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GSR

GOVERNMENT SOCIAL RESEARCH

Analysis for Policy

Llywodraeth Cymru
Welsh Government

Ymchwil gymdeithasol
Social research

Number: 93/2014

www.cymru.gov.uk

Evaluation of the Severn Valley Strategic Regeneration Programme

Evaluation of the Severn Valley Strategic Regeneration Programme:

A Final Report

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Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

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Welsh Government Social Research, 4 November 2014
ISBN: 978-1-4734-2439-5

ERDF
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Europe & Wales: Investing in your future
European Regional Development Fund

Table of contents

Glossary

Glossary of acronyms

EC - European Commission

ERDF - European Regional Development Fund

ESF - European Social Fund

EU – European Union

EZ - Enterprise Zone

GVA - Gross Value Added

LEP - Local Enterprise Partnership

LGZ – Local Growth Zone

LSOA – Lower Super Output Area

ONS – Office for National Statistics

PCC - Powys County Council

SVSRP – Severn Valley Strategic Regeneration Programme

UK – United Kingdom

VCS – Voluntary and Community Sector

WEFO – Welsh European Funding Office

WG – Welsh Government.

Glossary text

Additionality - the final overall additional activity that arises after the original gross benefits of an intervention have been adjusted to take account of the deadweight, leakage, displacement, substitution and multiplier effects

Deadweight - the proportion of total outputs/impacts/outcomes that would have been secured without the investment in question

Displacement - the number or proportion of outputs/impacts/outcomes that reduce outputs/impacts/outcomes elsewhere in the target area for the intervention

Leakage - the proportion of outputs/impacts/outcomes that benefit those outside the target area of the intervention

Multiplier - the further economic activity (jobs, expenditure or income) stimulated by the direct benefits of an intervention, in two principal forms: an income (“induced”) multiplier which is associated with additional income to those employed by the project (income multipliers) and a supply (“indirect”) multiplier, with local supplier purchases (supplier multipliers)

Substitution - a negative effect that arises when a firm substitutes a jobless person to replace an existing worker to take advantage of public sector assistance.

List of Tables and Charts

Charts:

Tables:

Executive Summary

Severn Valley Strategic Regeneration Programme

The SVSRP is a £5.4m part-funded ERDF programme of physical infrastructure investments in and around the towns of Llanidloes, Newtown and Welshpool, in the county of Powys. It consists of three distinct schemes, each of which has now been completed:

- site development and servicing: at the Offa's Dyke Business Park (Welshpool) and the Abermule Business Park (Newtown);
- Severn Valley built heritage scheme: physical renovation of specific run down properties, and bringing back into use derelict properties;
- Severn Valley environmental enhancement scheme: investment in the three town centres to improve the built environment.

Evaluation Work Carried Out

The evaluation work involved updating a previous baseline study carried out in 2010 in order to assess how perceptions of the local area have changed, capturing the impact of the programme on these changes. The work included:

- 800 on-street interviews with local residents living within 10 miles of at least one of the three towns;
- 390 telephone interviews with local businesses and voluntary/community groups located within 10 miles of at least one of the three towns, supplemented by a small number of in-depth interviews.

Key Findings: Residents

The vast majority of residents (84 per cent) rated their town as a good or very good places to live (up from 74 per cent in 2010), although far fewer regarded it as a very good or good place to work (47 per cent, although up from 45 per cent) or to shop (40 per cent, similar to 2010). A very high proportion (78 per cent), regard their town as attractive (74 per cent in 2010) and a distinctive place (70 per cent, considerably higher than the 52 per cent figure in 2010).

As in 2010, the most common descriptions of the local economy were "old fashioned" (67 per cent), "slow" (73 per cent), "narrow" (54 per cent); just 13 per cent described their town as “modern” and 12 per cent as vibrant”. Like 2010, just under half of residents believe that the local economy has a good mix of businesses, although far fewer (23 per cent, compared to 19 per cent in 2010) believe that there is a good range of quality jobs and fewer still (18 per cent, although up from 12 per cent in 2010) believe that the local area provides good long-term career prospects.

Social issues are much less of a concern than they were in 2010; there were big falls in the numbers of residents expressing concern about “teenagers hanging around the street”, “rubbish or litter lying around”; people “dealing or using drugs” was viewed as the most pressing social issue, although this was still much less of a concern than in 2010.

Overall, Llanidloes residents are the most positive in their views of their town particularly its attractiveness, distinctiveness and tidiness/cleanliness of their town (as was also the case in 2010), although they are less positive about the local economy; residents of Newtown have the least positive perceptions (in 2010, the picture was more mixed between Newtown and Welshpool).

Key Findings: Business and VCS

Businesses are mostly positive about current trading conditions, with 70 per cent describing a positive trading environment (up from 49 per cent in 2010, possibly reflecting a general upturn in the economy). Just under half of businesses and 64 per cent of VCS organisations rated the local area as being a good or very good place to run a business or organisation; this suggests that some businesses have a less positive view of their local area than they do about their own business prospects.

Businesses had a particularly unfavourable opinion about the local area as a place to shop (as was the case in 2010), although VCS organisations were much more positive. However, the vast majority of businesses and VCS organisations appear to be confident about the future; 32 per cent were “very confident”, a rise of 10 percentage points on the figure reported in 2010.

As with perceptions about the local area’s business environment, VCS organisations were by and large more positive about its physical environment and appearance, in line with responses to the 2010 survey.

The Business base expressed concerns about the local labour market; just 23 per cent of businesses agreed or strongly agreed that there is good range of quality jobs in the local area (although this reflects an upturn in sentiment among businesses from 2010); even fewer firms agreed or strongly agreed that the local economy provides good long-term career prospects.

Tackling congestion was identified as a key requirement in order to improve the Severn Valley as a place to run a business and to work, especially by firms and VCS organisations located in Newtown, where the need for a new bypass was highlighted.

Impact of SVSRP on Perceptions

Awareness of SVSRP investments among residents was highest in relation to improvements to town centres. Resident awareness of Offa's Dyke (23 per cent) was higher than that of Abermule (20 per cent); and around 16 per cent of residents were aware of improvement to rundown properties. The largest impacts were perceived to be on the towns as being attractive, having well maintained streets and as places to live and visit. Some 40 per cent of these residents believed that the schemes have improved the local retail offer.

More than twice as many businesses (36 per cent) were aware of the Offa's Dyke Business Park as were aware of Abermule (17 per cent); around 18 per cent of firms were aware of refurbishments to rundown commercial properties, with 25 per cent of firms aware of improvements to town centres. The largest impacts were perceived to be on the towns as being attractive and distinctive places and as having well maintained buildings and streets.

Among VCS organisations, awareness was highest of the Offa's Dyke Business Park scheme (18 per cent) and awareness of the other investments was very low (under 10 per cent for each strand). Among VCS organisations, the largest impacts were perceived to be on maintenance of streets and cleanliness/tidiness of the towns.

Recommendations

1. Ensure key transport infrastructure investments (eg. Newtown Bypass) are made to ease congestion and open up new sites;
2. Support local businesses, organisations and consumers to maximise use and impact of new Superfast Cymru broadband infrastructure;
3. Ensure Severn Valley area is encompassed in new spatial regeneration areas (eg. Powys Local Growth Zone);
4. Gap Fund provision of employment land and SME premises where there is a case for public funding;
5. Develop a local enterprise programme that links physical regeneration with support for local businesses, individuals and entrepreneurs.

1. Introduction

Purpose of Evaluation

1.1 Innovas Consulting, working in partnership with Future Focus Research, was appointed by Welsh Government (WG) and Powys County Council (PCC) to carry out an evaluation of the Severn Valley Strategic Regeneration Programme (SVSRP).

1.2 The work involved updating a baseline study carried out in 2010 in order to assess how perceptions of the local areas have changed over time, capturing the extent to which these changes have arisen as a result of the Programme and measuring economic impact.

Severn Valley Strategic Regeneration Programme

1.3 The SVSRP is a £5.4m programme of physical infrastructure investments in and around the towns of Llanidloes, Newtown and Welshpool, in the county of Powys. The programme, which commenced in April 2009 and is due to come to an end in July 2014, is intended to improve the built environment and bring derelict land and buildings back into economic use in order to contribute towards making Newtown, Welshpool and Llanidloes better places to live, work, shop and visit.

1.4 SVSRP was designed and is being delivered by a partnership involving Welsh Government and Powys County Council. The programme is part funded through EU funds (£2.8 million from the East Wales ERDF Competitiveness & Employment Programme Priority Four, *Regeneration for Growth*) with the remaining £2.6 million funding provided by Welsh Government (£1.4 million), Powys County Council (£710,000) and private funding (£400,000). The SVSRP consists of three distinct schemes, each of which has now been completed. These are:

- site development and servicing: provision of utilities, access and infrastructure at the Offa’s Dyke Business Park (Welshpool) and the Abermule Business Park (Newtown).
- Severn Valley built heritage scheme: physical renovation of specific run down properties, and bringing back into use derelict properties.

- Severn Valley environmental enhancement scheme: capital investment in the three town centres of Welshpool, Newtown, and Llanidloes in order to physically improve the built environment (pavements, street furniture etc).

Methodology

1.5 The evaluation involved a repeat of the baseline study produced for the Severn Valley area in 2010, plus development of a model to estimate economic impact. In order to replicate the 2010 survey, work carried out included:

- 800 on-street interviews with local residents living within 10 miles of at least one of the three towns of Welshpool, Newtown or Llanidloes. A quota sampling approach was developed, considering the number of residents to be surveyed, their location and demography.
- 390 telephone interviews with local businesses and local voluntary/ community sector groups, located within 10 miles of at least one of the three towns of Welshpool, Newtown or Llanidloes. Again, a quota sampling method was used to reflect business/organisation location, sector and size.
- in-depth interviews with four businesses and six voluntary/ community sector groups.

1.6 In addition, two partner workshops were held, one in Newtown (involving Welsh Government staff) and one in Welshpool (involving elected representatives of Powys County Council and other local stakeholders), which provided stakeholders with an opportunity to provide their perspectives on the local economy, the SVSRP investments and future regeneration priorities.

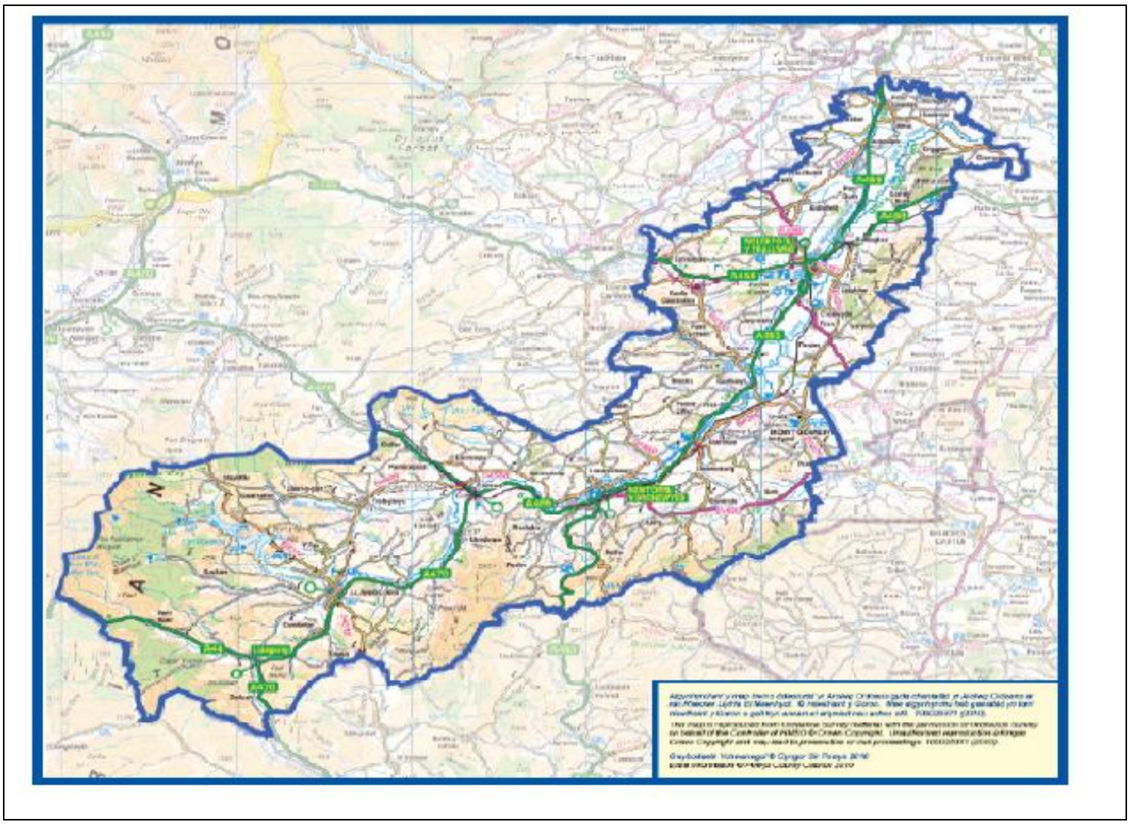
2 Economic, Social and Policy Context

Overview

2.1 This Chapter provides a headline assessment of the economic, social and physical regeneration policy context for the Severn Valley area and the wider Powys local authority area. It is not intended to be a detailed socio-economic assessment, nor a detailed review of the economic development policy environment.

2.2 The socio-economic assessment concentrates on those indicators published by the Office for National Statistics (ONS) for which there is comparable data for Wales, Powys and (where available) the Lower Super Output Areas (LSOAs) that map most closely with the Severn Valley area. This geographical area encompasses the towns of Llanidloes, Newtown and Welshpool and those localities within a broad ten mile radius of at least one of the three towns. The Severn Valley area is shown below.

Figure 2.1: Severn Valley Area



Source: Powys County Council.

2.3 The LSOA definitions of the three towns are as follows:

- **Llanidloes:** Powys 010C, Powys 010D
- **Newtown:** Powys 008A, Powys 008B, Powys 008C, Powys 009A, Powys 009B, Powys 009C
- **Welshpool:** Powys 003A, Powys 003B, Powys 003C, Powys 003D.

2.4 The policy review focuses on sources of funding for physical regeneration (eg. town centres, public realm etc) and development of business premises (including site work and creation of business space), which have been the focus of the SVSRP.

Economic and Social Context

Population of Powys and the Severn Valley Area

2.5 Powys covers a quarter of Wales and is the most sparsely populated county in England and Wales, with just 26 persons per square kilometre in mid-2012, (Wales average is 148). Powys had an estimated population of 132,952 in mid-2012, representing an increase of 5 per cent from mid-2002, (compared to an average increase in Wales of 5 per cent). Males accounted for 49 per cent of the population (the same as the Wales average) and females 51 per cent.

2.6 Some 16 per cent of Powys residents in mid-2012 were children under 15, (Wales average is 17 per cent), 61 per cent were aged 15 to 64 (Wales average is 64 per cent) and 24 per cent were aged 65 and over. The mean average age of the Powys population was 45 years in mid-2012 (Wales average was 41 years).

2.7 It is estimated that 5,480 people moved into Powys from the rest of the UK and 5,260 moved out of Powys to elsewhere in the UK between mid-2011 and mid-2012, which represents a small net gain due to internal migration of 220 people. However it is also estimated that 400 people moved out of Powys to destinations outside the UK, whereas only 280 moved into Powys from abroad, giving a net loss due to international migration of 120. Overall there was a net inward migration of 100 people between mid-2011 and mid-2012.

2.8 The most up-to-date data on Severn Valley area population is the 2011 Census. According to the Census, the Severn Valley population was

20,950 in 2011. Newtown has the largest population (11,357 – 54 per cent of the Severn Valley total), followed by Welshpool (6,664), with Llanidloes being the smallest of the three towns (population of 2,929). Around 19% of the population were aged under 16 years, 11 per cent were aged 16-24 years and 24 per cent were aged 25-44 years. Some 19 per cent of the population were aged 65 and over. Ethnic minorities make up just 2 per cent of the Severn Valley population.

Economy

2.9 This section mainly covers the economy of the County of Powys, as there are longer time lags between collection and publication of most economic data at lower spatial levels.

2.10 Economic activity in Powys is slightly higher than the average for Wales (78 per cent compared to the Wales average of 75 per cent for the year to December 2013) and the employment rate at 76 per cent is 7 percentage points above the Wales average. Of those residents who are economically inactive, around 25 per cent are long-term sick, 22 per cent are retired, 22 per cent have caring responsibilities and 19 per cent are students.

2.11 Self-employment (based on Labour Force Survey respondents' views of the type of work they do) in Powys, at 19 per cent of the working age population, is more than double the rate for Wales as a whole. Unemployment (ILO definition) in Powys was 4 per cent on average for the year to December 2013, compared to the 8 per cent Wales average. The claimant count rate (May 2014) was 2 per cent in Powys overall; in Llanidloes, claimant count unemployment was 2 per cent, in Welshpool 2 per cent and was highest in Newtown (4 per cent). Jobs density in Powys (the ratio of total jobs to the working age population) is 0.8, above the Welsh average of 0.7.

2.12 Some 12 per cent of Powys residents claim benefits (as of November 2013), compared to the average for Wales of 17 per cent and rates of 13 per cent in Llanidloes, 16 per cent in Welshpool and 19 per cent in Newtown. Just over half of all benefit claimants in Powys were in receipt of Employment and Support Allowance (ESA) or other incapacity benefits.

2.13 The occupational structure of Powys is slightly more oriented towards administrative and skilled trade occupations (Standard Occupational Classifications [SOCs] 4-5) than the Wales average. These occupations account for 28 per cent of people in employment in Powys, compared to 24 per cent for Wales as a whole. Professional and managerial professions (SOCs 1-3) account for 39 per cent, compared to the Wales average of 40 per cent. Powys has proportionately slightly fewer people working in elementary and unskilled occupations (SOCs 8-9) – 17 per cent, compared to the Wales average of 18 per cent.

2.14 The sectoral structure of the Powys economy is broadly similar to the rest of Wales, with 82 per cent of employment being in services (in line with the Wales average). Within this, the proportion of employment in hotels & accommodation is 9 per cent, compared to the Wales average of 8 per cent, reflecting the importance of tourism to the local economy. Manufacturing accounts for 10 per cent of employment in Powys, below the Wales average of 11 per cent. The local economy remains heavily dependent on public sector employment (34 per cent), although this is slightly below the Wales average of 35 per cent.

2.15 Overall, average wages and salaries are lower in Powys than the Wales average. In 2013, average gross weekly pay for a full time worker (workplace based) was £414, just under £60 per week lower than the Wales average. Full-time employment accounts for 62 per cent of all jobs in Powys, slightly below the Wales average of 65 per cent.

2.16 Powys has a higher skilled labour force than the Wales average. Some 33 per cent of the working age population are qualified at NVQ Level 4 and above, compared to 31 per cent for Wales as a whole, whilst 74 per cent of Powys residents of working age are qualified at Level 2 and above, compared to the average for Wales of 71 per cent. Powys also has proportionately fewer residents with no qualifications (9 per cent) than the Wales average (11 per cent).

