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Framework for Regeneration Areas

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Foreword

In June I set out my broad ambitions for what I wanted to bring to Regeneration in Wales. This included a commitment to provide a clear Framework to guide and build on the partnership approach in Regeneration Areas to which we are committed.

As a Government, we are determined to increase prosperity and wellbeing across Wales and do so in a way that is fair and promotes equality. The principle of sustainability also underpins our work across Government. I want to see these principles reflected through our work on Regeneration Areas. I am particularly determined that our work should support opportunities to improve the life chances of our most disadvantaged children and young people.

We have been delivering against the regeneration commitments set out in One Wales since forming this Government. In particular, we have sustained the Heads of the Valleys and Môn a Menai programmes and have rolled out similar area-based approaches in other parts of Wales.

Now it is time to take stock. We need to make sure we're learning from best practice in regeneration and build on innovative practice that's been developed in Wales. This document does not alter our policy, but sets out a clearer framework for delivery for all those involved in regeneration activity. I am committed to open, transparent and inclusive Government. This is one of the reasons I am publishing this Framework for Regeneration Areas. I want this document to provide a Framework to guide practical action so that these principles are translated into practice.

The Framework sets out our commitment to a strategic and integrated model for regeneration. We are working with partners at national and local level to be sure that our work in Regeneration Areas is adding value to wider efforts. Working together is central to my approach.

More broadly, I want to build a whole-Government approach to regeneration within this Government. This will ensure that the work done within my portfolio is integrated with the work of other departments.

With public budgets shrinking, it is more crucial than ever that we communicate our policies clearly and we co-ordinate our work both internally and with partners so that all our investment makes the maximum impact.



Jocelyn Davies AM
Deputy Minister for Housing and Regeneration

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1. Introduction

What is this Framework for?

This Framework builds on the Ambition Statement for Regeneration. It is designed to provide clarity on the future of our Regeneration Area approach, within the context of wider Government action. It marks a step change in inclusive, joint delivery to ensure our investment in Regeneration Areas is effective, avoids duplication and adds value.

What is Regeneration?

Regeneration is about people and places. Regeneration aims to make sustainable places over the long term in order to improve the quality of life of the people who live and work in and around those places.

The term regeneration covers a variety of activities, from sustaining distinctiveness in physical renewal of urban spaces to improve economic viability and address market failures, to working with people in their communities to tackle underlying causes of deprivation. Such activities take place all over Wales through different organisations and partnerships. The Welsh Assembly Government has a number of programmes that specifically aim to support regeneration, from Communities First to the Rural Development Plan. We also use investment across a range of departments to stimulate regeneration, and there is potential to do more.

This document does not set out the Welsh Assembly Government's approach to our wider regeneration activities. It focuses specifically on Regeneration Areas. However, it has become clear that a more coherent and co-ordinated approach is needed to take forward regeneration-focussed activity across the whole of Government.

Regeneration Areas

This Framework looks specifically at the Regeneration Areas approach which is led from within the Housing and Regeneration portfolio.

Regeneration Areas aim to address inequalities experienced across geographical areas in Wales by investing in places that are currently under-performing, both economically and in terms of wellbeing, in order to raise their performance. By investing in areas that are currently under-performing, we aim to improve overall levels of prosperity and wellbeing in Wales as a whole. We aim to take advantage of investment opportunities that will lead to sustainable development in urban and rural hubs across Wales.

Strategic Considerations

There are three current contextual issues that are of significant importance and relevance to Regeneration:

- Research by the Joseph Rowntree Foundation which has shown that the recent global financial crisis and subsequent recession has had a disproportionate negative impact on our already most disadvantaged communities. We have not yet seen all of the effects of the recession, since these will take time to work through the system and to be measured. We will need to retain the flexibility to respond to the challenges arising.
- The current constraints on public sector finances, reflected in particular in the UK Government's Spending Review and welfare reforms, will affect both our levels of resources and the needs of the most disadvantaged people in Wales. We will need to review our approach in the light of these changes, and ensure we are making the most effective use of all spend.
- *Economic Renewal: a new direction.* We need to embrace the principles enshrined in this whole Government approach to the Welsh economy, and make the most of the opportunities it provides. Of particular relevance to regeneration is the enabling role for Government, taking a balanced approach to sustainable development, and the focus on 21st Century infrastructure.

