

Y Pwyllgor Menter a Busnes

Lleoliad:
Ystafell Bwyllgora 3 – Senedd

Dyddiad:
Dydd Mercher, 3 Mehefin 2015

Amser:
09.15

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



I gael rhagor o wybodaeth, cysylltwch a:

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Agenda

Rhag-gyfarfod preifat (09.15–09.30)

1 Cyflwyniad, ymddiheuriadau a dirprwyon

2 Dinas–ranbarthau (09.30–10.15) (Tudalennau 1 – 18)

Cynghorydd Phil Bale, Arweinydd Cyngor Caerdydd

Dogfennau atodol:

Y Briff Ymchwil

EBC(4)–13–15 p.1A Prifddinas–Ranbarth Caerdydd

Egwyl (10.15–10.30)

3 Dinas–ranbarthau (10.30–12.00) (Tudalennau 19 – 22)

Edwina Hart, Gweinidog yr Economi, Gwyddoniaeth a Thrafnidiaeth
Roger Lewis, Cadeirydd, Prifddinas–Ranbarth Caerdydd
Steve Phillips, Ysgrifennydd y Bwrdd, Dinas–ranbarth Bae Abertawe

Dogfennau atodol:

EBC(4)–13–15 p.1 Gweinidog yr Economi, Gwyddoniaeth a Thrafnidiaeth

4 Papurau i’w nodi

4.1 Banc Datblygu i Gymru (Tudalennau 23 – 24)

Gwybodaeth ychwanegol gan Weinidog yr Economi, Gwyddoniaeth a Thrafnidiaeth yn dilyn y cyfarfod a gynhaliwyd ar 23 Ebrill (Banc Datblygu i Gymru)

Dogfennau atodol:

EBC(4)–13–15 p.2 Llythyr gan Edwina Hart at William Graham (Banc Datblygu i Gymru) (Saesneg yn unig)

4.2 Adfywio canol trefi (Tudalennau 25 – 30)

Gwybodaeth ychwanegol gan y Gweinidog Cymunedau a Threchu Tlodi yn dilyn y cyfarfod a gynhaliwyd ar 29 Ebrill (Adfywio canol trefi)

Dogfennau atodol:

EBC(4)–13–15 p.3 Llythyr gan Lesley Griffiths at William Graham (Adfywio canol trefi) (Saesneg yn unig)

Ôl–drafodaeth breifat (12.00–12.15)

Eitem 2

Mae cyfyngiadau ar y ddogfen hon

Papur Tystiolaeth Ysgrifenedig ar Ddinas-Ranbarthau, Ardaloedd Menter a'r Metro gan Weinidog yr Economi, Gwyddoniaeth a Thrafnidiaeth

1. Cyflwyniad

- 1.1 Diben y papur hwn yw cynorthwyo'r Pwyllgor gyda'u sesiwn graffu ar y Dinas-Ranbarthau, yr Ardaloedd Menter a'r Metro.
- 1.2 Cynhaliodd y Pwyllgor sesiwn graffu ar yr un pynciau ar 4 Rhagfyr 2014. Fe wnes i ddarparu Papur Tystiolaeth Ysgrifenedig ar gyfer y sesiwn hwnnw.
- 1.3 Mae'r Papur yn rhoi'r wybodaeth ddiweddaraf am y cynnydd ers y sesiwn honno.

2. Dinas-Ranbarthau

- 2.1 Mae Byrddau Prifddinas-Ranbarth Caerdydd a Dinas-Ranbarth Bae Abertawe wedi darparu arweinyddiaeth, gweledigaeth strategol, syniadau a chynghor. Mae hyn wedi darparu ffocws ac wedi creu egni o ran chwilio am gyfleoedd i ddatblygu yn rhanbarthau'r ddinas.
- 2.2 Roedd y telerau penodi i Fyrddau'r Dinas-Ranbarthau ar gyfer cyfnod penodol o 18 mis. Fodd bynnag, rwy'n ymestyn y cyfnod penodi ar gyfer y ddau Fwrdd i'w galluogi i gwblhau'r gwaith sydd ganddynt ar hyn o bryd - ar ôl hynny, byddwn yn ystyried y sefyllfa ymhellach.