2.17 The business base in Powys is dominated by micro businesses (0-9 employees), which make up 93 per cent of all businesses, compared to 89 per cent for Wales as a whole. Medium (firm with between 50 and 249 employees) and large businesses (250+ employees) account for 1 per cent of the overall local business base, compared to 2 per cent of all businesses in Wales.

Partner Perspectives

2.18 As part of the evaluation, in order to hear an “on the ground” perspective stakeholders were invited to provide their thoughts on the strengths of, opportunities for, weaknesses of and threats to the Severn Valley economy. Key messages are summarised below.

Table 2.1: Severn Valley Strengths and Opportunities

- Low unemployment rates (although a high proportion of jobs are low-skilled);high economic activity rates; competitive labour costs/wage rates
- Good schools/colleges and GCSE/A Level performance; good links between local businesses and FE Colleges (although this is being affected by current FE restructuring and mergers between institutions, which has reduced the number of local institutions offering A Level courses)
- Economy picking up and business demand increasing
- Good housing mix/offer and affordability; overall a good quality of life for local residents and low crime
- Local businesses well represented (eg. Business Clubs, Mid-Wales Manufacturing Group, Central Wales Economic Forum) but these forums possibly need reinvigorating
- A strong local brand which could be exploited (but uncertainly about whether the wider “Severn Valley” brand could be used)
- Powys has highest rates of degree level employment in Wales (but skills not being fully utilised); opportunity for encouraging more Research & Development related businesses to come to the Severn Valley area.
- One of the highest levels in Wales of businesses employing fewer than five people, yet with innovation and growth potential (source: Powys Business Awards 2009-13)
- Some major local employers with international markets
- Welshpool hosts major livestock market
- Rail links improving: proposed hourly service being introduced to Telford/Shrewsbury
- With access to exceptional landscapes and countryside and with improving transport links rail/road, longer stay tourism is a growing opportunity

Table 2.1: Severn Valley Strengths and Opportunities

- Opportunity to develop a local brand related to environment – space, freedom, fresh air, countryside, quality of life.

Source: Evaluation partner workshops.

2.19 Nevertheless, partners also highlighted a number of key concerns. These are summarised below.

Table 2.2: Severn Valley Weaknesses and Threats

- Powys has 2nd lowest GVA per head of any UK local authority area; very rural area with low wages
- Too much low value self-employment
- Too many businesses employing low skilled workers and not seeking to upskill workers or become more competitive
- Over-dependence on public sector employment
- Large firms facing difficulties recruiting locally; need to rely on in-commuters
- Manufacturing sector continuing to decline; resulting in weaker R&D performance
- Not enough “growth businesses”; over-representation of lifestyle businesses
- Anecdotal evidence that local firms that are expanding tend to move out of the area (eg. to Oswestry or Shrewsbury) when they get to around 30+ employees, due to lack of quality business premises.
- Outward migration of young, higher-skilled residents
- Lack of broadband networks/connectivity
- Severn Valley is located a significant distance from a university, the consequence of this is that many young people leave the area to attend HE institutions, leading to a lower proportion of young people living in the area.
- Not enough quality potential development sites for large [inward] investors and for growing businesses (ie. grow-on/expansion space);
- Low property values constrain investment in business premises; hard for developers and owner occupiers to earn return on investment without gap funding
- Ageing population (inflow of retirees and outflow of younger people of working age); mismatch between local sectorial make-up of economy and sectors/occupations that are attractive to young people.

Source: Evaluation partner workshops.

Policy Context

European Physical Funding Context

2.20 The SVSRP area is located in the East Wales Competitiveness & Employment region. The 2007-2013 European Regional Development programmes have directly supported physical local regeneration activities. Structural Funds have also been used to support a range of interventions important in achieving regeneration outcomes such as: infrastructure; sustainable transport; business support; skills; improving access to the labour market; and innovation.

2.21 Priority Four (Regeneration for Growth), under which the SVSRP is funded, focused on targeted approaches to tackling deprivation and improving local economies in the most deprived communities of East Wales. It recognised that economic success depends at least in part on the vitality of local communities as attractive places in which to live and work. Improving the quality of the urban environment and economic infrastructure was a key plank in efforts to create an attractive and sustainable business environment.

2.22 The 2014-20 European Structural Fund programmes are aimed at, "shaping the conditions for smart, sustainable and inclusive economic growth, with an agricultural industry that is strong and capable of supporting vibrant rural communities". To help achieve this, amongst the priorities for the forthcoming Structural Funds round (2014-20) are skills, helping people into work, enterprise and SME competitiveness, energy efficiency and the digital economy.

2.23 There are ten broad themed Priorities for funding. These are: Research, Technological Development & Innovation; ICT; SMEs; Low Carbon Economy; Climate Change; Protecting the Environment; Sustainable Transport; Employment and Labour Market Mobility; Social Inclusion and Poverty; Education and Lifelong Learning.

2.24 The 2014-20 programme period provides much less scope than the 2007-13 programme to invest in the types of physical infrastructure schemes that the SVSRP has brought forward, particularly business premises. The programme does, however, provide scope for the use of ERDF to extend NGA (Next Generation Access) broadband infrastructure into “peripheral locations areas and strategic sites” (including Enterprise Zones), and for investment in business incubation space. In any case, the Severn Valley area already stands to benefit from roll-out of the joint Welsh Government-BT Superfast Cymru NGA initiative, which will provide fibre-to-the-cabinet broadband connections across Wales, including in Newtown and Welshpool (both September 2014) and Llanidloes (December 2014).

Wales Physical Regeneration Context

2.25 Until recently, physical regeneration in Wales was focused on seven Regeneration Areas across Wales (none of which were in Powys). These Regeneration Area programmes are now drawing to a close, and all future spatially targeted regeneration investment will be through the Welsh Government’s Vibrant and Viable Places funding. Under Vibrant and Viable Places, which is expected to come into effect in late 2014 and last until 2017, local authorities will bid into a fund of more than £100m for projects in town centres, coastal communities and Communities First clusters.

2.26 However, Powys is not eligible for the main allocation of funding from this scheme. The only revenue stream that the Severn Valley would have access to is the Town Centre Partnership Fund. This is a competitive application process (open at the moment) and focuses on building capacity through the employment of a Town Centre Manager, rather than physical regeneration.

2.27 Welsh Government has also identified seven Enterprise Zones (EZs), which are designated areas where specific incentives are offered to attract new businesses and industry to that location. The aim of these zones is to strengthen the competiveness of the Welsh economy, and each zone focuses on a key target sector. However, none of the Enterprise Zones are in Powys.

2.28 Although these schemes above provide little scope for investment in the Severn Valley, there is still potential to draw down domestic funding to invest in regeneration. In 2012, Welsh Government agreed to explore the potential for a Local Growth Zones for Powys, building on a proposal submitted by Powys County Council as an alternative approach to

Enterprise Zones. A Powys Local Growth Zones (LGZ) Task and Finish Group developed a series of policy recommendations on how Welsh Government and local partners could encourage and support jobs, economic growth and offer the opportunity of testing different types of interventions which reflect the local economic circumstances and growth challenges for Powys. Among the recommendations for physical infrastructure investments that are relevant to the Severn Valley area are:

- prioritisation of the A483/A489 Newtown bypass, as well as smaller targeted improvements to tackle congestion points and improve the efficiency of the network, including improvements to address the A483 Newtown town centre congestion. Construction of the bypass is due to start in summer 2015 and to be completed by 2017, subject to any objections or public enquiry.
- Deployment of Next Generation Access (NGA) broadband within the Powys Local Growth Zone (via the Superfast Cymru project).

2.29 Further work on implementing the recommendations is currently being undertaken by Welsh Government.

Conclusions

2.30 Compared to the Wales average, a high proportion of the workforce is educated to graduate level or equivalent, there is a high rate of employment and a high rate of self-employment (as there is in the Severn Valley). Within Powys, unemployment and overall deprivation is low. The most deprived areas within Powys are urban in nature and are in parts of Newtown and Welshpool.

2.31 Nevertheless, GVA per head across Powys is lower than the average for Wales as a whole, as is value added per worker. This is also the case in the Severn Valley, which overall lags behind the Powys average. This reflects the mainly rural nature of the county – the most rural in England and Wales. In addition, much of Powys, including the Severn Valley, is too distant from the main employment centres to benefit from the more buoyant urban economies.

2.32 European Structural Fund Programmes now provide fewer opportunities for partners in Powys (and in turn in the Severn Valley area) to draw down funding to support physical regeneration, with the exception of NGA broadband infrastructure and business incubation space. In addition, Welsh Government's key domestic schemes/frameworks do not prioritise Powys or the Severn Valley as physical infrastructure investment areas. However, the Powys Local Growth Zones does provide investment opportunities in the Severn Valley.

3 Residents Survey Analysis

Introduction

3.1 This Chapter contains analysis of the responses to the SVSRP residents' survey and a comparison with responses to the 2010 survey. An on-street survey was carried out, with interviewers being situated in key locations in the town centres of Llanidloes, Newtown and Welshpool on those days in which town centre footfall peaks (eg. market days) and at those times of day during which the number of people in the town centre was at its highest (typically between 9:30am and 2pm).

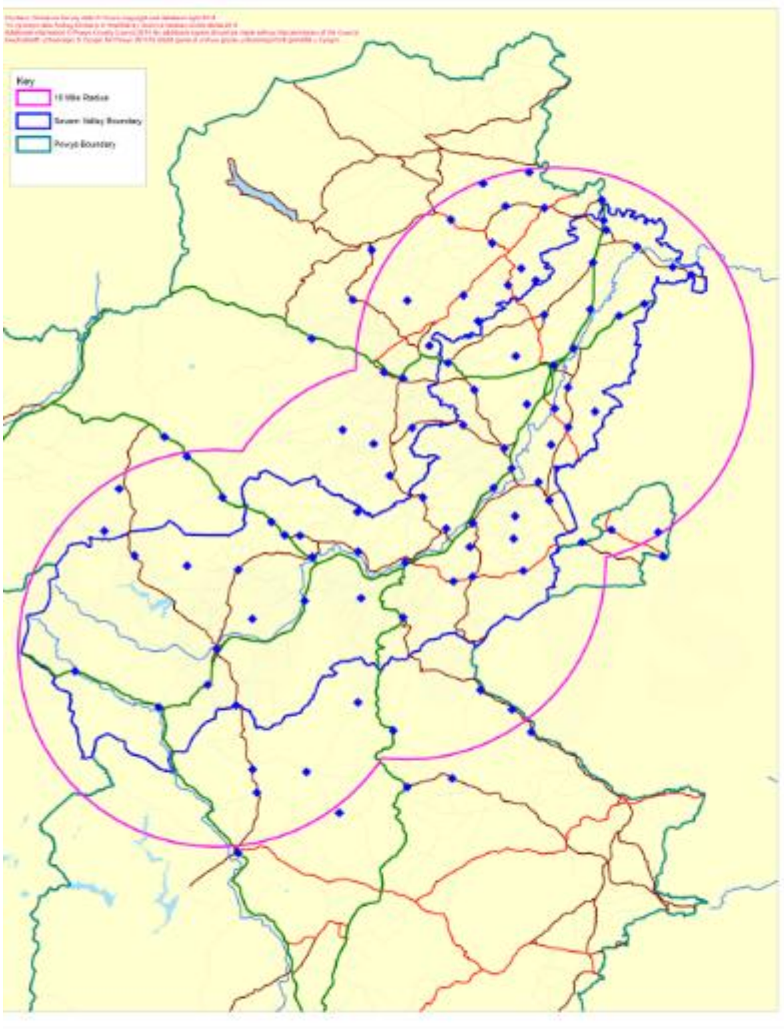
3.2 The survey took place during the period March 2014 to May 2014.The vast majority of survey results were captured electronically using hand-held tablets, although residents were also given the option of completing a paper-based version of the survey. Residents had the choice of completing either an English or Welsh language version of the survey, and all survey materials were produced bilingually. All residents surveyed chose to answer the questions in English.

3.3 All residents living within 10 miles of at least one of the three towns of Welshpool, Newtown or Llanidloes were eligible to participate in the survey. Maps were provided to residents so that they could determine whether they lived within this 10 mile boundary (see Figure 3.1)

3.4 If residents could not form a judgement based on the map provided, they were able to use their own discretion. Whilst the 10 mile radius definition does not map precisely onto the SVSRP area, it is a practical way of conducting the fieldwork (postcode, checking, for example, would have been more costly and less practical), and is consistent with the approach undertaken in 2010.

3.5 Quotas (ranges in the number of responses) were set based so that the responses to the survey were broadly representative of population demographics, in respect of the populations of each of the three towns and the gender and age composition of the local population.

Figure 3.1: Ten Mile Resident Survey Boundary



Source: Powys County Council and Welsh Government.

3.6 The vast majority of survey questions were identical to those contained in the 2010 survey, although two additional questions were added to capture residents' awareness, and views on impact, of specific SVSRP initiatives. In order to ensure that this did not impact upon the average length of time taken to complete the survey, two questions contained in the 2010 survey were omitted (views on likelihood that children would live in the area in five years' time and views on the three key words that residents would use to describe their town) as the information provided by these questions was less likely to provide meaningful insights into local people's experiences of living, working and spending leisure time in their local towns than other survey questions.

3.7 The survey examined local residents' views on the following:

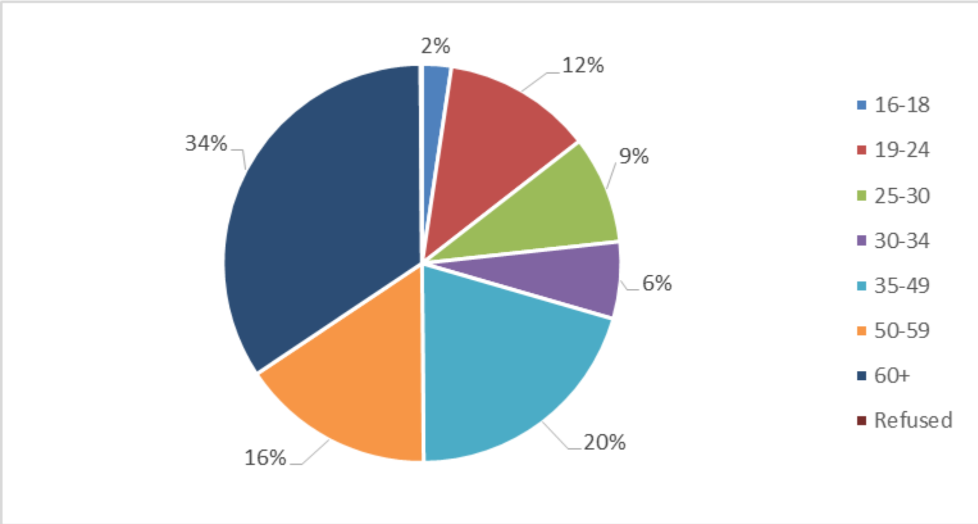
- satisfaction with local town (eg. as a place to live, work and visit);
- physical environment;
- local economy and retail offer;
- heritage and cultural offer;
- social issues;
- civic engagement, and;
- awareness/impact of SVSRP investments (analysis of which is contained in Section 5).

Overview of Respondents

3.8 Out of the 800 local residents surveyed, 350 were interviewed in Newtown (of which 284 lived in the town, with the remainder living within 10 miles of the town), 300 Welshpool (233 living in the town itself and 67 living within 10 miles) and 150 in Llanidloes (140 town residents and 10 living within 10 miles of the town). This is broadly in line with the relative populations of the three towns and their environs. In total, 659 (82 per cent) of people interviewed lived in one of the towns (slightly higher than the 78 per cent reported in 2010), with the remaining 131 (18 per cent) living within 10 miles. Among those residents who lived outside the towns, the most commonly referenced places were Kerry (10 residents), Llanymynech (8), Abermule (7), Aberhafesp (6), Arddleen (6), Guilsfield (6) and Tregynon (6).

3.9 Slightly more female residents were interviewed (403) than male residents (397), which again is in line with the gender make-up of the population. Some 34 per cent of residents were aged above 60 years, with 15 per cent aged 16 to 24 years. This again is broadly consistent with population demographics.

Figure 3.2: Age Breakdown of Resident Respondents



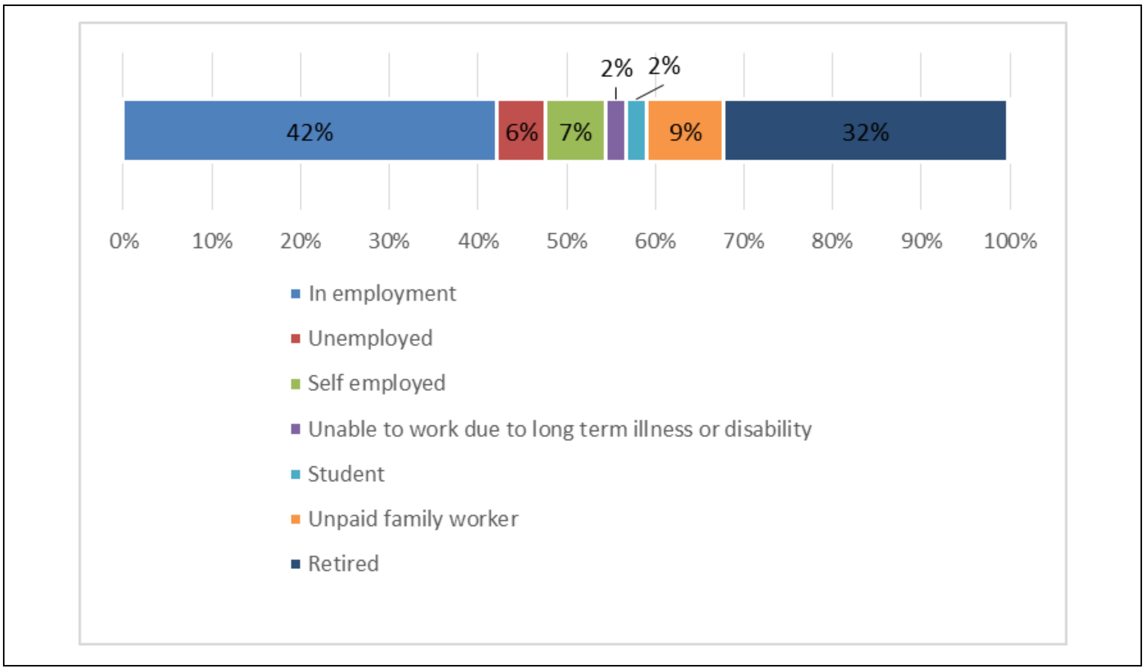
Source: SVSRP Residents Survey 2014.

3.10 Some 99 per cent of residents described their ethnic origin as White, and of the remaining 1 per cent, the largest ethnic minority group is mixed white and black Caribbean.

3.11 Around 20 per cent of residents surveyed were able to speak Welsh, and this figure was much higher in Llanidloes (31 per cent). A slightly higher proportion were able to understand spoken Welsh (24 per cent) Around 18 per cent were able to read Welsh and 13 per cent were able to write in Welsh.

3.12 Some 42 per cent of residents were in employment, and a further 7 per cent were self-employed. Around one-third of residents were retired, which mirrors the demographic composition of interviewees. Just over 2 per cent of residents were unable to work due to long-term illness or sickness, and 6 per cent of respondents were unemployed. Around 9 per cent of residents surveyed did not work due to family caring responsibilities. Just over 9 per cent of residents surveyed described themselves as disabled, although some 13 per cent stated that they had a long-term debilitating health problem.