2. Regeneration Areas: learning from experience

Developing Regeneration Areas to date

Over the past four years our priority has been to deliver on the two 'One Wales' commitments relating to regeneration:

- *We will continue key regeneration programmes in the Heads of the Valleys and Môn a Menai.*

Both programmes, which provided the model for the Regeneration Area approach, are still running.

- *We will establish integrated and cross-cutting initiatives aimed at economic development and regeneration, particularly in areas of high deprivation - the existing models of the Heads of the Valleys Programme and Môn a Menai will be exemplars.*

We have created five more Regeneration Areas: North Wales Coast, Western Valleys, Swansea, Aberystwyth and Barry.

These ambitions have driven the development of Regeneration Areas. The basis for the Regeneration Area model is the belief that co-ordinated effort and investment in the regeneration of an area can improve the prosperity of that area as well as the quality of life of the people living and working there. With limited public resources and a commitment to create a more equal nation, Regeneration Areas target Welsh Assembly Government effort into transforming the life chances of people living in our most disadvantaged areas.

The Regeneration Area approach aims to be inclusive. In each area, a Regeneration Area Board has been established to guide activity. The Boards are made up of local authorities, who are fundamental partners, as well as other representatives from the public, private and third sectors. The Boards are chaired by the Welsh Assembly Government and we have allocated Regeneration Area teams to support activity in each area. It is the responsibility of the Regeneration Area Board to develop a Strategic Plan and Annual Investment Plan and identify how to deliver against these. The Minister must approve the Strategic Plan, Investment Plan and delivery projects, including overall allocation of funding, for each area.

The Regeneration Area model aims to integrate regeneration with other activities taking place in an area, including Communities First, and the overarching work of Local Service Boards.

Regeneration Area funding has been used for a wide range of projects based on local solutions to local problems. The majority of funding available is for capital projects, but a limited pot of revenue funding is also provided.

Equally important has been the investment by other Assembly Government departments in support of wider policy objectives. Investment by DCELLS in

improvements to the learning provision in Regeneration Areas such as the Learning Zone in Ebbw Vale and the Da Vinci Centre for Arts and Innovation in Bangor is contributing directly to the improved prospects of local communities. The Regeneration Area approach also directly contributes to improving the wider determinants of health and tackling health inequities.

Time to reflect

After three years of developing and implementing our Regeneration Area approach, it's a good time to reflect on our achievements and make sure that we're learning from our experiences.

We are also looking ahead to a period of significant budgetary pressure. As we decide how to prioritise reduced levels of future investment, it's crucial that we are confident that we're making best use of resources available.

The seven Regeneration Areas across Wales, each at a different stage of development and each with unique social, economic and environmental characteristics, has given a rich pool of experiences to learn from.

Over a three month period, we have undertaken a desk top review of evidence, reflected on our own experience and held a number of workshops and discussions across Wales. A broad range of stakeholders from the public, private, and third sectors have been involved. We have not reached everybody but we have obtained a wide cross-section of views, experience and expertise which have informed the development of this Framework.

Building on achievements

It is clear that Regeneration Areas have delivered benefits for people living in those areas and that area-based approaches can be used to link physical improvements with wider benefits for communities. The needs and opportunities for sustainable development in different parts of Wales vary considerably and this has been reflected in the different priorities in each Area. This supports the emphasis we have placed on engaging with local partners so that local solutions are built to capture local opportunities.