Prifddinas-Ranbarth Caerdydd

- 2.3 Mae Bwrdd Prifddinas-Ranbarth Caerdydd wedi bod yn cyfarfod yn rheolaidd, gan gynnal cyfarfodydd ar draws y rhanbarth a chael trafodaethau gydag amrywiaeth o randdeiliaid ac arbenigwyr.
- 2.4 Un o'r allbynnau allweddol ers cyfarfod y Pwyllgor ar 4 Rhagfyr fu datblygu a chyhoeddi 'Sbarduno Economi Cymru'.¹ Nododd y ddogfen hon garreg filltir bwysig yn natblygiad Prifddinas-Ranbarth Caerdydd.
- 2.5 Mae'n amlygu'r cyfle i'r rhanbarth - ei phobl, cymunedau, busnesau, ac ystod eang o grwpiau eraill - uno o amgylch pedair thema allweddol:
 - cysylltedd (digidol a ffisegol);
 - sgiliau;
 - arloesedd a thwf;
 - hunaniaeth.

¹ <http://gov.wales/docs/det/publications/150306cardiffcapitalregionen.pdf>

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- 2.6 Ers cyhoeddi'r adroddiad, mae'r Bwrdd wedi treulio'r wythnosau diwethaf yn ystyried y ffordd orau i droi'r weledigaeth yn ffordd o gyflawni prosiectau penodol. Bydd y Bwrdd yn rhoi cyngor pellach i mi ar y mater hwn erbyn ddiwedd Mehefin a byddaf yn rhoi'r wybodaeth ddiweddaraf i chi Aelodau.

Dinas-Ranbarth Bae Abertawe

- 2.7 Mae Bwrdd Dinas-Ranbarth Bae Abertawe wedi gwneud cynnydd sylweddol dros y chwe mis diwethaf. Trwy ganolbwyntio ar brosiectau mawr, mae'r Bwrdd eisoes yn dechrau arddangos ei rôl fel sbardun ar gyfer newid. Mae yna nifer o ddatblygiadau arwyddocaol yn hyn o beth:
- Ym mis Ionawr, cyhoeddodd y Bwrdd ddogfen o'r enw 'Strategaeth Twf ar gyfer Dinas-Ranbarth Bae Abertawe'², sy'n nodi gweledigaeth uchelgeisiol a heriol ar gyfer Abertawe a'r rhanbarth ehangach;
 - mae'r Bwrdd wedi parhau i ystyried sut i sicrhau gwerth gorau am arian o'r cylch cyllido Ewropeaidd sydd ar y gweill, gan edrych ar brosiectau o bwysigrwydd rhanbarthol;
 - yn fwy diweddar mae'r Bwrdd wedi chwarae rhan allweddol yn cynnal Uwchgynhadledd Arloesedd rhyngwladol a welodd y canlynol yn digwydd:
 - lansio Llwyfan Menter Band-eang BT i Abertawe;
 - a chreu brand newydd sbon.

Mae'r Bwrdd wedi bod yn gweithio ar ddarparu'r Llwyfan Menter a chreu'r brand ers peth amser.

- 2.8 Llwyfan Menter BT yw'r cyntaf o'i fath yn y byd. Mae llwyfannau menter eraill yng Nghaergrawnt a Newcastle ffocws ar y defnyddiwr yn hytrach nag ar fenter, ac felly mae'n gam sylweddol ymlaen ar gyfer y Rhanbarth. Trwy gysylltiadau â Phrifysgol Abertawe a chyda'r potensial ar gyfer cwmnïau deillio a busnesau newydd gwerth uchel, mae'n fuddsoddiad a allai greu buddiannau sylweddol ar gyfer y Rhanbarth.