Figure 3.3: Employment Status of Resident Respondents



Source: SVSRP Residents Survey 2014.

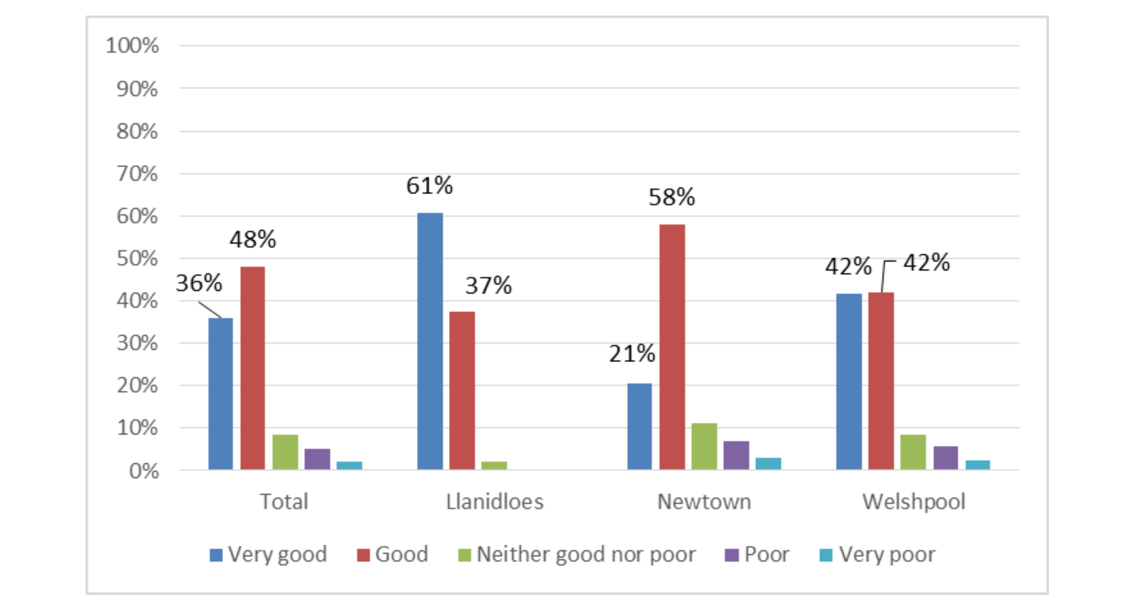
3.13 Of the 659 town dwelling residents, 74 per cent had lived there for more than 10 years and just over half had lived there for more than 20 years. Less than 1 per cent of residents had moved into the towns during the past two years and 16 per cent had moved into the towns in the past five years. The percentage of new residents (those living in the town for under five years) was highest in Llanidloes (19 per cent), followed by Welshpool (18 per cent) with 13 per cent of interviewees in Newtown having lived in the town for under five years.

Confidence and Satisfaction Levels

Towns as Places to Live, Visit, Work and Shop

3.14 Some 84 per cent of residents rated their towns as good or very good places to live (up from 74 per cent in 2010). Satisfaction was highest among people living in Llanidloes (97 per cent of residents believing that the town was a good or very good please to reside). Comparative figures were 84 per cent Welshpool and 79 per cent in Newtown.

Figure 3.4: Resident Satisfaction with Places to Live

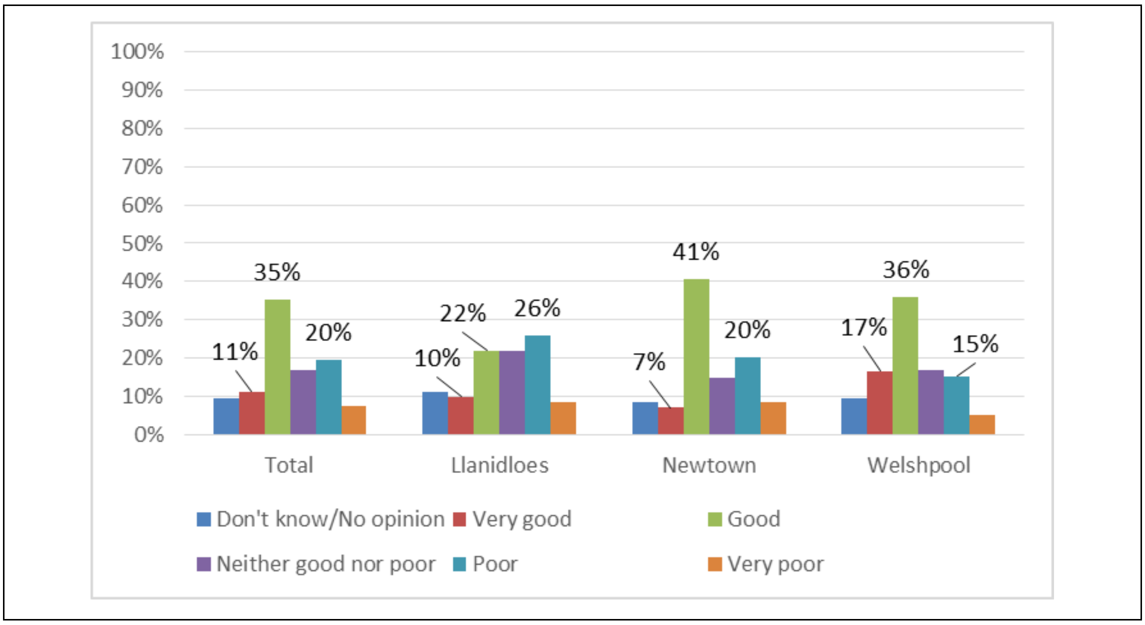


Source: SVSRP Residents Survey 2014.

3.15 Satisfaction with the towns as places to visit was highest in Welshpool (71 per cent of residents viewed the town as a good or very good place to visit). The comparable figure for both Llanidloes and Newtown was 53 per cent, and the overall figure was 60 per cent (compared to 53 per cent in 2010). Around 21 per cent of residents across all three towns thought that their town was a poor or very poor place to visit, with the figure being considerably higher in Newtown (31 per cent) than in the other two towns.

3.16 Far fewer residents (just 47 per cent, although slightly higher than the 45 per cent reported in 2010) rated their town as a good or very good place to work than to live or to visit, which is perhaps indicative of the sectoral composition of the economy, the range of jobs on offer and the long-term career prospects. Satisfaction in terms of local jobs was highest in Welshpool (52 per cent), followed by Newtown (48 per cent), with under one-third of Llanidloes interviewees rating the town as being a good or very good place to work, which is perhaps reflective of the small local economy.

Figure 3.5: Resident Satisfaction with Places to Work



Source: SVSRP Residents Survey 2014.

3.17 Fewer residents again rated their local town as a good or very good place to shop (40 per cent, similar to the 41 per cent reported in 2010). Satisfaction was highest in Llanidloes (42 per cent), with the comparative figures being 38 per cent in both Newtown and Welshpool.

3.18 Not surprisingly, the proportion of residents that expected to still be living in and around their town in five years' time was the same (84 per cent, compared to 85 per cent in 2010) as the percentage of residents who regarded their town as a good or very good place to live. Interestingly, there was little variation across the three towns.

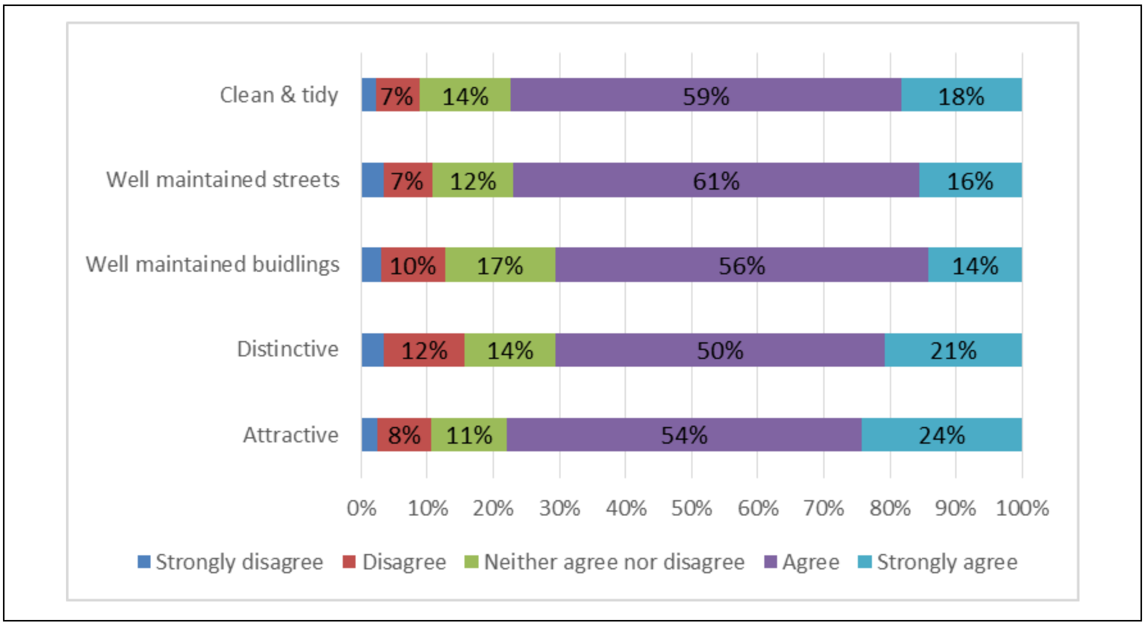
Attractiveness, Distinctiveness and Upkeep of Towns

3.19 Some 78 per cent of residents agreed or strongly agreed that their town was an attractive place (compared to 74 per cent in 2010), although this figure varied somewhat across the three towns (92 per cent in Llanidloes [97 per cent in 2010], 80 per cent in Welshpool [76 per cent in 2010] and 71 per cent in Newtown [64 per cent in 2010]). Slightly fewer residents (70 per cent) agreed or strongly agreed that their town was distinctive, although this was considerably higher than the 52 per cent figure recorded in 2010). Again this proportion was highest in Llanidloes (84 per cent), with the figure being lower in Welshpool (71 per cent) and lower still in Newtown (63 per cent).

3.20 Around 70 per cent of respondents agreed or strongly agreed that their town had well maintained buildings (slightly down on the 2010 figure of 73 per cent). Once again this figure was highest in Llanidloes (84 per cent), with the figures much lower in the two other towns (68 per cent in Newtown and 65 per cent in Welshpool).

3.21 A higher proportion of residents (76 per cent, one percentage point higher than in 2010) identified their towns as having well maintained streets, and again the figure was highest in Llanidloes (89 per cent), followed by Welshpool (79 per cent) and Newtown (69 per cent). Overall, 78 per cent of residents described their town as clean and tidy (83 per cent in Llanidloes, 79 per cent in Welshpool and 73 per cent in Newtown).

Figure 3.6: Resident Descriptions of Towns



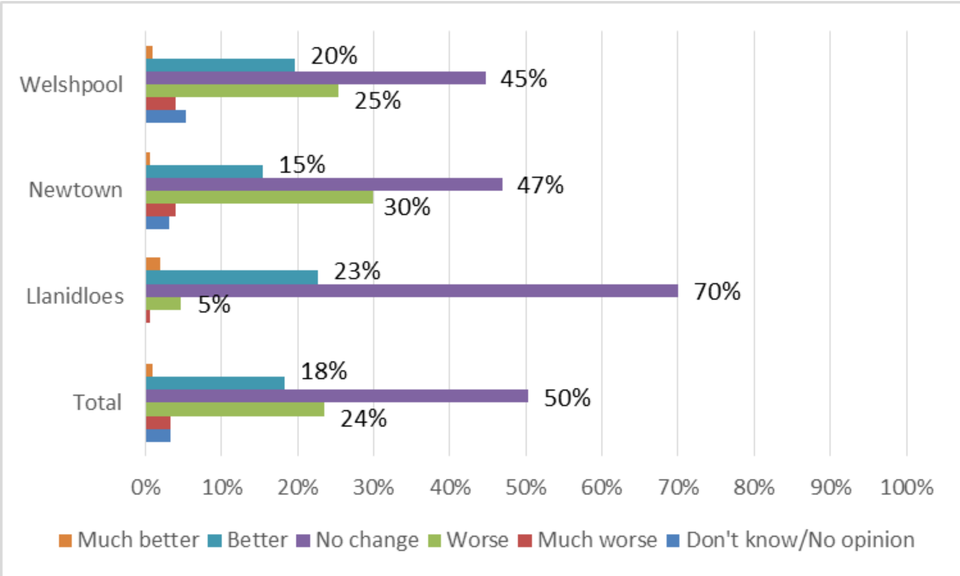
Source: SVSRP Residents Survey 2014.

Physical Environment

3.22 Half of residents surveyed stated that the physical environment of their town had got no better or worse over the previous twelve months, with around 27 per cent identifying a worsening in the physical environment and 19 per cent noting an improvement. On balance, therefore, perceptions are more negative that in 2010, when 19 per cent of residents identified an improvement in the environment, compared to 23 per cent who believed it had worsened.

3.23 As in 2010, the proportion of residents identifying an improvement was highest in Llanidloes (25 per cent), with the percentage believing that the physical environment had deteriorated being highest in Newtown (37 per cent).

Figure 3.7: Resident Views on Physical Environment



Source: SVSRP Residents Survey 2014.

Severn Valley Economy and Retail Offer

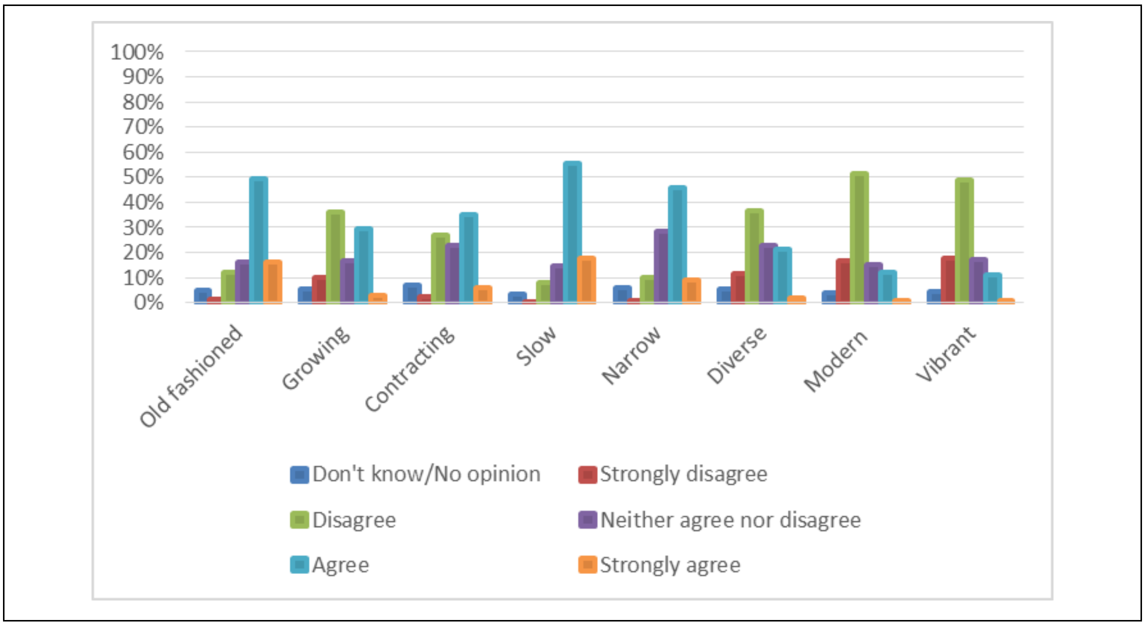
Economy

3.24 Around two-thirds of respondents agreed or strongly agreed with the statement that their town's economy was "old fashioned" (compared to 70 per cent in 2010), with the proportion highest in Newtown (69 per cent, compared to 62 per cent in both Llanidloes and Welshpool). Just 32 per cent of residents identified the local economy as being "growing" (down from 40 per cent in 2010), with the figure being highest in Welshpool (36 per cent, compared to 31 per cent in Llanidloes and 29 per cent in Newtown). A slightly higher proportion viewed the economy as "contracting" (40 per cent, compared to 37 per cent in 2010) and there was little variation across the three towns.

3.25 Some 73 per cent of respondents agreed or strongly agreed that the local economy was "slow" (up from 66 per cent in 2010), with the figure being slightly higher in Newtown (75 per cent) than in the other two towns. More than half of residents surveyed (54 per cent) agreed or strongly agreed that the local economy is too narrow (again, up from 45 per cent in 2010). Here, the figures varied considerably, from 64 per cent among Llanidloes residents down to 46 per cent among residents of Welshpool. Similarly, the proportion of residents believing that their local economy was "diverse" was highest in Welshpool, although the figure is still low (29 per cent). The figure was lowest in Llanidloes (15 per cent) and was 23 per cent overall (considerably lower than the 39 per cent reported in 2010).

3.26 Just 13 per cent of residents described the economy as "modern" (down from 19 per cent in 2010), although interestingly, this figure was highest in Llanidloes (19 per cent), even though on average residents there are most likely to describe their town's economy as being narrow and least likely to describe it as diverse. The figure was lowest in Newtown (8 per cent). Overall, 12 per cent of residents agreed or strongly disagreed that the local economy was "vibrant" (lower than the 22 per cent reported in 2010). Again, the figure was highest in Llanidloes (15 per cent) and lowest in Newtown (8 per cent).

Figure 3.8: Resident Views on the Economy



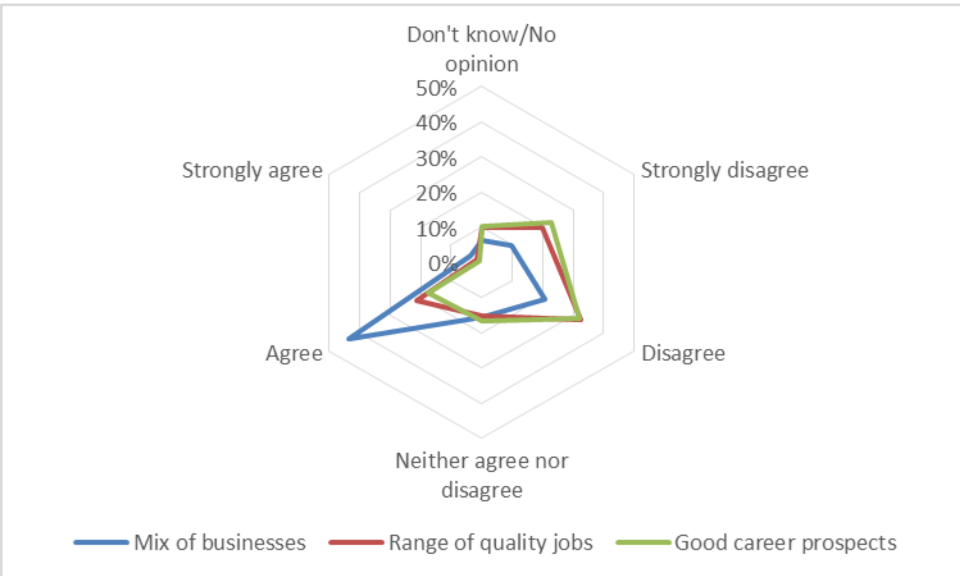
Source: SVSRP Residents Survey 2014.