Case studies of the Regeneration Area activity in the North Wales Coast Regeneration Area and the Swansea Regeneration Area demonstrate some of the benefits that are beginning to be seen (see Annex 1). This includes reducing the number of Houses in Multiple Occupation and bringing empty properties back into use in Rhyl, the development of a Learning Centre in Colwyn Bay and improvements to the Swansea Waterfront. Both case studies show how Regeneration Areas have successfully used Welsh Assembly Government resources to lever in significant levels of additional investment.

By encouraging area-based investment, Regeneration Areas have also seen the development of innovative and remarkably successful programmes that could be rolled out across Wales. Whilst these programmes have been spearheaded in

Regeneration Areas, they are equally applicable to other areas. Three examples of this (outlined in detail in Annex 1) are the i2i Can Do Toolkits, Arbed and Job Match.

Doing it better

The evidence gathered has also highlighted a number of ways in which we can improve our approach to Regeneration Areas.

A strong message from partners is that a more co-ordinated approach at the national level is needed to give clear direction and reduce duplication at local level. Our partners are calling for a more integrated approach to regeneration in its widest sense, with a focus on equality and social justice.

There was also evidence of the potential to use capital investment to greater benefit for the local people and communities living in and around that area. This applies to capital investment within Regeneration Areas, but also beyond, again emphasising the need to look at the regeneration potential of non-regeneration focussed investments.

We fully accept this feedback, and we are committed to building a whole-Government approach at a national level. We need to co-ordinate our regeneration programmes across government to provide simplicity at a local level, as well as obtaining value for money through efficient and effective delivery. The partnership approach in Regeneration Areas should provide greater coherence at a local level – but we must also provide greater coherence across policy areas nationally.

External organisations also asked for greater clarity around Regeneration Areas – what they aim to achieve, how areas are identified and how is funding allocated. Publishing this Framework aims to address these concerns, providing clarity and transparency around Regeneration Areas.

The evidence and feedback underlined that there are interdependencies between Regeneration Areas and adjacent localities, for example in terms of employment opportunities that should not be ignored.

The next Chapter sets out how we have listened to what our partners have told us and considered the evidence available to further improve our approach to Regeneration Areas.

3. Regeneration Areas: a framework for future investment and activity

We intend to build on our Regeneration Areas approach in an open and transparent way. This will involve ensuring that our partners help to shape, and therefore have ownership and understanding of, the funding process and the criteria that underpin the allocation of Welsh Assembly Government resources.

Our Regeneration Areas all have time limited funding commitments. We will work in partnership to decide rationale, criteria and systems so that as funding becomes available, we can collectively:

- Identify areas.
- Make decisions on resource allocation and timescales.
- Agree outcomes.
- Monitor progress against outcomes and revise investment decisions if necessary.
- Evaluate success.

What do we want to achieve in Regeneration Areas?

At the highest level, Regeneration Areas aim to address inequalities experienced across geographical areas in Wales. By focussing our efforts in places that are currently under-performing, both economically and in terms of wellbeing, we hope to raise their performance. In doing this, we aim to improve overall levels of prosperity and wellbeing in Wales as a whole.

In the Ambition Statement on Regeneration, we set out the very broad outcomes we want to see achieved within each Regeneration Area:

- Increasing prosperity and wellbeing for the whole community.
- Moving towards low carbon communities.
- Improving life chances for children and young people.

These align to our national priorities as a Government.

How this is achieved in each Regeneration Areas will be determined at the local level and set out within the Strategic Plans and Investment Plans for those areas. How each Regeneration Area Board determines the priority areas of activity will depend on the unique circumstances of that area, its ambitions and the particular opportunities on which it can build.

Principles

Our role as a Government is to enable national and local partners to come together to design and deliver solutions to the challenges in their areas. Sometimes, but not

always, this will involve making additional funding available beyond what is already spent in an area.

The principles that we propose should drive future activity and investment in the Regeneration Areas approach are:

1. Clarity of purpose

Our focus is on securing improvements in wellbeing and quality of life over the longer term for the most disadvantaged; a practical approach to sustainable development. This focus requires us to look at individual needs in the round - including employment, housing, education, mental and physical health, and environmental quality. We will invest only where a credible case can be made that our investments will improve wellbeing of the poorest.