3. Ardaloedd Menter

- 3.1 Mae'r Ardaloedd Menter yn parhau i ddatblygu a chyflwyno cyfleoedd tymor hir ar gyfer twf a swyddi. Rwyf wedi diweddarau'r Aelodau yn rheolaidd ynghylch y cynnydd trwy ymddangosiadau yn y Pwyllgor hwn, Datganiadau yn y Cyfarfod Llawn a thrwy wybodaeth gan gynnwys manylion y gwaith sy'n cael ei wneud a chanlyniadau arolygon hydredol.

² <http://gov.wales/docs/det/publications/150216-a-growth-strategy-for-the-swanssea-bay-city-region-en.pdf>

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- 3.2 Yn fwy diweddar, fel i mi gynnig yn y Pwyllgor diwethaf, rydym wedi dechrau cyhoeddi cynlluniau strategol unigol wedi'u diweddarau ar gyfer pob Ardal Fenter.³ Byddaf hefyd yn adrodd ynghylch y set ddiweddaraf o Ddangosyddion Perfformiad Allweddol maes o law.
- 3.3 Mae ychydig o newidiadau wedi cael eu gwneud i'r Byrddau sy'n addas at y diben. Enghraifft ddiweddar o hyn yw penodi Chris Sutton fel Cadeirydd Ardal Fenter Canol Caerdydd. Mae gan Chris gyfoeth o brofiad a bydd yn gaffaeliad mawr i'r Bwrdd ac yn wir i'n hagwedd ehangach at Ardaloedd Menter.
- 3.4 Mae deiliadaeth y Byrddau cyfredol yn dod i ben ar 31 Gorffennaf 2015. Rwy'n glir bod yna angen am strwythur Bwrdd wedi Gorffennaf 2015 i roi trosolwg a chyfarwyddyd parhaus. Felly, rwyf wedi penderfynu y bydd proses benodi annibynnol yn cael ei chynnal a bydd manylion y Byrddau'n cael eu hysbysebu'n fuan. Rwyf hefyd yn ystyried dyrannu cyllideb wedi'i neilltuo i bob un ei defnyddio ar brosiectau allweddol.

4. Metro Prifddinas-Ranbarth Caerdydd

- 4.1 Mae Metro Prifddinas-Ranbarth Caerdydd yn cyflwyno cyfleoedd sylweddol i ddarparu ateb o ran trafndiaeth integredig sy'n sbarduno gweithgaredd economaidd.
- 4.2 Mae'r cynnydd yr ydym wedi ei wneud hyd yma gyda'r Metro, y camau gweithredu sydd wedi eu nodi ar gyfer y cam cyflwyno nesaf, a rhai syniadau newydd y gellir eu profi ymhellach cyn buddsoddi yn y dyfodol i gyd wedi eu nodi yn fy niweddariad diwethaf i gael ei gyhoeddi am y Metro.⁴ Mae hwn yn nodi gweledigaeth o rwydwaith trafndiaeth helaeth ar draws y ddinas-ranbarth ehangach.
- 4.3 Er bod y buddsoddiadau seilwaith posibl wedi bod yn destun gwerthuso ar lefel uchel, rydym bellach yn ymgymryd â'r gwaith manwl pellach i ddylunio, datblygu a gwerthuso rhaglen o ddarparu. Mae opsiynau dylunio a masnacheiddio'n dod rhagddynt yn dda.
- 4.4 Yn ddiweddar, cyhoeddais y byddwn yn creu is-gwmni di-d dididend i Lywodraeth Cymru fel rhan allweddol o'n dull o weithio i gyflawni'r system drafndiaeth integredig fwyaf effeithiol yng Nghymru. Yn y lle cyntaf, bydd y cwmni'n rhoi help a chynghor technegol er mwyn gyrru prosiectau cysylltiedig y Metro yn eu blaenau gan fod yn benodol a chaffael ar Fasnachfaint nesaf Cymru ar gyfer Rheilffyrdd Cymru a'r Gororau a Phrosiect Moderneiddio a Thrydaneiddio'r Cymoedd.