3.27 As in 2010, some 48 per cent of residents agree or strongly agree that the local economy has a good mix of businesses (excluding retail, which is covered in a specific set of questions), ranging from 42 per cent in Llanidloes to 49 per cent in Welshpool. Just under 30 per cent disagreed or strongly disagreed, ranging from 27 per cent in Welshpool to 32 per cent in Newtown.

3.28 Just 23 per cent of residents agreed or strongly agreed that there was a range of good quality jobs in the local area (although this is a 4 percentage point rise on 2010). The figure was 25 per cent in both Newtown and Welshpool and just 13 per cent in Llanidloes. More than half of residents (52 per cent) disagreed or strongly disagreed with the statement; in Llanidloes the figure is 69 per cent, in Newtown 54 per cent and in Welshpool the figure was 41 per cent.

3.29 Fewer still (18 per cent of residents, although up on the 12 per cent figure in 2010) agreed or strongly agreed that the local economy provides good [i.e. long-term] career prospects; in Newtown the figure was 22 per cent, in Welshpool 20 per cent and just 7 per cent in Llanidloes. Some 55 per cent of residents disagreed or strongly disagreed; the highest proportion was in Llanidloes (73 per cent), followed by 52 per cent in Welshpool and 43 per cent in Newtown.

Figure 3.9: Resident Views on the Business Base and Labour Market

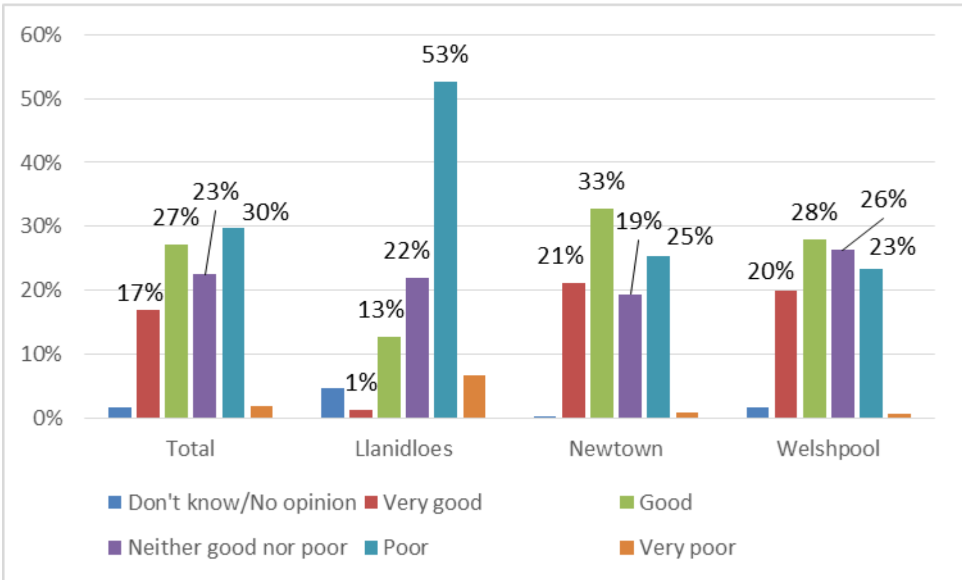


Source: SVSRP Residents Survey 2014.

Retail Offer

3.30 Around 43 per cent of residents surveyed described the mix and range of shops as good or very good (slightly higher than the 41 per cent reported in 2010). In Newtown the figure was 54 per cent and in Welshpool 48 per cent. In Llanidloes, just 14 per cent of residents described the town's retail mix/range as good or very good, with 60 per cent describing it as poor or very poor (which is more than double the percentage of respondents in Newtown and Welshpool viewing their town's retail mix/range in the same way (26 per cent and 24 per cent respectively).

Figure 3.10: Resident Views on the Retail Offer

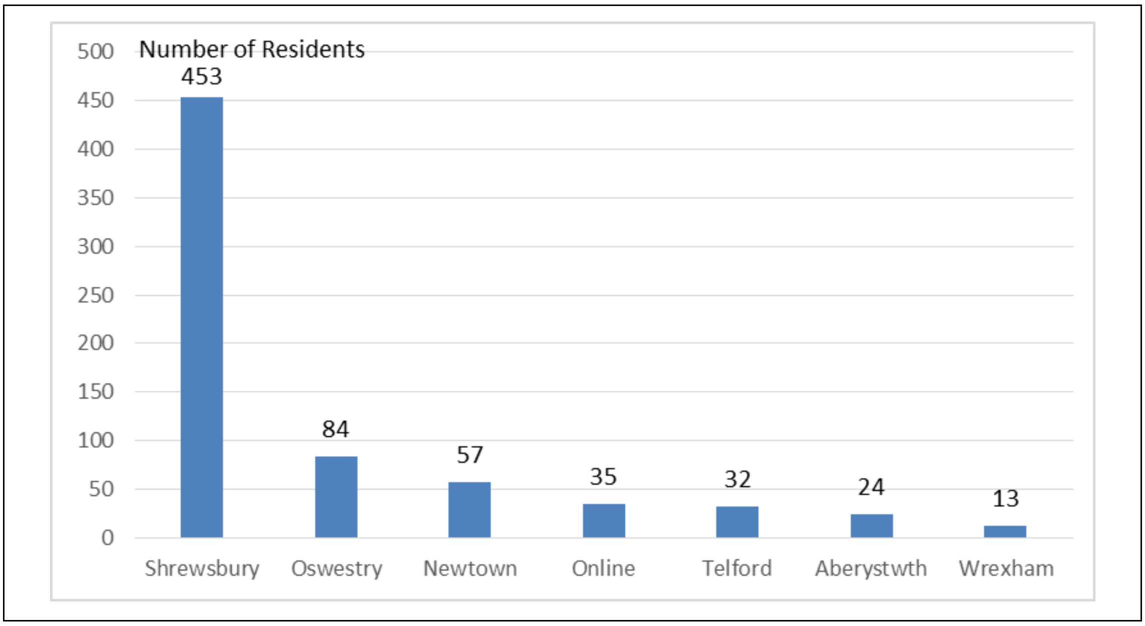


Source: SVSRP Residents Survey 2014.

3.31 Just under 40 per cent of residents stated that they could buy most or all of the things that they need from their local shops (down from 48 per cent in 2010). In spite of their mostly negative views about the retail mix/range, 61 per cent of residents in Llanidloes believed that they could meet their needs from the town's shops, which suggests that the retail offer meets day-to-day needs, but lacks niche, speciality or value added retails outlets. However, just 37 per cent of residents in Newtown stated that they could meet their needs from local shops, and fewer still in Welshpool (31 per cent).

3.32 Around one-fifth of residents surveyed travelled outside their local town once or twice a week to go shopping and half of residents go elsewhere once or twice a month. These figures are unchanged from 2010. As in 2010, residents in Welshpool were the most likely to shop elsewhere (30 per cent once or twice a week and 55 per cent once or twice a month) and Newtown the least likely (9 per cent once/twice a week and 50 per cent once or twice a month). By far the most popular retail destination outside the SVSRP area was Shrewsbury (53 per cent of residents surveyed visit Shrewsbury to go shopping at least once a year, compared to 66 per cent in 2010), followed by Oswestry (11 per cent, up from just 4 per cent in 2010). The increasing use of the internet is reflected in "Online" being the fourth most common retail "destination". It is also interesting to note that Newtown was the third most popular destination, which suggests that more people travel from Welshpool and Llanidloes to shop there than travel from Newtown to shop elsewhere within the Severn Valley.

Figure 3.11: Residents Visiting Other Retail Destinations at Least Once a Year



Source: SVSRP Residents Survey 2014.

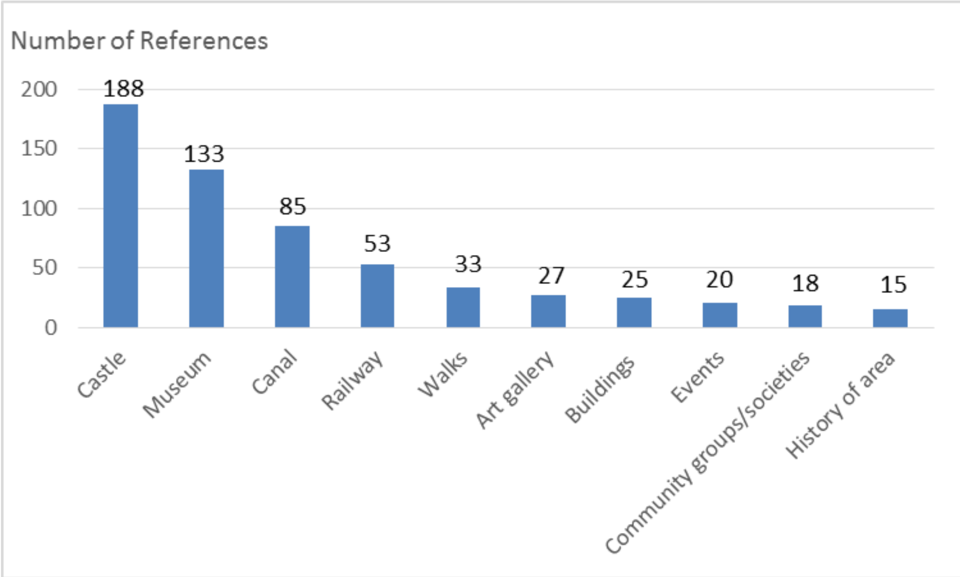
Heritage and Culture

3.33 Around 56 per cent of residents thought that the local area's heritage was well or very well promoted or showcased in their town centre (up from 49 per cent in 2010), with around 31 per cent believing that this promotion was poor or very poor. Residents were most positive in Welshpool (73 per cent stating the heritage was promoted well or very well), followed by Llanidloes (59 per cent), with the equivalent figure in Newtown being just 39 per cent (and below the 44 per cent who state that the promotion of local heritage was poor or very poor).

3.34 As might be expected, the results were broadly similar in relation to residents' views on promotion/showcasing of culture and cultural assets, with 74 per cent of Welshpool residents believing that this was done well or very well, followed by Llanidloes (albeit it at 51 per cent, this was eight percentage points below the equivalent figure for promotion of heritage) and Newtown (39 per cent). As with heritage, the proportion of Newtown residents who rated promotion of culture as poor or very poor was higher (44 per cent) than those rating it as being done well or very well.

3.35 The most well-known heritage and culture promotions were of castles (identified by 42 per cent of residents overall and 75 per cent of Welshpool residents), museums (30 per cent overall and 48 per cent in Newtown) and the canal (19 per cent overall and 29 per cent in Welshpool). Residents in Llanidloes were most aware of the promotion of museums (26 per cent). Awareness was lowest in relation to promotion of farmshops, Offa's Dkye and the Cockpit.

Figure 3.12: Resident Awareness of Heritage and Culture Promotions



Source: SVSRP Residents Survey 2014.

Social Issues

3.36 Just 7 per cent of residents identified “noisy neighbours or loud parties” as a fairly big or a big problem (down from 16 per cent in 2010), with 87 per cent not believing this to be a minor problem or no problem at all. There was little variation across the three towns. Around 14 per cent of residents identified “teenagers hanging around the street” as being a fairly big or big problem (a sharp reduction from the 40 per cent figure reported in 2010); this figure was highest in Llanidloes (21 per cent) and much lower in Welshpool (15 per cent) and Newtown (10 per cent). Some 79 per cent of residents (including 77 per cent of Llanidloes resident) regarded this issue as a minor problem/no problem at all.

3.37 Around 15 per cent of residents identified “rubbish or little lying around” (compared to 27 per cent in 2010) as being a fairly big/big problem, with this figure being lowest in Llanidloes (10 per cent) and highest in Newtown (19 per cent). Around four-fifths of residents believed that this issue was a minor problem/no problem at all. In relation to “graffiti or other deliberate damage to property or vehicles”, some 12 per cent identified this issue as being a fairly big/big problem (a reduction from the 22 per cent figure recorded in 2010), with 84 per cent regarding it as a minor problem/no problem at all. There was modest variation across the three towns.

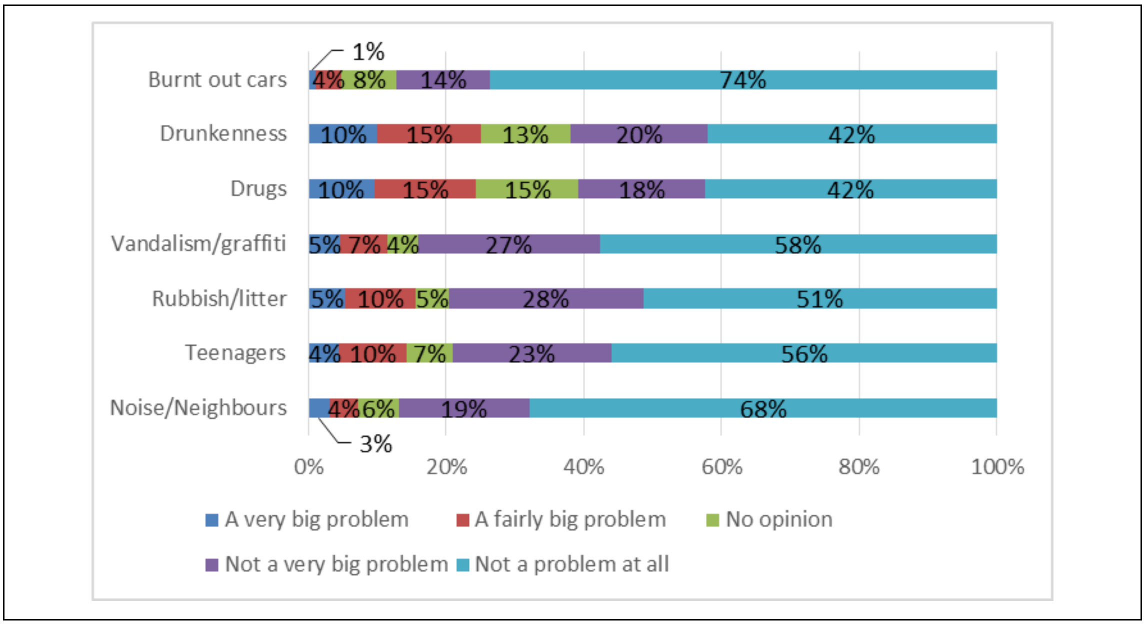
3.38 People “dealing or using drugs” was viewed as the most pressing social issue, with one-quarter of residents viewing it as a fairly big problem/bug problem (although this was still much lower than the 41 per cent figure reported in 2010). This figure was much higher in Welshpool (33 per cent) than in Newtown (20 per cent) and Llanidloes (17 per cent). People “being drunk or rowdy in public places” was also regarded as a key social issue, identified as being a fairly big problem/big problem by one-quarter of residents (this was much higher at 43 per cent in 2010), including 30 per cent of Welshpool residents (compared to 25 per cent in Llanidloes and 20 per cent in Newtown).

3.39 As in 2010, the least pressing social issue was “abandoned or burnt out cars”, which was raised as a fair big problem/big problem by just 5 per cent of residents (4 per cent in 2010). It should be noted that (with the exception of investment in the visual appearance of the towns) these issues were not directly addressed by the SVSRP and reported changes in perceptions about social problems will be due to a range of other factors, including implementation of Community Plans, which include measures to tackle anti-social behaviour.

3.40 The three towns were generally regarded as being safe or very safe places to walk around during the day (by 98 per cent of residents, compared to 99 per cent in 2010), with much fewer people feeling safe or very safe at night (58 per cent, down from 67 per cent in 2010). In Welshpool, just 47 per cent of residents felt safe or very safe at night (compared to 31 per cent who did not feel safe), whereas the figure in Newtown was 54 per cent an in Llanidloes 87 per cent.

3.41 On average, around two-thirds of residents visit one of the town centres more than once a week (down from 79 per cent in 2010), including 32 per cent who visit a town centre daily. This figure was highest in Newtown (76 per cent), followed by Llanidloes (63 per cent) and Welshpool (52 per cent). Some 17 per cent of residents make a once-a-week trip into a town centre. All of this is in addition to the 10 per cent of residents surveyed who live in the town centres. By far the most common reason to come into the town centre was to go shopping (72 per cent of residents, well above the 40 per cent figure reported in 2010, although this figure is lower at 60 per cent in Llanidloes), with similar numbers of people (around 16 per cent to 17 per cent each) visiting for work, to socialise to go to the bank or post office.

Figure 3.13: Resident Perceptions of Social Issues



Source: SVSRP Residents Survey 2014.

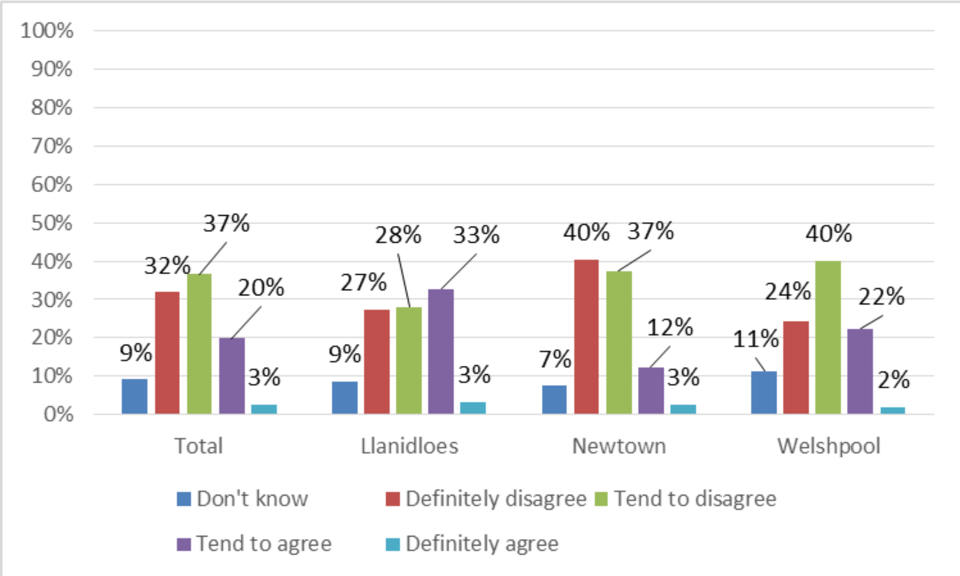
3.42 Around 72 per cent of residents are visiting town centres with the same degree of frequency as in the past; although a slightly higher number people are making fewer visits (16 per cent of residents) than more visits (12 per cent). On balance, this suggests that people are visiting the town centres less frequently than in 2010. Among residents making fewer visits to town centres, the quality of the retail offer was cited as the most common reason for this (by 26 per cent of residents).

Local Engagement

3.43 Just 22 per cent of residents believed that they are able to influence decisions affecting their local areas (a sharp drop from the 41 per cent recorded in 2010), compared to 69 per cent who felt unable to exert any influence. It is worth noting that the level of engagement/influence in local issues in 2010 was very high and the 2014 figure, whilst much lower, is more common with areas outside the Severn Valley.