2. Area focus

We will focus our resources on areas where there are strong concentrations of deprivation that justify intensive action beyond that delivered by national policies and where the evidence suggests that acting on an area basis is likely to be most effective. We will aim to maximise opportunities for areas which currently have high concentrations of deprivation and link people living in those communities with these opportunities.

3. Added value and rationale for intervention

We will invest our resources where they will complement and add value to the work of others and to our own national policies that seek to address deprivation. We want to ensure that our funding does not simply displace investment by others. More mainstream funding sources have their contribution to make; this must come before and underpin any additional Regeneration Area investment. We will ensure there is a clear rationale for our intervention, for example to:

- Pursue national level procurement.
- Co-ordinate between multiple organisations.
- Use our specific expertise.
- Assist in leveraging in additional investment.

4. Subsidiarity

We will aim to sponsor regeneration activity at the most local scale consistent with achieving results. We envisage that this will often require local authorities taking the leading role. In each area and for each project, it will be important to consider who is best placed to lead locally.

5. Innovation

We will support innovation as well as continue to draw on best regeneration practice in Wales, across the UK and internationally. We will be open to new approaches,

encourage honest evaluation and support projects and programmes to be rolled out further when it is demonstrated that they work.

6. Stimulating self-sustaining regeneration

We will seek to invest in a way that achieves sustainable regeneration, through development of the private sector, social enterprise and other third sector organisations.

As a Government, working with our partners, we have a responsibility to facilitate this by making it as simple as possible for the private sector and civil society to engage. We particularly want to encourage the growth of social enterprises.

7. Collaboration

We will bring greater coherence to the various ways we intervene as a Government. This will be done at local level through Regeneration Areas, but also at a national level. We will identify how policies and investments driven at a national level can be used to maximise benefits in Regeneration Areas.

Within Regeneration Areas, we will aim to support the Welsh Assembly Government's wider social, environmental and economic ambitions, including sustaining distinctiveness to respect and reflect an Area's historic character and bringing to life Wales' rich culture and heritage.

We recognise that the Welsh Assembly Government is one of a whole range of players that is working hard to grasp opportunities and improve the lives of people living and working in Regeneration Areas. We will work as equal partners with others who share our aims, being clear what we bring to any partnership as a national Government.

We will work closely with local authorities, who have a democratic mandate to take local action, and statutory duties to underpin the social and economic wellbeing of their communities. Local authorities have strong connections with, and can reach and broker relationships with, local organisations, individuals and communities.

We will also work in close collaboration with other public bodies, including the NHS, schools and universities as well as the private sector, civil society and communities.

Attracting greater investment for regeneration across Wales

Joining up with other policy imperatives we will approach regeneration in a way that helps us meet our wider objectives including sustaining distinctiveness and bringing to life Wales' rich cultural heritage.

In the context of reducing budgets in the public sector and elsewhere, it is vital that we make the most of funding available to deliver effective, high quality and value for money regeneration activity across Wales.

Regeneration Investment Fund for Wales

The Regeneration Investment Fund for Wales has been developed under the EU JESSICA initiative. Joint European Support for Sustainable Investment in City Areas (JESSICA) is a new way to promote sustainable investments and growth in urban areas. Under new procedures, Member States are being given the option of using EU grant funding, to make repayable investments in projects included in an integrated plan for sustainable urban development. These investments, which may take the form of equity, loans and/or guarantees, are delivered to projects via Urban Development Funds (UDF). They will provide a financial return to the public sector, providing a recyclable Fund over a protracted period, beyond the Convergence Programme period, for future investment in regeneration schemes.