³ <http://gov.wales/docs/det/publications/141222-ezw-en.pdf>

<http://gov.wales/docs/det/publications/140522ezwkp1213-1314en.pdf>

<http://gov.wales/docs/det/publications/131212-welsh-gov-ezw-key-performance-indicators-en.pdf>

⁴ <http://gov.wales/docs/det/publications/150505-ezw-ebbw-vale-strategic-en.pdf>

<http://gov.wales/docs/det/publications/150505-ezw-snowdonia-strategic-en.pdf>

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- 4.5 Rwyf hefyd wedi cytuno i gomisiynu model trafnidiaeth rhanbarthol ar gyfer Dinas-ranbarth Dinas Caerdydd. Bydd hwn yn becyn cymorth hanfodol i'n helpu i gynllunio a chynnal y Metro a'r dulliau teithio ehangach yn yr ardal a bydd yn golygu y bydd y cwmni newydd di-ddifidend yn gallu i fynd ati o ddifri gyda'i waith a bod yn llwyr seiliedig ar dystiolaeth.
- 4.6 Mae hefyd cynnydd da wedi cael gyda rhai prosiectau seilwaith pwysig fel buddsoddiad £77 miliwn yng nghanam 1 prosiect y Metro gydag agor gorsaf newydd yn Pye Corner ar 14 Rhagfyr. Bydd prosiectau eraill yn cynnwys cyflwyno:
- ym mis Rhagfyr 2014, agorodd Gorsaf Pye Corner. Costiodd y gwaith £3.5 miliwn gan gadw o fewn y cyllid oedd wedi'i neilltuo ar ei gyfer, ac fe gwblhawyd y gwaith cyn y dyddiad cwblhau. Cyflawnwyd y gwaith gan Lywodraeth Cymru a dyma'r unig un allan o bump gosaf sy'n rhan o raglen Cronfa Gorsafoedd Newydd yr Adran Drafnidiaeth a gwblhawyd ar amser.
 - Dechreuodd y gwaith gwerth £11 miliwn yng Ngorsaf a rheilffordd Tref Glyn Ebwy ar 17 Mai 2015. Erbyn 2016, bydd gwelliannau cysylltiedig â'r gwaith ar wella cyflymder y llinell wrthi'n cael ei wneud hefyd
 - Bellach, mae prosiect Gwella Amlder Glyn Ebwy (yn wreiddiol yn werth £21 miliwn) yn golygu ailddyblu 7 milltir o gledrau ac mae'n cynnwys cais am gyllid gan Gronfa Datblygu Rhanbarthol Ewrop. Dechreuodd y gwaith o osod y cledrau ym mis Ebrill 2015 a bydd y gwaith wedi'i orffen erbyn diwedd y flwyddyn. Bydd y gwaith o adeiladu plattformau newydd a gwaith cysylltiedig i'r strwythur yn cael ei wneud yn 2016 ac yn 2017, bydd Network Rail yn dechrau ar ei raglen signalau.
 - Yn yr haf, bydd gwaith yn dechrau ar y safleoedd sy'n gysylltiedig â rhaglen Gwella Gorsaf Metro sy'n werth £8 miliwn; mae'r prosiect yn canolbwyntio ar bob gorsaf rhwng Caerdydd a Merthyr.
 - Gyda rhaglen Mynediad i Bawb, mae Llywodraeth Cymru yn rhoi £2 miliwn ar gyfer dylunio naw gorsaf ac mae'r Adran Drafnidiaeth wedi cytuno i dalu am y gwaith adeiladu (sy'n werthu tua £16 miliwn) yn 6 ohonyn nhw - y Barri, Llanelli, Trefforest, Cathays, Ffynnon Taf a Treherbert. Mae hyn yn gadael tri phrosiect ar ôl sydd eisoes wedi'u cynllunio a phetai rhagor o arian ar gael, byddem yn mynd ati â'r gwaith adeiladu ar unwaith.
 - Mae £13 miliwn ar gyfer ystod o Goridorau Bysys Blaenoriaeth wedi cael ei rannu ymysg 10 cynlun ar draws De-ddwyrain Cymru sydd un ai wrthi'n cael eu dynlunio neu mae'r gwaith adeiladu eisoes wrthi'n cael ei wneud;
 - Bydd prosiect gwerth £3 miliwn ar gynlluniau parcio a theithio ym Mhorth ac Ystrad Mynach yn cael eu cwblhau yn 2016.
 - Eleni, bydd gwerth £2.5 miliwn o gynlluniau Teithio Gweithredol yn cael eu cynnal.