3.44 Llanidloes residents felt most able to influence local decisions (36 per cent), compared to 24 per cent in Welshpool and just 15 per cent in Newtown. However, just 26 per cent of residents definitely agreed that they would like to be able to influence local decisions on a general basis (compared to 20 per cent in 2010), with 40 per cent of residents stating that this would depend on the specific issue in question (ie. if it was an issue that particularly resonated with them). On balance, there appears to be more a desire among residents in 2014 to influence local decisions than was the case in 2010.

Figure 3.14: Resident Ability to Influence Local Decisions



Source: SVSRP Residents Survey 2014.

3.45 Around 44 per cent of residents were aware of a public consultation event during the previous year (up from 39 per cent in 2010). The most well-known consultations were in relation to the Newtown bypass (36 per cent of residents were aware of this, including 66 per cent in Newtown, where traffic congestion is a cause for concern) and discussions about wind farms (26 per cent of residents, including 49 per cent in Llanidloes and 34 per cent in Welshpool). Just over half of residents (52 per cent) stated that they are kept informed about local issues (a slight increase on the 49 per cent figure for 2010) and around 45 per cent wished to be given greater opportunity to comment on local development issues in the future (up from 37 per cent in 2010).

3.46 As in 2010, Powys County Council was identified as being more active in the local area than Welsh Government and the European Union (33 per cent of residents described PCC as being active, compared to 14 per cent and 6 per cent respectively for Welsh Government and the EU). However, 31 per cent of residents did not feel that they knew enough to be able to comment on Powys Council activities. This figure rose to 38 per cent (Welsh Government) and 49 per cent (European Union).

Conclusions

3.47 The vast majority of residents surveyed were happy with their town as a place to live and a small majority believed that their town was a good or very good place to visit for a day out, but far fewer residents believed that their town offered sufficient quality job opportunities or had a sufficiently vibrant retail offer.

3.48 The local economy is not providing sufficient numbers of high quality jobs with sustainable career prospects. This may in part reflect the sectoral mix of the economy and the related demand for particular posts and skillsets. Given the high rates of employment and low rates of unemployment, this suggests that the local economy is operating in a low value equilibrium (an economy with low unemployment, but also lower value goods, services and wages). The potential consequences of this (which is supported by census data) are net outward migration and out-commuting.

3.49 Social issues are much less of a concern than they were in 2010; there were big falls in the numbers of residents expressing concern about "teenagers hanging around the street", "rubbish or litter lying around". People "dealing or using drugs" was viewed as the most pressing social issue, although this was still much less of a concern than in 2010.

3.50 Few residents believe that they are able to influence decisions affecting their local areas (and much lower than in 2010), although on balance, there appears to be more of a desire among residents in 2014 to influence local decisions than was the case in 2010.

3.51 Overall, Llanidloes residents are the most positive in their views of the attractiveness, distinctiveness and tidiness/cleanliness of their town although they are less positive about the local economy (as was also the case in 2010), with residents of Newtown having the least positive perceptions. In 2010, the picture was more mixed between residents of Newtown and Welshpool.

4 Business and Voluntary Organisation Survey Analysis

Introduction

4.1 This Chapter contains analysis of the responses to the SVSRP business and voluntary/community sector (VCS) survey and the subsequent follow-up interviews. All interviews were carried out by telephone. The survey was carried out during the period March 2014 to May 2014.

4.2 A single questionnaire was used for both businesses and VCS organisations, as in 2010. The vast majority of survey questions were identical to those contained in the 2010 survey, although two additional questions were added to capture awareness, and views on impact, of specific SVSRP initiatives. The business and VCS survey is shorter than the residents' survey and, following trial runs, it was agreed that the additional question would have only a modest impact on the time required to complete the survey and therefore no previous questions were omitted.

4.3 The target for the survey was 390 telephone interviews across businesses and VCS organisations, followed by in-depth interviews with four businesses and six VC organisations. The sample for businesses was a business directory, covering the Super Output areas that corresponded most closely with the 10 miles radius definition used for the residents' survey. The sample for the VCS organisations was based on a trawl of the Powys Association of Voluntary Organisations (PAVO) website, which provides a list of VCS organisations that can be filtered depending on their distance from specific locations (in this case, the search was for organisations located within 10 miles of at least one of the town of Llanidloes, Newtown and Welshpool).

4.4 Overall, the survey sample contained around 700 businesses and 285 VCS organisations. The target of 390 interviews represents 40 per cent of the total sample. Quotas were set based so that the responses to the survey were broadly representative of the local business base and the composition of local VC organisations. The survey examined the views of local businesses and VCS organisations on the following:

- satisfaction with local town (eg. as a place to live, work and visit)

- physical environment
- local economy and retail offer
- civic engagement
- awareness/impact of SVSRP investments (analysis of which is contained in Section 5).

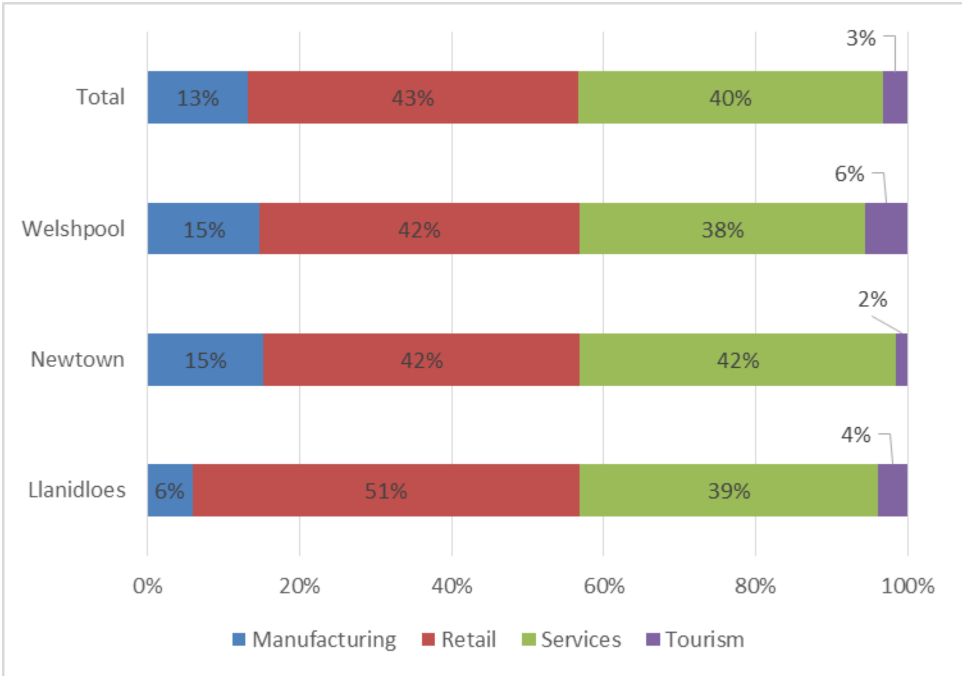
Overview of Respondents

4.5 Out of the total of 390 respondents, 272 were from private sector businesses and 118 were from VCS organisations (compared to 300 and 90 respectively in 2010). Of the businesses, 132 were located in and around Newtown (49 per cent), 88 in Welshpool (32 per cent) and 52 in Llanidloes (19 per cent).

4.6 Of the 118 VCS organisations, 46 (39 per cent) were actually located outside the 10 miles radius definition (even though they were identified on the PAVO website as being within 10 miles). However, these organisations provided services across the three towns and were confident that they had sufficient knowledge of the SVSRP area to provide informed answers to the survey questions. A decision was therefore taken to allow them to take part in the survey.

4.7 Out of the 272 businesses, the vast majority (236, equivalent to 87 per cent) operated in services sectors, of which 118 were in retailing. There were 36 manufacturing responses (13 per cent of the total). Retail accounted for 51 per cent of respondents in Llanidloes, compared to 42 per cent in both Newtown and Welshpool. Llanidloes also had a much smaller representation of manufacturing businesses (6 per cent) than Newtown and Welshpool (15 per cent each).

Figure 4.1: Sectoral Composition of Business Respondents



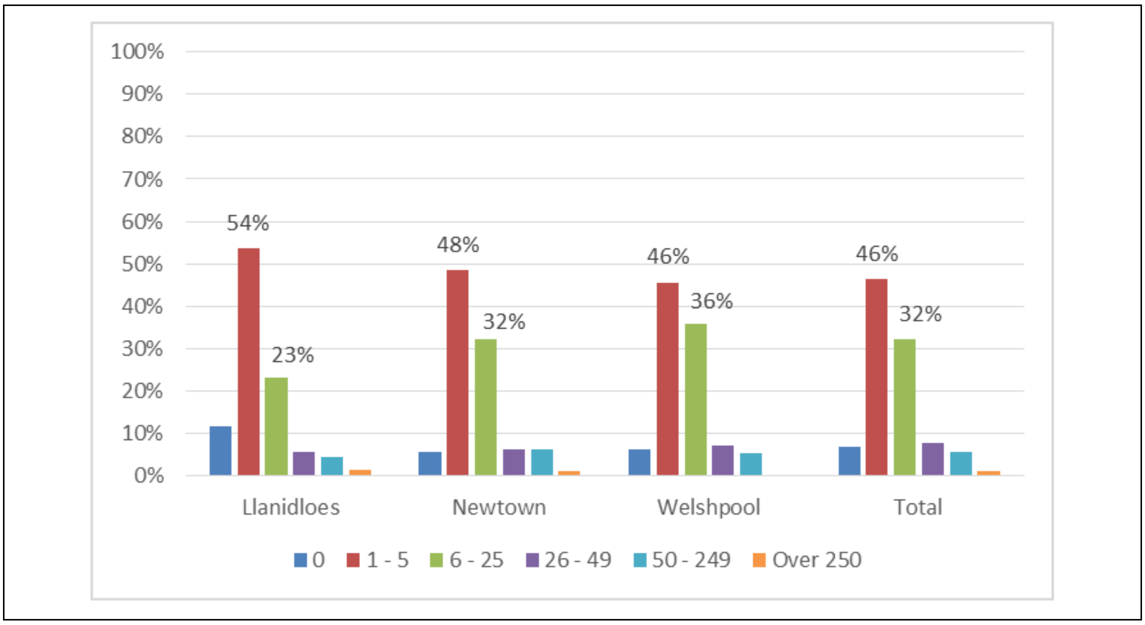
Source: SVSRP Business and VCS Survey 2014.

4.8 Some 200 firms (74 per cent) operated in business-to-consumer markets (eg. retailing, hotels & catering, financial services, personal and leisure services), whilst 72 firms (26 per cent) operated in business-to-business markets (predominantly in manufacturing, with some financial and business services firms). The proportion of firms serving business customers was highest in Welshpool (33 per cent), followed by Newtown (26 per cent) and lowest in Llanidloes (16 per cent). This is not surprising, as manufacturing firms (mostly located in Newtown and Welshpool) are most likely to serve other businesses. The figures also suggest that Welshpool has a higher number of non-retail services firms operating in business-to-business markets than Newtown.

4.9 Many businesses (51 per cent) and VCS organisations (all bar one respondent) did not wish to disclose their annual turnover figures. Of those businesses that provided this information, around 23 per cent had an annual turnover of less than £50,000, with 50 per cent having a turnover of under £300,000. Similarly, 23 per cent of firms that provided turnover data were generating more than £1 million per year. As a self-selecting sample, the turnover composition of the businesses and VCS organisations surveyed may not be representative of those across the Severn Valley area.

4.10 The local economy is dominated by small and micro enterprise; some 53 per cent of firms employed between one and five workers (including the owner, but excluding seasonal staff) and a further 29 per cent employed between six and 25 workers. Around 7 per cent of businesses were self-employed sole traders and just 1 per cent of firms employed more than 250 workers (the definition of a large business).

Figure 4.2: Size Composition of Business Respondents by Employment



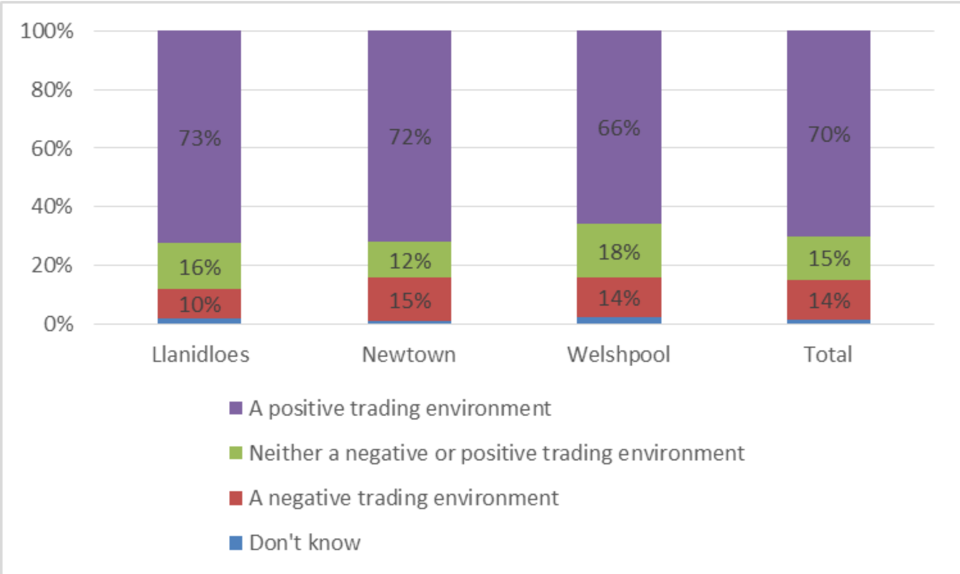
Source: SVSRP Business and VCS Survey 2014.

4.11 Among VCS organisations, there was a slightly higher representation of larger bodies; 10 per cent of VCS respondents employed more than 50 workers and 2 per cent employed more than 250 people. These are likely to be larger organisations serving a wide geographical area (including some national bodies), which encompasses one or more of the three towns that are the focus for the SVSRP. Nevertheless, the VCS organisation landscape is still largely made up of small organisations serving local areas; 6 per cent were one-person organisations; 32 per cent employed between one and five people; and 40 per cent employed between six and 25 people. Around 57 per cent of VCS organisations also draw on the services of volunteers, with it being most common (among 28 per cent of VCS organisations) to work with between six and 25 volunteers.

Economic Context

4.12 Businesses are mostly positive about current trading conditions. Around 70 per cent described what they believe is a positive trading environment (up from 49 per cent in 2010, possibly reflecting a general upturn in the economy), with just 14 per cent stating that their trading environment is negative. Businesses in Llanidloes were most positive on the whole (75 per cent of firm were positive and 10 per cent negative) and Welshpool the least positive (66 per cent positive and 14 per cent negative).

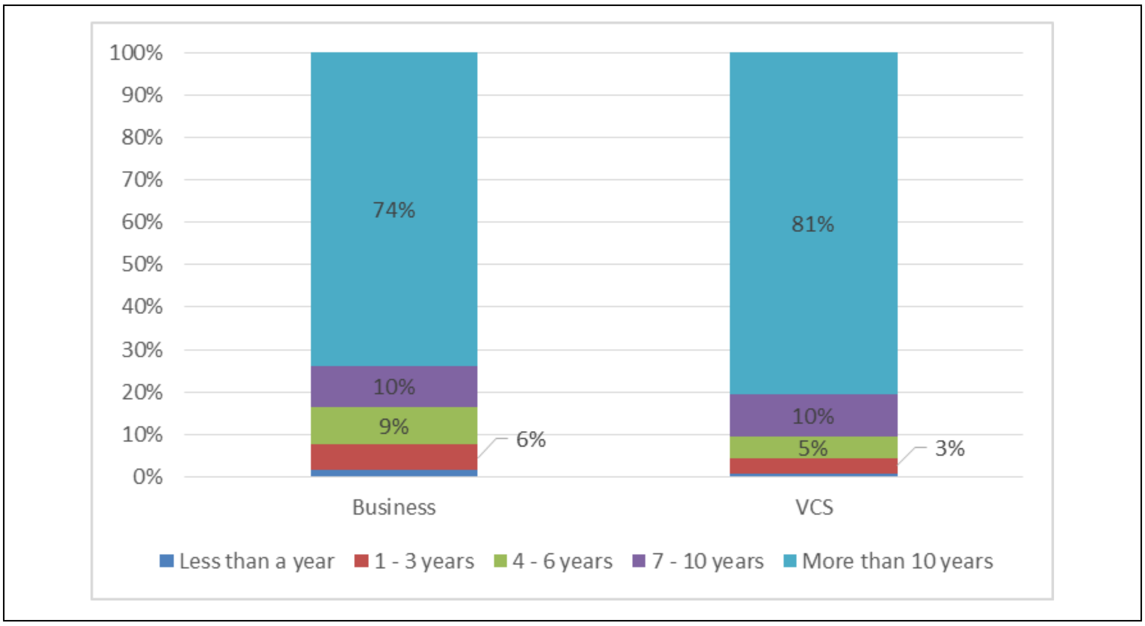
Figure 4.3: Current Business Trading Conditions



Source: SVSRP Business and VCS Survey 2014.

4.13 The local area is home to many long-standing businesses. Some 74 per cent of businesses and 81 per cent of VCS organisations have been trading/operating for more than ten years, with 2 per cent of firms being new starts (i.e. within the past twelve months) and a further 6 per cent having been trading for between one and three years. There have been proportionately fewer “new entrants” into the VCS arena, with 1 per cent of organisations having begun operations in the past twelve months and a further 3 per cent being set up between one and three years ago.

Figure 4.4: Business and VCS Length of time Operating in Local Area



Source: SVSRP Business and VCS Survey 2014.

Confidence and Satisfaction Levels

4.14 Some 49 per cent of businesses and 64 per cent of VCS organisations rated the local area as being a good or very good place to run a business or organisation (the overall figure was 54 per cent, up from 40 per cent in 2010). Similarly, 21 per cent of businesses described the local area as being a poor or very poor place to run a business, compared to just 12 per cent of VCS organisations which described the local area as being a poor or very poor place to run their organisation. This suggests that some businesses have a less positive view of their local area than they do about their own business prospects.