Maximising the regenerative potential of all capital and revenue spend

Physical renewal happens all the time all over Wales, and any capital programme can and should be seen in terms of the wider outcomes – beyond its original purpose – that it can deliver for the local community. This approach is embedded in *Economic Renewal: a new direction*. Outcomes should be linked to the three pillars of sustainable development:

- Economic – for example providing employment opportunities.
- Social – for example increasing public confidence and community cohesion in an area.
- Environmental – for example protecting or creating a natural asset for the community's use, or helping people to reduce carbon emissions by using less energy to live, travel and work.

Our ambition is for all capital investment to be invested in a way that secures its regenerative potential.

4. Next steps

To build on our Regeneration Areas approach, we will work in partnership to determine the criteria and systems for future investment decisions and delivery, using the principles outlined above. We believe that this ongoing collaborative approach is more appropriate than a formal consultation, which would set an artificial timescale for providing input, and disrupt the productive, interactive dialogue we have started.

National Regeneration Panel

This task will be the responsibility of a new National Regeneration Panel, with an independent chair, and membership drawn from our partners and delivered within existing resources. As a Government, we will be an equal partner on the Panel and will provide the secretariat.

The Panel will be given a number of responsibilities and tasks including:

- Provide strategic overview of current Regeneration Areas from a national perspective.
- Develop the principles set out in this Framework and provide advice to Ministers on a clear and agreed methodology for future Regeneration Areas investment.
- Advise on evaluation and learning with a focus on achieving agreed outcomes for people living in Regeneration Areas.
- Contribute to our wider cross-cutting work on poverty.

Sharing best practice

The Panel's work will be informed by feedback from Regeneration Practitioner Groups, to be established by the Centre for Regeneration Excellence Wales (CREW), which will extend the range of experience and expertise feeding into our new approach. The groups will be based on three cross-cutting themes and will promote debate, sharing of best practice and improved regeneration skills through the professions and organisations that contribute to the regeneration process. For more information, visit www.regenwales.org.

The groups are part of a wider effort, led by CREW, to promote regeneration skills, particular across disciplines, in Wales.

Measuring success

We need robust appraisal, monitoring and evaluation to ensure we are delivering on our shared objectives and learning how we can gain greater outcomes within Regeneration Areas. Success criteria should reflect the broad outcomes we are seeking to achieve, including economic, social and environmental benefits.

- We will support the development of an outcomes based evaluation approach to support continuous learning and innovation, and to start this work will: commission an evaluation of the Regeneration Areas approach, focusing on the Heads of the Valleys.
- Review delivery – including appraisal and monitoring – in current Regeneration Areas to identify and implement best practice consistently across Wales.

Further information

For more information on current Regeneration Areas or to contact us, please visit www.wales.gov.uk/regeneration or regeneration.areas@wales.gsi.gov.uk.

Annex 1: Regeneration Area Case Studies

Case study 1 – North Wales Coast

The North Wales Coast Regeneration Area was announced in October 2008. Much of the North Wales Coast currently suffers from structural problems linked to the demise of the 1970s of traditional seaside resort tourism, an industry whose contribution to the economy has diminished with each passing year. The Area extends from Prestatyn in the east to Mochdre in the west. It consists primarily of coastal communities linked by the A55 trunk route, the A547 coastal road and the North Wales mainline railway and is home to roughly 100,000 people.

The vision for the Area is that by 2016 it will become “a thriving, attractive and vibrant area in which to live that is welcoming, safe and friendly – a place with unique character that supports balanced, permanent and self-assured communities within a prosperous and sustainable local economy”. There are six core objectives:

- Space for Living – tackling poor housing throughout the area, particularly in Rhyl and Colwyn Bay.
- Health and Wellbeing – striving for high quality facilities and services to support a healthy workforce.
- Education and Skills – working to generate a better educated and more economically active workforce.
- Community Cohesion – encouraging and supporting the development of vibrant and self-confident communities.
- Environment and Transport – creating a well managed environment in which people will want to spend time.
- Diverse and Sustainable Economy – improving the Area’s image and encouraging and assisting growth within the private and social enterprise sectors.