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- Ym mis Tachwed 2015, bydd prosiect Gorsaf Bysiau Casnewydd, sy'n werth £3 miliwn, yn agor.
- Mae'r prosiect gwerth £1 miliwn yng ngorsaf Fysiau Merthyr wedi'n galluogi i brynu'r safle ac i wneud gwaith clirio.



William Graham, AM
Chair, Enterprise & Business Committee

11 May 2015

Dear William

At the Committee meeting of 23 April, I agreed to write to you with further information on the implications of and vehicles for accessing European Investment Bank (EIB) funding; and further information on discussion with the UK Government about devolving a Barnett share of the funding from the British Business Bank (BBB) to Wales.

We explained the risks in applying for EIB funding. This goes back to 2009, when HM Treasury raised the issue of treatment of borrowings by Finance Wales, which were scored outside the Welsh Government's budget.

The Office of National Statistics (ONS) had classified Finance Wales as a public corporation, and with such status under IFRS accounting regulations, the overall borrowings of Finance Wales should be scored to the Welsh Government's DEL.

This effectively means that any amounts borrowed by Finance Wales plc would be taken off the Welsh Government capital DEL in the year that the money is borrowed. Then in future years the Welsh Government capital DEL is credited as the principal sum of the loan is repaid.

Officials have investigated different legal structures, for example special purpose vehicles which would be deemed off-balance sheet. However, the recent accounting advice is not conclusive and we would only progress on this matter when all legal and accounting aspects of the specific proposal have been fully considered.

In regard to the BBB, and Wales receiving a Barnett share (or fair share) of the funding for the bank. This is something I both wrote to and discussed with the Business Secretary in 2013, during the setting up of the bank.

The UK Government originally allocated additional capital of £1bn to the BBB - since increased to £1.25bn. Dr Cable advised that it was not his intention to allocate the BBB's budget geographically. Therefore, I was not able to ask for a Barnett specific Welsh allocation. However, I made the key point that it was vital to see that Wales was well served by the bank.

A measure of this being achieved would be if Wales were to receive roughly 5% of the BBB's additional £1.25bn, which would equate to £62.5m. By the end of 2014, £23m of this new capital had flowed to Welsh SMEs.

My officials maintain regular contact with their BBB counterparts, and are actively considering how we can increase the flow of funds to Wales for the benefit of our businesses. This also includes working with Finance Wales to investigate the potential of securing funds to deliver BBB's new *Help to Grow* programme (loans for fast growth firms), in Wales.

I trust this letter is helpful in clarifying these two particular issues, and I look forward to receiving the Committee's report in due course.

Edwina Hart

Lesley Griffiths AC / AM
Y Gweinidog Cymunedau a Threchu Tlodi
Minister for Communities and Tackling Poverty



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MB/LG/1610/15

William Graham AM
Chair - Enterprise and Business Committee
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12 May 2015

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

Lesley Griffiths AC / AM

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

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