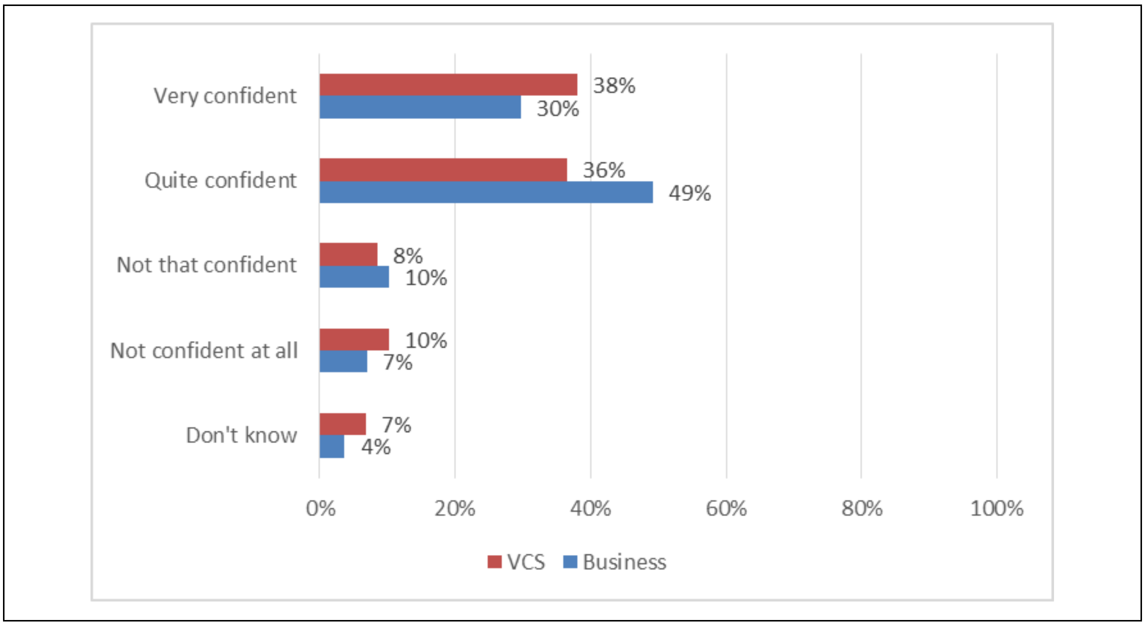
4.15 Some 48 per cent of businesses described the local area as being a good or very good place to visit for a day out, compared to 59 per cent among VCS organisations (the overall figure was 52 per cent, slightly below the 53 per cent recorded in 2010). Just under 30 per cent of firms stated that the local area was a poor or very poor place to visit for a day out, compared to 15 per cent of VCS organisations.

4.16 Businesses were, on average, more positive about their local area as a place to work, with 57 per cent describing it as good or very good. Again, this figure was higher among VCS organisations (64 per cent), whilst few

VCS organisations described the local area as a poor or very poor place to work (9 per cent, compared to 21 per cent among businesses). Businesses had a particularly unfavourable opinion about the local area as a place to shop (as was the case in 2010), with just 34 per cent describing it as good or very good and 44 per cent describing it as poor or very poor. The equivalent figures for VCS organisations were 54 per cent and 21 per cent, which is a very striking difference in perceptions. The overall percentage selecting “good” or “very good” was 40 per cent (although up on the 21 per cent figure recorded in 2010).

4.17 In spite of the mixed views of businesses about the local area as places to run a business, to visit, work and shop, the vast majority appear to be confident about the future. Some 79 per cent were either fairly confident or very confident about the future, with just 17 per cent not being confident. Some 74 per cent of VCS organisations were confident about the future and 18 per cent that were not confident. Overall, 32 per cent of respondents were very confident about the future, a rise of 10 percentage points on the figure reported in 2010.

Figure 4.5: Business and VCS Confidence in the Future



Source: SVSRP Business and VCS Survey 2014.

4.18 Around 77 per cent of businesses expected to still be located in the local area in five years’ time, with 13 per cent expecting to have either relocated or closed down. Around 72 of VCS organisations expected to be operating in the area in five years' time, compared to just 12 per cent expecting to have relocated or closed down. In 2010, just 61 per cent of respondents (across businesses and VCS organisations believed that they would still be located in the area in 2015). Interestingly, in 2010, VCS organisations were, on average, more confident than businesses, and this position was reversed in 2014. This again may be a reflection of the improvement in commercial trading conditions.

Physical Environment

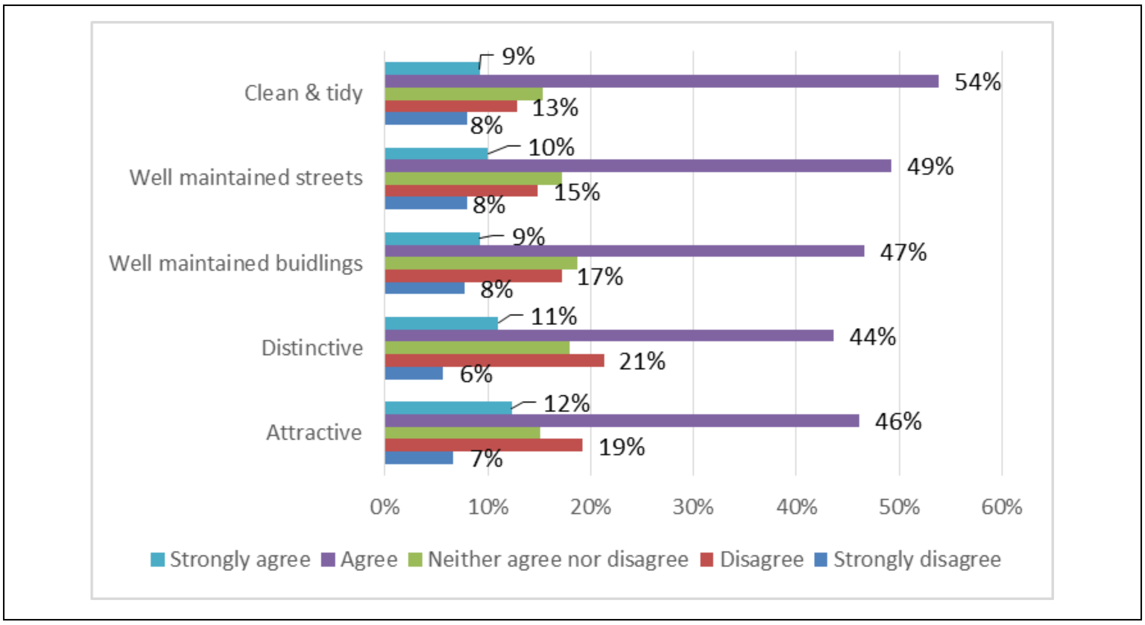
4.19 As with perceptions about the local area's business environment, VCS organisations were by and large more positive about its physical environment and appearance. Around 70 per cent of VCS respondents agreed or strongly agreed that the local area was attractive, compared to 53 per cent of businesses. Just under one-third of businesses disagreed or strongly disagreed that the local area was attractive, compared to just 10 per cent of VCS organisations.

4.20 Similarly, 68 per cent of VCS described the local area as being distinctive, compared to just 49 per cent of businesses. Some 36 per cent of businesses disagreed or strongly disagreed that the local area was distinctive, considerably higher than the 6 per cent of VCS organisations that had the same view.

4.21 Around 64 per cent of VCS organisations agreed or strongly agreed that the local area had well maintained buildings, with just 10 per cent disagreeing or strongly disagreeing. The equivalent figures among businesses were 52 per cent and 31 per cent respectively. Sentiment was similar in relation to maintenance of local streets, although businesses were slightly more positive than they were about maintenance of buildings (56 per cent of firms agreed or strongly agreed that the streets were well maintained, with 28 per cent disagreeing or strongly disagreeing).

4.22 Businesses were most positive about cleanliness and tidiness, with 59 per cent describing the local area as clean and tidy, compared to 28 per cent that disagreed or strongly disagreed. However, perceptions were again more positive among VCS organisations: 71 per cent agreed or strongly agreed that the local area was clean and tidy and just 5 per cent disagreed or strongly disagreed.

Figure 4.6: Business and VCS Description of Town



Source: SVSRP Business and VCS Survey 2014.

4.23 The majority of respondents (59 per cent of businesses and 67 per cent of VCS organisations) did not identify any real change in the local area's physical appearance over the past twelve months. Interestingly, a similar proportion (22 per cent of businesses and 21 per cent of VCS organisations) believed that the appearance of the local area has deteriorated, whilst 19 per cent of businesses identified an improvement (compared to 8 per cent of VCS organisations). The balance of positive/negative views was broadly unchanged from 2010.

4.24 The overall findings, that VCS organisations were more positive about the physical characteristics of their local town, are in line with responses to the 2010 survey.

Severn Valley Economy and Retail Offer

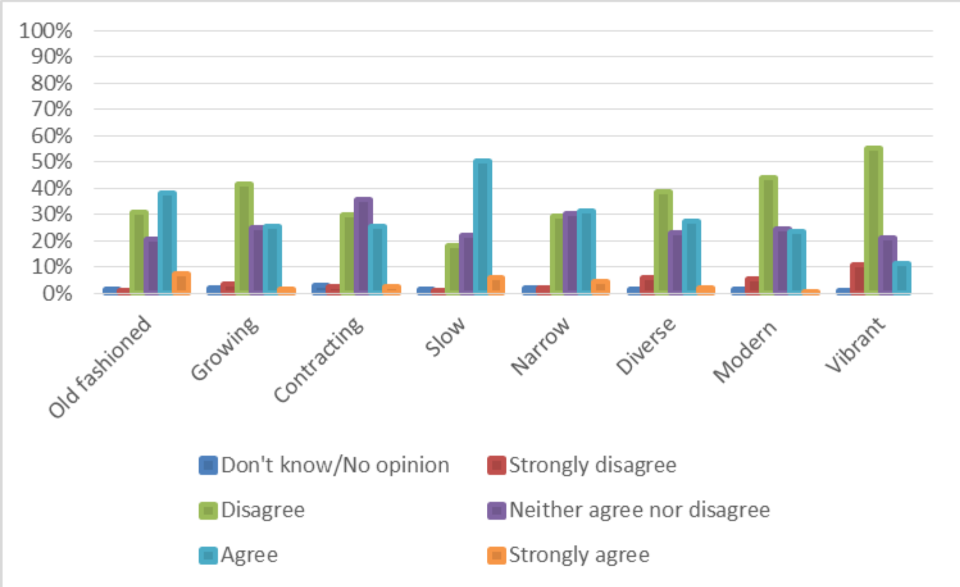
4.25 Around 48 per cent of businesses described the local economy as old fashioned, compared to 40 per cent of VCS organisations. A slightly higher percentage (41 per cent) of VCS organisations disagreed or strongly disagreed that the local area was old fashioned, compared to just 28 per cent of businesses.

4.26 In spite of their broad confidence about their own business prospects, just 30 per cent of firms agreed or strongly agreed that the local economy is growing, with 47 per cent disagreeing or strongly disagreeing. Some 31 per cent of firms described the local economy as contracting. VCS organisations were also less than positive about the local economy: 22 per cent agreeing or strongly agreeing that the local economy is growing, compared to 42 per cent that disagreed or strongly disagreed. Some 21 per cent of VCS organisations described the local economy as contracting.

4.27 The same proportion of businesses and VCS organisations agreed or strongly disagreed that the local economy was “slow” (56 per cent), with just 21 per cent of businesses and 18 per cent of VCS organisations disagreeing or strongly disagreeing. Similarly, 61 per cent of firms and 62 per cent of VCS organisations described the local economy as “narrow”.

4.28 Perceptions of the local economy as diverse, modern and vibrant were also negative on balance. Just 29 per cent of businesses and 31 per cent of VCS organisations agreed or strongly agreed that the local economy is “diverse”, compared to 48 per cent of businesses and 36 per cent of VCS organisations that disagreed or strongly disagreed. Around 22 per cent of businesses and 28 per cent of VCS organisations agreed or strongly agreed with the description of the local economy as “modern”, compared to 52 per cent of businesses and 43 per cent of VCS organisations that disagreed or strongly disagreed. Lastly, just 12 per cent of businesses and 10 per cent of VCS organisations described the local economy as being “vibrant”, with around two-thirds of businesses and 70 per cent of VCS organisations disagreeing or strongly disagreeing that the local economy is modern. Overall, these perceptions are broadly in line with the results of the 2010 survey.

Figure 4.7: Business and VCS Views on the Economy



Source: SVSRP Business and VCS Survey 2014.

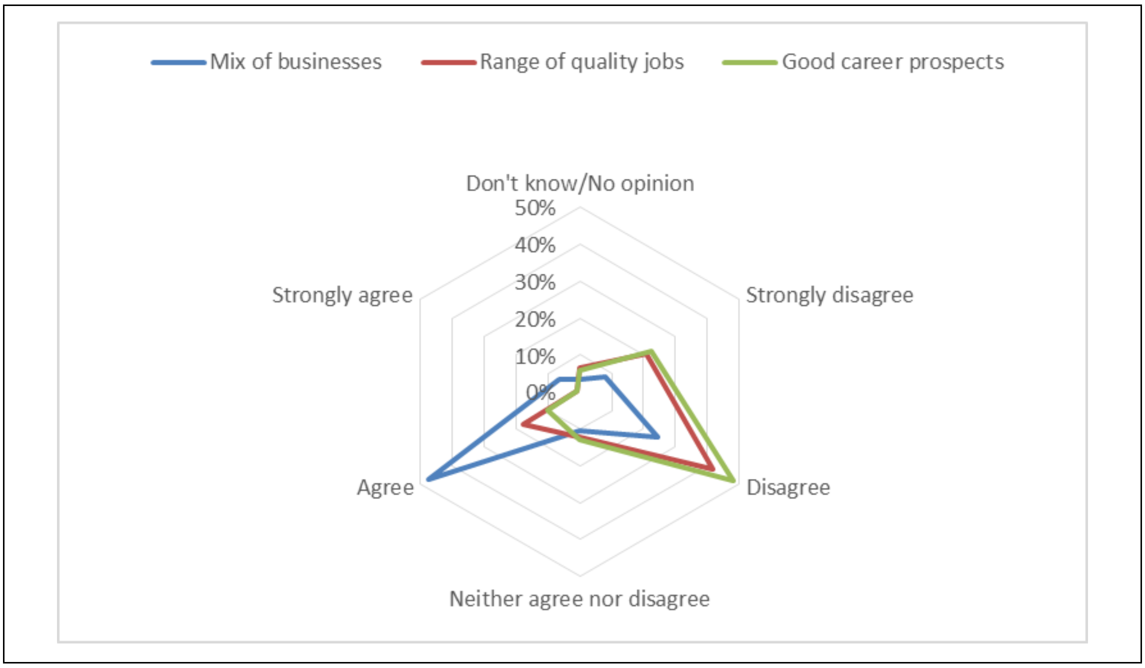
4.29 The Business base and VCS community expressed concerns about the local labour market. Just 23 per cent of businesses and 6 per cent of VCS organisations agreed or strongly agreed that there is good range of quality jobs in the local area, compared to 56 per cent of businesses and 77 per cent of VCS organisations that disagreed or strongly disagreed. However, this reflects an upturn in sentiment among businesses (the equivalent figure in 2010 was just 13 per cent) and a downturn among VCS organisations (the 2010 figure was 18 per cent).

4.30 In line with above, just 15 per cent of firms agreed or strongly agreed that the local economy provides good long-term career prospects. Among VCS organisations the figure was even lower (5 per cent). Two-thirds of businesses and 80 per cent of VCS organisations disagreed or strongly disagreed that the local area was a good place to build a career.

4.31 In contrast to the perceptions of the labour market, 58 per cent of businesses agreed or strongly agreed that the local economy contains a good mix of businesses (excluding retail, which is examined below), although this figure was much lower among VCS organisations (42 per cent). Some 29 per cent of businesses and 39 per cent of VCS organisations disagreed or strongly disagreed.

4.32 These findings are similar to those in 2010: businesses and VCS organisation are more positive about the range of businesses in the local economy than they are about the quality of jobs, and they are even more pessimistic about the potential for people to build a long-term career in the local area.

Figure 4.8: Business and VCS Views on the Business Base and Labour Market



Source: SVSRP Business and VCS Survey 2014.

4.33 Around 47 per cent of businesses and 37 per cent of VCS organisations described the range of shops in the local economy as good or very good. This marks a positive shift in opinion for businesses, and a downward shift for VCS organisations from 2010, when the figure for businesses was 25 per cent and for VCS organisations it was 47 per cent. Some 34 per cent of businesses and 41 per cent of VCS organisations that described the retail offer as poor or very poor in 2014.

Local Engagement

4.34 A small proportion of businesses (18 per cent) and an even smaller proportion of VCS organisations (6 per cent) believed that they are able to influence local decisions. These figures are well below those reported in 2010 (36 per cent and 55 per cent respectively). Around 47 per cent of businesses and 58 per cent of VCS organisations stated that they were unable to exert any influence on local decision makers. It is worth noting that the level of engagement/influence in local issues in 2010 was very high, particularly among the VCS, and the 2014 figure, whilst much lower, is more common with areas outside the Severn Valley.

4.35 However, there was no great appetite for greater involvement in decision making generally, with 78 per cent of businesses and 83 per cent of VCS organisations stating that their desire to be involved very much depends upon the specific issue in question. There appeared to be a greater appetite for involvement in 2010 (37 per cent of businesses and 44 per cent of VCS organisations stated that they would like to be more involved generally).

4.36 Just 28 per cent of businesses and 3 per cent of VCS organisations were aware of a public consultation event that had taken place during the past twelve months (down from 49 per cent and 24 per cent respectively in 2010). Awareness was greatest of consultation events in relation to the Newtown Bypass and installation of windfarms. Around one-third of businesses and just 7 per cent of VCS organisations stated that they were kept well informed about local issues (compared to 42 per cent and 26 per cent respectively in 2010).

4.37 A minority of businesses and VCS organisations believed that the public sector has been active in regenerating the local economy over the previous twelve months. As in 2010, this awareness was highest among businesses in relation to Powys Council (17 per cent of firms stating that the Council had been active or very active), followed by Welsh Government (12 per cent) and the EU (7 per cent). Among VCS organisations, awareness was highest about regeneration activities of Powys Council (although this figure was just 5 per cent), Welsh Government (4 per cent) and the EU (3 per cent).

In-Depth Interviews

4.38 Following the telephone survey, four businesses and six VCS organisations that had identified awareness of at least two of the SVSRP investments and had agreed to take part in a follow-up interview were contacted to discuss their views of the investments and the local area in more depth. These interviews covered:

- Wider awareness of the SVSRP

- Impacts on the local area
- Further investments required in the local area
- Their own business/organisational needs.

Business Perspectives

4.39 The four businesses included a garage/mechanics, a music store, an accountancy firm and a property developer. Key points are summarised below:

- only one of the businesses knew that the investment(s) were part of a broader regeneration programme, although one other business was aware that European funding was available to regenerate parts of Wales and had assumed that the schemes did not operate in isolation.
- None of the businesses were able to articulate in detail the precise impacts that they believe the schemes have generated, although the key benefit identified by businesses was on the appearance of their local town. Comments included, "the places that have taken advantage of the facelift scheme have improved the visual appeal of the area" and "it has made the place look better". All of the four businesses believed that the local area had improved over the past several years.
- the following future investment priorities were identified as being required in order to make the towns:
    - **better places to run a business:** need to reduce traffic congestion; provide free town centre parking
    - **better places to visit for a day:** need to have a tourist information centre for visitors as they currently have nowhere to go for information; Market Hall (Newtown) is being refurbished and that will help; need to better exploit local tourism assets, including setting up independent craft stalls in the town centres
    - **better places to work:** reduce congestion
    - **better places to shop:** could do with a few more independent shops, but it is difficult starting up; needs to be more variety of shops, not just building societies and charity shops

- **place with higher quality buildings:** refurbishment of the Market Hall (Newtown) will help; some of the buildings do look a bit tired and could do with sprucing up a bit; there are empty shops which would look better if they were filled.

