of 28 towns behind the likes of Neath, Llanelli, Caerphilly, Bridgend, Aberdare, Pontypridd, Merthyr Tydfil, Ebbw Vale and Port Talbot.

The Welsh Government recognised the needs of Barry through the awarding of Regeneration Status for "Inner Barry" in March 2010. This has enabled the Welsh Government, in partnership with the Vale of Glamorgan Council and other organisations in the town to develop a co-ordinated, long term approach to regeneration, using best practice procedures pioneered in the Heads of the Valleys Programme and the Mon a Menai initiative.

'Inner Barry' also benefits from Housing Renewal Area and Communities First status and is the focus of an Action Plan to reverse economic, social and physical decline in the area. 'Inner Barry' includes Barry Town Centre (Holton Road), which even before the current economic downturn faced difficult issues in finding users and attracting new investment due to its proximity to higher order retail shopping centres and retail parks. The current missing

opportunity, from a strategic perspective, is the linking of domestic and European funding grant regimes as the area is unable to benefit from any Competitiveness funding for 'Physical Regeneration'.

Dovetailing policy initiatives such as Regeneration and Renewal Area status with the European Structural Funds would enable domestic and European funding grant regimes to be co-ordinated and spatially targeted to deliver the Welsh Government's Regeneration Framework. This would help to ensure funding channelled via the Regeneration Areas could be used as match funding for European Structural Funded projects. Under the current programme this could have supported Barry to re-establish the core commercial area and enabled additional landscape and access improvements. The additional funding would be extremely helpful in effecting the Regeneration Agenda and Vision that the Welsh Government is seeking to promote in Barry.

Under the current economic climate with limited capital resources available for physical improvements it is imperative opportunities to interlink grant regimes are realised. This would ensure European Structural Funding supports the ethos of regeneration areas of delivering a sustainable and co-ordinated long term approach to regeneration.

The Council would like to thank the committee for this opportunity to provide evidence regarding how we can strategically maximise the European Structuring Funding available to Wales.