Achievements to date include:

- *Property acquisitions and masterplanning for West Rhyl and Colwyn Bay*, both areas of poor housing conditions, lack of public amenities and high crime levels. Working in partnership with local authorities and Registered Social Landlords, sites of strategic value have been acquired and levels of Houses in Multiple Occupation have been reduced. During 2009/10, 50 properties were purchased at a total cost of £5.5m. The futures of these properties will be guided by the masterplans for the towns. Three empty properties have already been brought back into use as affordable housing.
- Tackling fuel poverty through the *Warmer Wales* scheme. This issue is particularly acute where poor, inefficient housing stretches low incomes. The scheme targeted over 20,000 homes in the areas of highest deprivation with a package of insulation measures, replacement heating systems and benefit/tariff advice. Through utilising the CERT funding

available through energy providers, a North Wales Coast Regeneration Grant of £970k has levered in an additional £3.3m of private investment within a project providing measures to the value of £4.27m. During 2009/10, 1,350 insulation packages were installed (loft and cavity wall), alongside 180 replacement heating systems, 20 of which have utilised renewable technologies. Such measures have greatly improved the energy efficiency of homes and maximised household income. In total the scheme has delivered a life time saving of 28,805 tonnes of carbon, and an estimated annual fuel bill saving of £198,927.

- The £1.4m *Bay Learning Centre* project led by Coleg Llandrillo. Located in Colwyn Bay, the facility includes a custom built Deaf Studies suite and state-of-the-art IT facilities. The Centre offers a range of courses including Learn Direct, Classroom Assistants, Deaf Studies, IT and other pre-vocational courses. The Centre is a learning and information hub within the Communities First area of Colwyn Bay, providing advice, information, support and learning to help people increase their skills levels, wellbeing and employment prospects.

Case study 2 – Swansea

The Swansea Regeneration Area was designated in 2009, and contains 18 of the 19 lower level Super Output Areas in the highest 10% deprived category of overall deprivation as identified by the Welsh Index of Multiple Deprivation 2008 in Swansea, as well as eight Communities First areas. The vision for the Area is that “By 2016 Swansea will be a proud, vibrant, ambitious city at the heart of the wider region where people want to live work and visit as confident about its future as it is proud of its past”. There are five programmes for investment:

- Cohesive Communities.
- Providing Opportunities for All.
- Delivering a strong and vibrant Regional Capital.
- Sustainable Wealth Generation.
- Housing and the Environment.

These programmes are supported by a number of cross-cutting strategic priorities linked to Child Poverty, Sustainability, Equality and the Welsh Language.

The Regeneration Area Board has been drawn from organisations that can assist directly on impacting deprivation indices, including the local authority, ABM University Health Board, JobCentre Plus, South Wales Police, Swansea Council for Voluntary Services, Gower College Swansea, CIH Cymru, Welsh Assembly Government (DCELLS, DE&T and Communities Directorate) and private sector Chairs of the City Centre Partnership and Swansea Economic Regeneration Partnership.

Achievements to date include:

- Providing match funding for the *Swansea: The Waterfront City - Delivering Sustainable Regeneration* programme, a £38m investment leveraging in European funding, local authority funds and private sector investment. The programme has 5 core strands: property development, public realm enhancements, the European Boulevard, Building Enhancement Programme and Waterfront Regeneration.
- Committing over £560,000 to the improvement of *Swansea Railway Station*, as part of a £7.5m scheme that will deliver new entrances, a free to use ATM, concourse, external canopies, waiting rooms, travel centre, retail and refreshment facilities as well as enhanced passenger information systems, CCTV and lighting. This collaborative approach with Network Rail and other partners has led directly to the National Station Improvement Programme Plus across Wales.
- Investing £300,000 to facilitate demolition, site clearance and works following the purchase of a number of properties by the local RSL Coastal Housing. These works have enabled the commencement of the *Urban Village* project on High Street. A further £600,000 of Regeneration Area investment has enabled construction of a £6 million pound Phase 1b scheme fronting on to High Street to commence on site. This will see new retail and office accommodation delivered in an area of Swansea city centre in need of major investment and it is expected that “shell and fit-out works” will be completed this financial year. The site clearance has also enabled The Strand residential building project, which attracted Welsh Assembly Government Social Housing Grant, to commence construction, leveraging in additional investment of around £6m.