4.40 The businesses all stated that they believed that their towns were attractive and distinctive. In terms of key requirements for their business, the following were identified as being fairly or very important:

- Quality of ICT/broadband
- Environmental sustainability of premises
- Ease of commuting to premises (car or public transport)
- Staff access to local services during the day
- Rental costs (for those not owning their own premises).

VCS Organisation Perspectives

4.41 The six VCS organisations included a nursing home, a nursery, a charity shop, a transport club, a not-for-profit book store and the local branch of a major UK-wide charity. Key points are summarised below:

- two of the organisations knew about the business parks and the improvements to run down properties, and that they were part of a wider regeneration programme, but none were aware that the town centre improvements were part of the programme.
- as with the businesses, none of the organisations were able to articulate in detail the precise impacts that they believe the schemes have generated, although the key benefit identified was that the local town is now more attractive and pleasant. Comments included, “the improvements have made the town a little more attractive to people”, “looks a lot more attractive and presentable, particularly the pavements and roads”, “it lifts my mood when I go and visit businesses as it just feels nicer”.
- the following future investment priorities were identified as being required in order to make the towns:
  - **better places to run a business and to work:** roads need to be better; developing the area around Tesco (in Welshpool) would make the town look more attractive for businesses, employees

and visitors; superfast broadband would make a difference; need a bypass (Newtown); need more parking spaces and lower charges.

- **better places to visit for a day:** reduce traffic congestion; improve the retail offer; advertise events better.
- **better places to shop:** shops need to be occupied and no duplication of shops - there needs to be variety; there has been talk of some big retailers coming into the area, like Next, and that would make a difference as it would bring people in from elsewhere; reduce number of charity shops.

4.42 The organisations all stated that they believed that their towns were attractive and distinctive and had good quality public realm (including buildings). In term of key requirements for their organisations, the following were identified as being fairly or very important:

- Quality of ICT/broadband
- Co-location of other organisations/businesses (conscious of impact of too many similar types of organisations or competitors)
- Environmental sustainability of premises
- Ease of commuting to premises (car or public transport) and parking
- Staff access to local services during the day
- Accessibility for disabled people
- Rental costs (for those not owning their own premises).

Conclusions

4.43 Businesses are mostly positive about current trading conditions, with the vast majority (and considerably more than in 2010) describing a positive trading environment, possibly reflecting a general upturn in the economy). Businesses in Llanidloes were most positive on the whole and Welshpool the least positive. This may reflect the specific markets that firms are operating in (eg. concerns among manufacturers, which are mostly located in Welshpool and Newtown) about the strength of export markets, contrasted with a pick-up in consumer spending, reflected in stronger sentiment among retailers and businesses serving local consumer markets).

4.44 In 2010, VCS organisations were, on average, more confident about future prospects than businesses, and this position was reversed in 2014. This again may be a reflection of the improvement in commercial trading conditions.

4.45 The business base and VCS community expressed concerns about the local labour market, in relation to the range and quality of jobs in the local area (although there was an upturn in sentiment among businesses, compared to 2010), with very few firms and VCS organisations believing that the local economy provides good long-term career prospects.

4.46 In contrast to the perceptions of the labour market, a much higher proportion of businesses agreed or strongly agreed that the local economy contains a good mix of businesses (excluding retail). These findings are similar to those in 2010: businesses and VCS organisations are more positive about the range of businesses in the local economy than they are about the quality of jobs, and they are even more pessimistic about the potential for people to build a long-term career in the local area.

4.47 A much smaller proportion of businesses and VCS organisations believe that they are able to influence local decisions than in 2010. However, there was no great appetite for greater involvement in decision making generally, with the vast majority stating that their desire to be involved very much depends upon the specific issue in question.

5 Programme Progress and Impact

Programme Progress

SVSRP Overview

5.1 The SVSRP is a £5.4m programme of physical infrastructure investments in and around the towns of Llanidloes, Newtown and Welshpool, in the county of Powys. The programme, which commenced in April 2009 and came to an end in July 2014, is intended to improve the built environment and bring derelict land and buildings back into economic use in order to contribute towards making Newtown, Welshpool and Llanidloes better places to live, work, shop and visit.

5.2 SVSRP was designed and is being delivered by a partnership involving Welsh Government and Powys County Council. The programme is part funded through EU funds (Competitiveness ERDF Priority Four, Regeneration for Growth) with the remaining funding provided by Welsh Government, Powys County Council and private funding. As already mentioned, the SVSRP consists of three distinct schemes, each of which has now been completed. These are:

- site development and servicing: provision of utilities, access and infrastructure at the Offa's Dyke Business Park (Welshpool) and the Abermule Business Park (Newtown).
- Severn Valley built heritage scheme: physical renovation of specific run down properties, and bringing back into use derelict properties.
- Severn Valley environmental enhancement scheme: capital investment in the three town centres of Welshpool, Newtown, and Llanidloes in order to physically improve the built environment (pavements, street furniture etc).
- The original business plan identified the refurbishment of Newtown Market Hall as a potential phase 2 project but due to limits on the availability of ERDF funding it was not possible to pursue this under the umbrella of the SVSRP.

5.3 The SVSRP therefore encompasses two broad types of physical infrastructure investments:

- Capital projects - site development in order to bring vacant land into economic use and refurbishment of mostly vacant or derelict properties to bring mostly vacant or derelict land and buildings back into economic use.
- Public realm - improving the quality of the built environment, streetscape and the quality of physical infrastructure.

SVSRP Objectives

5.4 The SVSRP aimed to deliver a single regeneration programme to support the objectives of the Central Wales Sustainable Regeneration Framework, which aims to:

- create economically competitive, socially inclusive and sustainable communities where people will want to invest, live work and visit both now and in the future
- tackle the issues of deprivation within the Severn Valley, focusing on inactivity, improving degraded environments and reflecting and sustaining the physical character of its main settlements
- ensure the engagement of communities by securing their commitment in order to engender the long term success of regeneration initiatives
- promote interventions which develop and sustain economic activity in deprived communities linked to wider markets, and provide opportunities for all parts of the community.

SVSRP Rationale

Investment in Business Sites and Refurbishment of Business Premises

5.5 The availability of particular forms of business accommodation helps to create, maintain and grow key sectors that are vital to the performance and future prospects of local economies. Removing site specific and area wide development constraints can help to achieve uplift in economic growth. These development constraints can prevent or inhibit development that is of local importance and restrict the ability of the market to recycle reused land or ensure that land is used more rationally.

5.6 Investment can be justified on equity grounds. In many parts of the Severn Valley, there is a fundamental viability gap between demand (and the values that can be achieved as a result of this demand) and the costs of development. This does not represent market failure, although demand conditions may be weakened as a result of economy wide path dependency failures (in which local economies are locked in a low value equilibrium).

5.7 The rationale for public sector intervention with regards to refurbishment of premises derives from the negative externality as a potential source of market failure. A negative externality occurs where an activity or transaction imposes an external cost to others not involved in the activity or transaction. In this case the owners of the key sites allow their commercial premises to become run down, which will affect not only the price of their own property, but also those of neighbouring premises. The respective owners of sites will therefore not bear the full cost of their inactivity (to maintain their premises), with neighbouring owners bearing costs as well resulting in lower property prices in the entire vicinity.

Investment in Public Realm

5.8 A high quality public environment can have a significant impact on the economic life of town centres and is an essential part of any successful regeneration strategy. As towns increasingly compete with one another to attract investment, the quality of the public realm is increasingly regarded as a vital business and marketing tool. Companies are attracted to locations that offer well designed, well-managed public places and these in turn attract customers, employees and services.

5.9 The market failure rationale for public sector intervention with regards to the public realm derives from two potential sources of market failure: a) public goods – there is little incentive for the private sector to invest in the provision of public realm and without intervention it would be provided in a quantity which is below the optimal level from the point of view of society as a whole; b) externalities – positive externalities arise from investment in the public realm. These external benefits fall outside of the price mechanism meaning that without intervention, the market will produce a less than optimal quantity of investment in the public realm.

5.10 There are six potential benefits of investment in public realm:

- attracting business
- increasing land/property values
- attracting visitors
- increasing tourism
- improving productivity
- enhancing image.

SVSRP Scale

5.11 The total funding made available for the SVSRP is £5.39 million. This includes £2.86 million from the East Wales 2007-13 ERDF Competitiveness & Employment Programme and £2.53 million of domestic funds from Welsh Government and Powys County Council. Planned and achieved ERDF outputs of the SVSRP are shown below:

Table 5.1: SVSRP Outputs

Measure	**Target**	**Achieved (subject to audit)**
Regeneration Scheme	1	1
Premises Created or Refurbished	1,300 m^2	1,381m^2
Jobs Accommodated	10	14.5
Enterprises Accommodated	4	5
Gross Jobs Created	7.5	19.6

Source: SVSRP Revised Business Plan (2013) and Monitoring Report (July 2014).

5.12 The Built Heritage scheme has delivered 1,300m^2 of refurbished premises and the Environmental Enhancement schemes have delivered town centre investments in Welshpool, Newtown and Llanidloes, with a further initiative focussing on two ancient monuments in Welshpool. It is not possible to say precisely how much square metreage of streetscape has been refurbished.

Cross-Cutting Themes

Equal Opportunities

5.13 The Project sought to ensure that the beneficiaries, irrespective of their race, nationality, ethnic or national origin, religion or belief, gender, disability, marital status, sexual orientation, gender identity and age would have equal and fair access to the projects outputs. Therefore, a regularly updated Equality Impact Assessment (EIA) was undertaken to assess the impact of each strand of the programme.

5.14 For example, at Abermule Business Park, a bus lay-by was put in which will connect with existing Abermule bus services once the business park is occupied. This will give connectivity to a wide number of user groups who may not have their own transport. A shared use cycle/footpath links the site directly to the village with accessible crossing points with dropped kerbs and tactile surfaces for all user groups. Internal estate footpaths all have safe crossings with dropped kerbs and tactile surfaces for all user groups.

5.15 In addition, EIAs were undertaken during the 2010 baseline work and the 2014 evaluation to ensure that residents were given as much opportunity as possible to participate in the survey exercise

Environmental Sustainability

5.16 All construction and refurbishment projects have an impact on the physical environment which can be both positive and negative. To monitor this impact, regular quarterly reports were produced on how sustainable development was being addressed throughout the project term.

5.17 For example, the two business sites incorporated SUDS (Sustainable Drainage Systems) which are designed to reduce the potential impact of development with respect to surface water drainage. The Environmental Enhancement Schemes used recycled materials where possible. The Built Heritage Scheme by its very nature helped the continued economic use of historic buildings.

Welsh Language

5.18 The area’s cultural identify is in part due to the influence of the Welsh Language. The programme sought to ensure that all associated activities and printed material (i.e. signage, interpretation boards, information leaflets, publicity) was produced bilingually and the evaluation survey participants were in 2010 and 2014 were able to carry out the survey in Welsh or English.

Awareness and Impact of SVSRP Investments

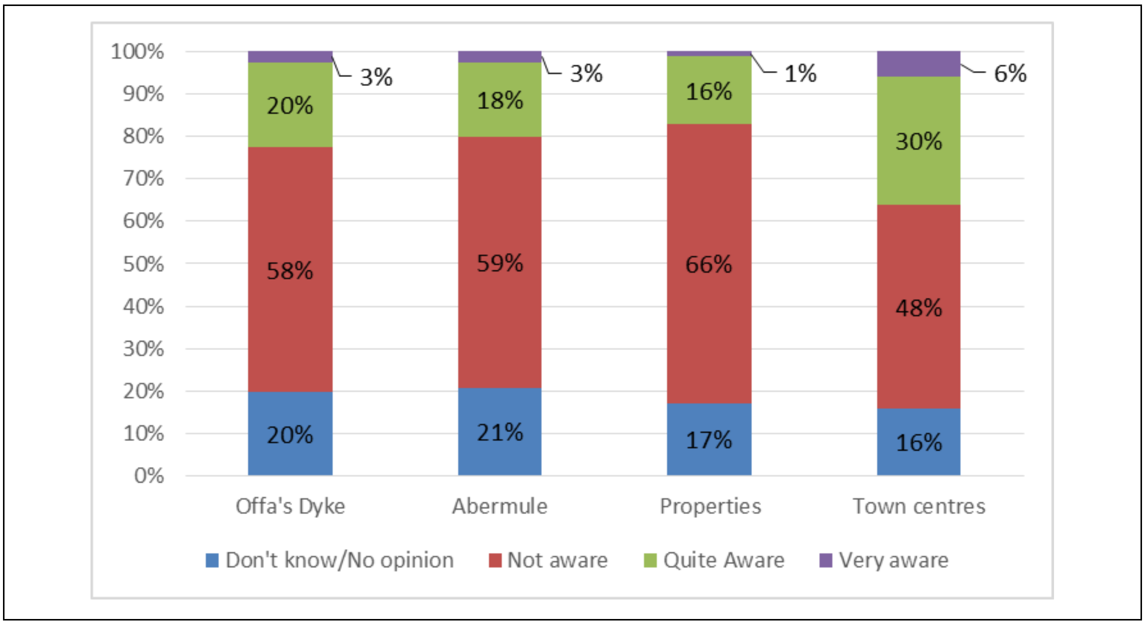
Perceptions of Residents

5.19 Around 23 per cent of residents were aware of the Offa's Dyke Business Park investment, with 58 per cent of residents being unaware and 19 per cent having no opinion. Awareness was highest among residents in Welshpool (28 per cent) and Llanidloes (26 per cent). Awareness of Abermule Business Park was slightly lower overall (20 per cent of residents), and was highest in Llanidloes (25 per cent) and Newtown (22 per cent). Some 60 per cent of residents were unaware of the Abermule investment.

5.20 Around 16 per cent of residents were aware of improvements to rundown properties funded by the SVSRP built heritage scheme, and awareness was highest in Llanidloes (22 per cent). Two-thirds of residents were not aware of the scheme or the investments it had supported.

5.21 As might be expected given the location of the survey interviews and the target market, awareness was highest of the improvements to town centres funded by the SVSRP environmental enhancement scheme. Around 36 per cent of residents were aware of improvements that had taken place, although awareness was considerably higher in Llanidloes (67 per cent) than in Newtown (33 per cent) and Welshpool (22 per cent). Still, just under half of residents were unaware of any town centre environment improvements undertaken.

Figure 5.1: Resident Awareness of SVSRP Investments

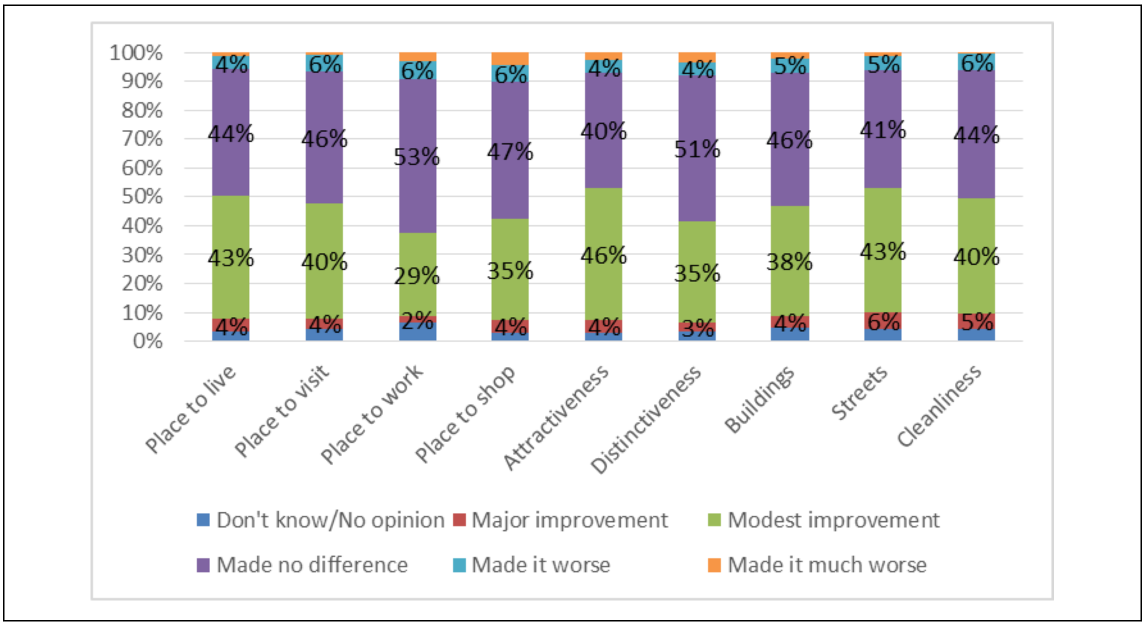


Source: SVSRP Residents Survey 2014.

5.22 Among those residents who were aware of at least one of the investments described above, the largest impacts were perceived to be on the towns as being attractive (50 per cent overall identifying a modest or major improvement, rising to 66 per cent in Llanidloes), having well maintained streets (49 per cent overall, rising to 66 percent in Llanidloes, although just 36 per cent in Newtown), as places to live (47 per cent, including 56 per cent in Llanidloes and just 35 per cent in Newtown), as places to visit for a day out (43 per cent, rising to 51 per cent in Welshpool and again being lowest in Newtown at 35 per cent), and as having well maintained buildings (42 per cent – and around 47 per cent each in Newtown and Welshpool, and just 34 per cent in Newtown).

5.23 In spite of general concerns about the quality of the local retail offer, 40 per cent of these residents believed that the scheme has improved the towns as places to shop. The figures were 45 per cent in Llanidloes, 44 per cent in Welshpool and 31 per cent in Newtown

Figure 5.2: Resident Views on Impact of SVSRP Investments



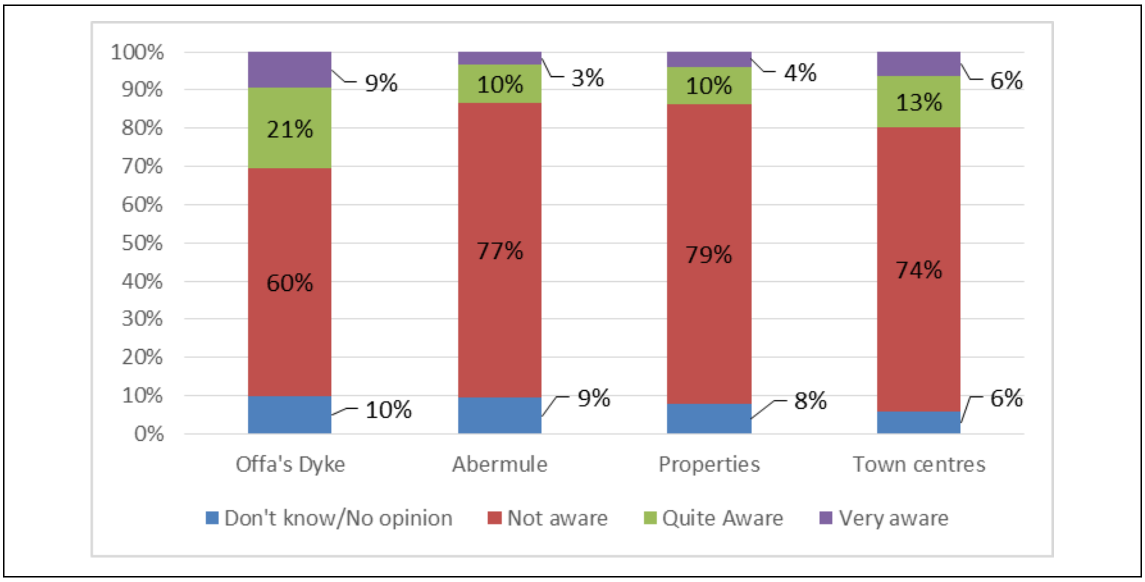
Source: SVSRP Business and VCS Survey 2014.