Successes beyond Regeneration Areas

Regeneration Area teams have helped to develop and secure funding for projects that have, either deliberately or organically, taken on a wider significance beyond an individual Regeneration Area.

These are not area-based projects; they could be rolled out across Wales. We will seek to extend these projects, or the approaches they employ, as widely as possible, subject to need and to the availability of funding. We will target finite resources by ensuring that Regeneration Areas, Housing Renewal Areas and Communities First areas will take priority.

Arbed

The arbed programme is a large scale programme to retro-fit housing stock with energy efficiency and micro-generation measures. It was originally part of a suite of measures to help deliver the Heads of the Valleys Low Carbon Zone, and is now being rolled out across all the Regeneration Areas. This is helping to meet the 3% CO2 reduction targets as well as tackle fuel poverty in our poorer communities.

Around £30m of Welsh Assembly Government Strategic Capital Investment Fund (SCIF) monies are being invested in arbed. Matching funds with other sources has the potential to create a pot of £350m over 3 years, including a £1m grant from the Department for Energy and Climate Change. Going forward, phase 2 will draw on ERDF funds to extend the arbed programme over a period of 3-5 years.

The arbed programme involves local authorities and housing associations; further work is being undertaken with suppliers to enable businesses based in Wales to take advantage of the opportunities the programme provides.

Treasury labour coefficients estimate that, at 2009 prices, 16-32 person years of employment are generated for every £1m spent on housing retrofit initiatives. Arbed also involves working with training providers to ensure that the skills that are needed to carry out this work are in place so that local people can benefit from the investments.

JobMatch (Heads of the Valleys)

JobMatch is funded by Welsh Assembly Government and European monies with additional investment from the UK Department for Work and Pensions (DWP) Deprived Area Fund when the area was designated a City Strategy pathfinder in 2006. The programme aims to help workless people in the Heads of the Valleys Regeneration Area into sustained employment. Its operational delivery structure provides for open recruitment followed by a range of assistance with a Personal Adviser approach backed by client action plans that direct clients to the most appropriate assistance. A primary principle has been to make a broad offer to all workless residents while ensuring that the more intensive assistance is preserved only for those who need it. There are five stages in the JobMatch delivery model:

- Engagement – through referral from partner agencies or proactive outreach work in the community.
- Diagnostic – assessing client needs and barriers to work.
- A development phase during which clients' needs are addressed and can include training or referral to partner organisations to help clients with specific barriers. For individuals with the most severe barriers, this stage can include referral onto the Employment Routes programme (which also involves a placement with a host employer and overlaps into stage four), an intermediary labour market programme which gives participants between six and eleven months of (paid) work experience (see below for more information).
- Placement.
- In work support.

There is a JobMatch delivery team in each of the five local authority areas across the Heads of the Valleys. These teams have engaged with over 7,100 workless people between April 2007 and March 2010. This is over 11% of all workless people in HoV and ahead of the original target of 7,000 individuals engaged by March 2010.

A recent independent evaluation has highlighted the impressive performance of JobMatch:

- The job outcome rate between April 2007 and March 2009 is 66%, which is significantly higher than the UK average.
- Sustainability in work rates are 70% at 17 weeks, 57% at 34 weeks and 51% at 52 weeks. These figures compare very favourably to the national average figures available for the Employment Zones and New Deal programmes.
- JobMatch is estimated to have secured cost savings to the Exchequer of over £10.8 million in its first two years of operation - not including wider costs savings as a result of improved health and wellbeing through work or reduced likelihood of anti-social behaviour or crime.
- The JobMatch cost per job (entry into employment or self-employment) is £2,959. When excluding the Employment Routes component, this figure drops to about £2,168. This is in line with the most cost-effective programmes. The cost to DWP, through the Deprived Area Funding, for placing an individual into sustained employment is less than £800.

Employment Routes (ER) are developed where there is a need for a particular skill within a business sector. It is a bridge for people with multiple barriers to work, supporting their move from inactivity into work. ERs, which run for between 6 and 11 months, provide the participant with a wage and work experience whilst they re-skill and up-skill for a new job. ER projects include Social Care; Childcare – Teacher’s Assistant; Administration/Customer Service; Environmental/Renewable Energy; and Construction.

The success of JobMatch can be attributed to its five stage model outlined above. Work is now underway to incorporate these five stages into the work programmes in all Regeneration Areas and other deprived areas across Wales. The approach is to work alongside existing support for work programmes operating in the area to address any stages that are missing. The JobMatch model is being examined by DWP as part of UK policy development.

i2i

i2i was established to advise and support local authority tenants, staff and members to help achieve Welsh Housing Quality Standard. In support of this agenda and working in collaboration with JobMatch, two 'Can Do Toolkits' have been produced. The first is used to make targeted recruitment and training (TR&T) a core contractual requirement and the second encourages SME friendly procurement.

Targeted recruitment and training requirements have resulted in significant job creation and training opportunities. A recent independent study of 12 housing organisations using 'TR&T' during the recession has found that 487 training and employment opportunities have been created. The research conducted into the success of the Can Do Toolkit 'One Year On' highlighted that the Toolkit works most effectively when supported by partners like JobMatch.

Successes in housing-led regeneration have included:

- United Welsh Housing Association, which has made it a core requirement that all their contracts insist that their contractors train and support local people back into work and has made a commitment through its Corporate Strategy to 'use procurement contracts and partnerships to leverage jobs and training across a range of pathways'. One year after the launch of the Can Do Toolkit, United Welsh Housing Association appointed over 80 trainees and provided sustainability of employment and training for many individuals.
- Ynys Môn County Council which spent £9m on WHQS in 2009 and used the Can Do Toolkit methodology in its contracts to create 48 new jobs and place 5 full time trainees with contractors. 20% of the WHQS work has been awarded to the Council's own Direct Labour Organisation (DLO) who will be improving the houses in the most remote rural areas.

The first toolkit has also been used beyond housing, for example by the City and County of Swansea. The Council's Cabinet agreed to use its wellbeing powers to insert Social Benefit Clauses in its contracts with the aim of addressing issues of deprivation, by bringing economically inactive people back into the labour market and developing progression routes to enable these people to move on to higher skilled, higher paid jobs. The Quadrant Interchange, a transport project worth £10m, was the first contract to be tested and includes clauses for TR&T and local supply.

Outside Wales, the first toolkit has been successfully deployed by the Ilex Urban Regeneration Company in Derry/Londonderry, Northern Ireland.

Valleys Regional Park

We will continue to run the Valleys Regional Park (VRP) project within regeneration which supports our National Environment Framework. It operates across and beyond the Western Valleys and Heads of the Valleys Regeneration Areas to maximise the environmental, social and economic potential of the Valleys' outstanding natural and cultural heritage assets, so helping regenerate the region as a highly-desirable place to live, work, invest in and visit.

The £25m VRP ERDF Convergence project started in April 2009 and thirty-nine infrastructure and umbrella projects have been given approval in principle, nineteen with full agreement to implement works. Eleven of these are currently in progress and four have been completed. Approval has also been given to a range of interpretation project and events. A community tourism strategy has been drawn up and Community Tourism Officers are now in post with a Valleys community tourism day planned for October 2010.

Working in conjunction with partners in Belgium and France, funding worth €4.13m has been successfully obtained for the WECAN project from the Interreg IVB North West Europe Programme under the Strong and Prosperous Communities theme. It seeks to deliver a well-planned effective green infrastructure to boost businesses and communities in the Valleys, so creating greater economic and social prosperity and protecting our natural environment assets.