Perceptions of Businesses and Voluntary Organisations

5.24 Some 36 per cent of businesses were aware of the Offa's Dyke Business Park investment. However, 54 per cent were unaware. This compares to 17 per cent of businesses that were aware of the Abermule Business Park scheme and 74 per cent that were not aware of it. Around 18 per cent of firms were aware of refurbishments to rundown commercial properties under the SVSRP built heritage scheme (74 per cent unaware), with 25 per cent of firms aware of improvements to town centres under the environmental enhancement scheme (70 per cent unaware).

5.25 Among VCS organisations, awareness was highest of the Offa's Dyke Business Park scheme (18 per cent) and awareness of the other investments was very low: town centre improvements (8 per cent); Abermule Business Park and refurbishment to commercial property (3 per cent each). The graph below details average awareness across businesses and VCS groups.

Figure 5.3: Business and VCS Awareness of SVSRP Investments

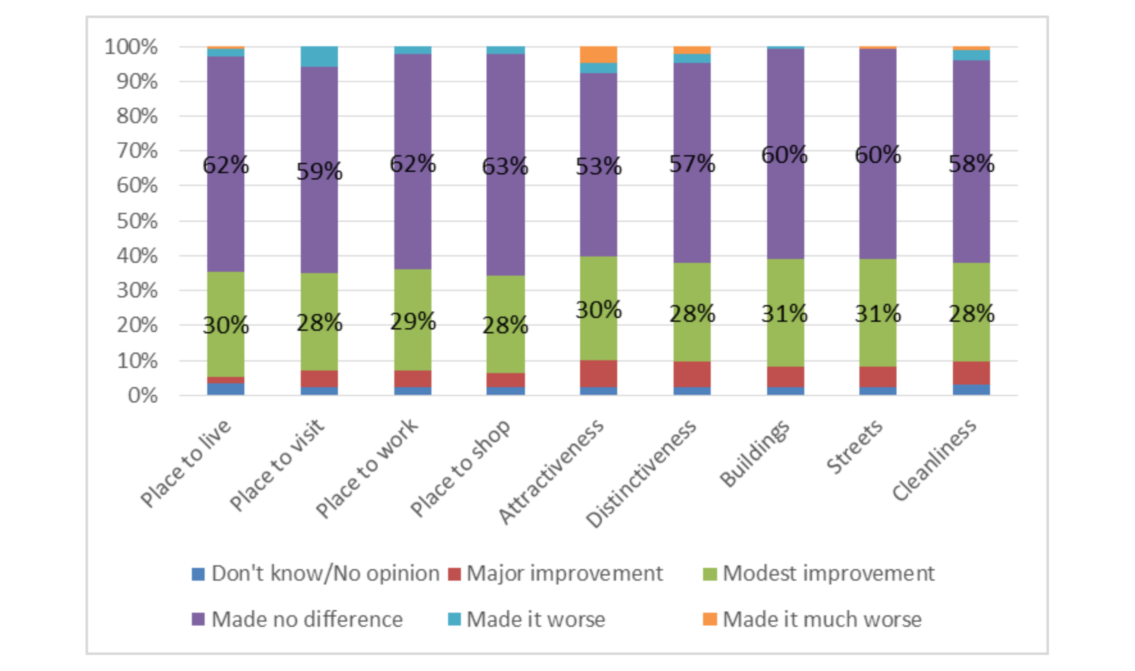


Source: SVSRP Residents Survey 2014.

5.26 Among those businesses that were aware of at least one of the investments described above, the largest impacts were perceived to be on the towns as being attractive places and as having well maintained buildings (41 per cent identifying a modest or major improvement), as being distinctive and having well maintained streets (39 per cent each), being a clean/tidy place and a good place to work (37 per cent each), being a good place to run a business (36 per cent) and being a good place to visit and shop (35 per cent each).

5.27 Among VCS organisations, a smaller proportion of respondents were able to identify impacts than their business counterparts. The largest impacts were perceived to be on maintenance of streets and cleanliness/tidiness of the towns (modest or major improvements identified by 23 per cent or respondents on each measure). Major or modest improvements in the attractiveness of the towns were identified by 19 per cent of respondents, with 15 per cent identifying improvements to each of the following: the local retail offer; places to work; and distinctiveness. Just 12 per cent of respondents could identify improvements in the local area as a place to run a business and to visit.

Figure 5.4: Business and VCS Views on Impact of SVSRP Investments



Source: SVSRP Business and VCS Survey 2014.

SVSRP Economic Impact

5.28 In order to estimate the impact of a publicly funded investment (whether it be physical infrastructure, business support or employment and training support), the following factors need to be considered:

- **Deadweight:** the proportion of total impacts that would have been secured even had the SVSRP never been implemented
- **Displacement:** the proportion of impacts that reduce impacts elsewhere in the SVSRP area
- **Leakage:** the proportion of impacts that benefit those outside the SVSRP area at the expense of local businesses or residents
- **Multiplier:** the further economic activity (jobs, expenditure or income) stimulated due to the additional income and impact of the spending of this income
- **Substitution:** a negative effect that arises when a firm substitutes a jobless person to worker to take advantage of public sector

assistance. Substitution is very difficult to measure and therefore many evaluations exclude it from impact analysis.

5.29 Net additionality is the final overall additional activity that arises after the original gross changes have been adjusted to take account of the deadweight, leakage, displacement and multiplier effects.

5.30 The standard approach to estimating economic impact is from the “bottom-up” by: a) measuring the change in circumstances of beneficiaries (usually via a survey of a sample of them); b) converting these gross changes to net changes using information provided by the beneficiaries in order to calculate the additionality ratios; and c) grossing up these impacts based on the overall number of beneficiaries supported. Because there are no direct beneficiaries recorded by the SVSRP output schedule, it has not been possible to capture information on the changing circumstances of such beneficiaries.

5.31 In this case, the business and job outputs that the SVSRP is expected to generate are indirect (i.e. firms that will move into refurbished business premises once the construction work has been completed) and additional businesses and spending that is drawn into the local area due to it being a more attractive place to run a businesses and to visit.

5.32 We therefore do not have beneficiary evidence upon which to generate impact estimates. In order to generate estimates of economic impact, we need to make a number of simplifying assumptions in relation to the:

- Date when the enterprises would locate in the space provided
- Additionality ratios, in order to estimate the:
    - number of enterprises accommodated that would have operated in or located in the refurbished business space without the SVSRP and over what timescale
    - number of jobs accommodated and created that would have happened without the SVSRP
- size of the enterprises accommodated (annual turnover and full-time equivalent employment)
- salary levels of employees.

5.33 The impact estimates are subject to a large uncertainty due to the number of simplifying assumptions that have had to be made in the absence of any data about the enterprises that have been accommodated. They should be viewed as indicative of the potential impact of the SVSRP, rather than evidence of actual impact.

5.34 Our assumptions on average annual turnover and salaries may not be an accurate reflection of the make-up of businesses that locate in the premises and their workforce. In addition, our assumptions about when the refurbishment would have taken place under market conditions are provided as illustrative examples only. We also assume all jobs are full-time, when some may be part time. Lastly, the additionality ratio is based on a best-case scenario.

5.35 There are a variety of scenarios that could be developed to show the range of potential impacts. For simplicity, we have based four scenarios, based on variations in the additionality ratio and when the market would have made the investments, as follows:

a) High Range – 54% additionality (BIS best-practice figure), three year market delay
b) Mid/High Range – 54% additionality, one year market delay
c) Mid/Low Range – 27% additionality (one-half of upper range), three years market delay
d) Low range – 27% additionality (one-half of upper range), one year market delay

5.36 The assumptions about the time that would have elapsed between the SVSRP investment and when the market would have intervened anyway are purely for illustrative purposes, as there is little case study evidence upon which to base firmer estimates. The assumptions are summarised below:

Table 5.2: Economic Impact Assumptions and Calculations

Variable	Assumption (scenario in brackets)	Source/Explanation
Date of occupation of business premises	Mid-2014	Assumes that all refurbished business space were taken up on completion of all programme investments
Additionality ratio	54 per cent (a and b) 27 per cent (c and d)	Assumption of per cent of gross GVA and jobs reported can be attributed to the intervention, following adjustments for deadweight, displacement, leakage etc (BIS Additionality Guidance)
Market forces delay	3 years (a and c) 1 year (b and d)	Number of years before the business space would have been delivered by the market has the public sector not intervened
Gross number of enterprises accommodated	5	Project outputs monitoring information
Gross number of jobs accommodated/created	34	Based on project outputs (jobs accommodated plus jobs created)
Average firm size	7 employees	Assumes firms do not employ any additional workers other than those jobs accommodated or created
Net number of enterprises accommodated	3 (a and b) 1 (c and d)	Per cent of the five enterprises reported by the project would not have found alternative accommodation in the area without the intervention
Average annual turnover of enterprises accommodated	£567,000	Assumes each employee generates annual revenue equivalent to the VAT threshold (£81,000 – source: HMRC)
Total net additional annual turnover of enterprises assisted	*£1,701,000 (a and b)* *£567,000 (c and*	*Median average turnover multiplied by net number of enterprises accommodated*

Table 5.2: Economic Impact Assumptions and Calculations

Variable	Assumption (scenario in brackets)	Source/Explanation
	d)	
Total net additional annual GVA	*£680,400 (a and b)* *£226,800 (c and d)*	Assumes that GVA is 40 per cent of turnover (source:ONS)
Net number of jobs accommodated/ created	*18 (a and b)* *9 (c and d)*	*Average jobs accommodated/created among enterprise accommodated multiplied by net number of enterprises accommodated*
Average annual salary of jobs accommodated or created	£21,549.00	Average annual salary levels in Powys County (source: ONS)
Net annual additional increase in salary	*£387,882 (a and b)* *£193,941 (c and d)*	*Average annual salary levels multiplied by net number of jobs created*
Overall net additional increase in GVA	*£2,041,000 (a)* *£680,400 (b)* *£680,400 (c)* *£226,800 (d)*	*Annual net additional increase in GVA multiplied by market forces time lag*
Overall net additional increase in salaries	*£1,163,646 (a)* *£387,882 (b)* *£581,823 (c)* *£193,941 (d)*	*Annual net additional increase in salaries multiplied by market forces time lag*

Source: Innovas Consulting, SVSRP Business Survey and BIS.

5.37 The estimated total net additional GVA to the local economy under the four scenarios are:

- High Range – net additional GVA of £2,041,000 for the period 2014-17, of which £1,163,646 is net additional salaries. Overall, this would represent a return on investment of 38 pence for every £1 invested. The total net jobs accommodated or created would be 18, an average of £299,500 for every net additional job accommodated/created.

- Mid/High Range - net additional GVA of £680,400 for the period 2014-15, of which £387,882 is net additional salaries. Overall, this would represent a return on investment of 13 pence for every £1 invested. The total net jobs accommodated or created would be 18, an average of £299,500 for every net additional job accommodated/created.
- Mid/Low Range - net additional GVA of £680,400 for the period 2014-17, of which £581,823 is net additional salaries. Overall, this would represent a return on investment of 13 pence for every £1 invested. The total net jobs accommodated or created would be 9, an average of £599,000 for every net additional job accommodated/created.
- Low Range – net additional GVA of £226,800 for the period 2014-15, of which £193,941 is net additional salaries. Overall, this represents a return on investment of 4 pence for every £1 invested. The total net jobs accommodated or created would be 9, an average of £599,000 for every net additional job accommodated/created.

Conclusions

5.38 Awareness of SVSRP investments among residents was highest in relation to improvements to town centres. Out of the two business parks, resident awareness of Offa’s Dyke was higher than that of Abermule, with the lowest proportion of residents being aware of improvement to rundown properties.

5.39 Among those residents who were aware of at least one of the investments described above, the largest impacts were perceived to be on the towns as being attractive, having well maintained streets and as places to live and visit. In spite of general concerns about the quality of the local retail offer, a large minority of these residents believed that the schemes have improved the towns as places to shop.

5.40 More than twice as many businesses were aware of the Offa’s Dyke Business Park as were aware of Abermule, with a higher proportion of businesses being aware of town centre improvements than they were of refurbishments to rundown commercial properties. Among VCS organisations, awareness was highest of the Offa's Dyke Business Park scheme and awareness of the other investments was very low.

5.41 Among those businesses that were aware of at least one of the investments described above, the largest impacts were perceived to be on the towns as being attractive and distinctive places and as having well maintained buildings and streets. Among VCS organisations, the largest impacts were perceived to be on maintenance of streets and cleanliness/tidiness of the towns.

5.42 The estimated indicative total net additional GVA to the local economy is between £193,000 and £1.16 million, a return on investment of between 4 pence and 38 pence for every £1 invested), at an average of between £299,500 and £599,000 for every additional job accommodated/created.

6 Conclusions and Recommendations

Severn Valley Economic Development Priorities

6.1 Drawing on the economic evidence and the perspectives of residents, businesses, VCS organisations and stakeholders, a number of economic development priorities can be identified.

Physical Infrastructure

- Continued investment in town centres
- Invest in better business premises (start-up and grow-on space)
- Investment in NGA broadband
- Road/rail improvements
- Link physical regeneration priorities with tourism offer/opportunities
- Need to align hard (ie. physical investment) and soft (ie. skills, business support) regeneration funds.

Business and Labour Market

- Boost skills, invest in training of people within and outside the workforce and link to business investment opportunities
- Increase inward investment – make Severn Valley an attractive environment for investment – housing, skills, transport, communications, cost, premises
- Tourism is a key industry and should remain a focus for support (eg. through Mid Wales My Way website)

Partnership Working

- Greater focus on cross-border collaboration with English Local Enterprise Partnerships bordering Wales (links with English regions have become weaker since the closure of English RDAs)
- Reinvigorate mid-Wales business forums and work much more closely with Powys County Council; too many small representative groups at present (ie. business groups too fragmented) and most have lost traction/impetus.

Recommendations

6.2 The 2014-20 European Structural Fund programme period provides much less scope for investment in physical infrastructure in

Competitiveness and Employment areas than the 2007-13 programme period (although investment in broadband infrastructure and business incubation space is still eligible activity). Therefore, the potential to use ERDF to part-fund physical regeneration overall is greatly reduced. The recommendations that follow therefore focus on making the best use of the more limited ERDF capital available and on maximising the local economic benefit of domestic funding streams focusing on physical infrastructure investment. The recommendations are:

Recommendation 1: Ensure key transport infrastructure investments are made to ease congestion and open up new sites

6.3 **What is the issue?** The A483/A489 at Newtown forms an important part of the Welsh North-South and East-West trunk road network. It also links mid Wales to the West Midlands. Newtown has long been a "pinch point" on the network and the junction of the A483 and A489 regularly suffers from traffic congestion. This congestion, as well as further congestion in the town centre, is constraining investment, business creation and growth in the local economy and is having a detrimental effect on the local area as a place to run a business, work, visit and shop, as illustrated by the evaluation survey findings. In addition, better road connectivity is needed with the West Midlands, whilst rail links to the main economic centres in south Wales also need improving.

6.4 **What is the solution?** A range of transport initiatives are required:

- Construction of the A483/A489 Newtown Bypass, as well as smaller targeted improvements to tackle congestion points and improve the efficiency of the network, including improvements to address the A483 Newtown town centre congestion. This will improve the quality of life for the people of Newtown, improve journey times and safety along the A483 and A489, as well as opening up the local economy. In March 2013, a contractor was selected to construct the 3.4 mile bypass around Newtown and in April 2014 the proposed route was published for local consultation. Construction of the bypass is due to start in summer 2015 and to be completed by 2017, subject to any objections or public enquiry. It is vital that local partners continue to work to make the case for the investment in order to keep to the current planned timetable for the works.

- Development of plans to link up the Severn Valley are with the M54 in the West Midlands to promote cross-border connectivity and economic linkages and to further open up the local economy to new business investment and tourism.
- Further investment in the rail network to enhance linkages to Cardiff and other key economic centres in south Wales, to maximise the impact of more frequent services now being introduced.
- Identification of potential development sites on the route of the Newtown Bypass and other potential transport links.

6.5 **Who needs to be involved?** Town and Community Councils, Powys County Council, Welsh Government, train companies, private developers.

Recommendation 2: Support local businesses, organisations and consumers to maximise use of new Superfast Cymru broadband infrastructure

6.6 **What is the issue?** The introduction of a local fibre-optic broadband infrastructure to the Severn Valley area as part of the Superfast Cymru fibre-to-the-cabinet project has the potential to improve the economic competitiveness of the local area. Newtown and Welshpool are both due to be connected in September 2014 and Llanidloes in December 2014. The roll-out of high-speed services could have a major impact on the delivery of local services in areas such as transport, housing, health and education and has the potential to generate significant social benefits.

6.7 Increased GVA and household savings could generated by: businesses developing new services; firm level cost savings and efficiencies from innovations facilitated by new technology and lower transactions and purchase costs; and household level cost savings and efficiencies resulting from access to enhance online shopping capability and other key online services. However, maximization of these potential impacts requires adoption of online services by businesses, VCS bodies, the public sector and households.

6.8 **What is the solution?**

- Development and delivery of public services online, including: educational resources; healthcare (eg. remote monitoring, diagnostics, medication reminders in people's homes, GP surgeries etc); co-ordination of emergency services; and community services and engagement.
- Development of a range of complementary initiatives to encourage e-adoption among business and communities and/or boost IT skills among residents and employees.
- Connecting the "last mile" (from the telecoms exchange to the premises) to the network for those parts of the Severn Valley which are not covered by Superfast Cymru, via the Access Broadband Cymru scheme, which provides grants up to a maximum of £1,000 per premise in Wales to connect individuals, businesses, third sector organisations and communities suffering from slow broadband connections and that will not be able to access the Superfast Cymru network.

6.9 **Who needs to be involved?** Town and Community Councils, Powys County Council, Welsh Government, BT, Internet Service Providers (ISPs), public sector bodies including the NHS and emergency services.

Recommendation 3: Ensure Severn Valley area is encompassed in new spatial regeneration areas

6.10 **What is the issue?** The SVSRP investments have had some notable benefits on the local towns, particularly their attractiveness, distinctiveness and general appearance. However, the survey findings and feedback from stakeholders has identified a need for further investment in the town centres, in business premises (especially start-up and grow-on space), in telecoms and transport infrastructure. The ongoing appropriateness of the current SVSRP area as a geographical focus for physical regeneration should be discussed.

6.11 **What is the solution?** Investigate the potential for the Severn Valley to secure funding as part of the Powys Local Growth Zone to fund vital physical infrastructure investments, and investigate the potential for introducing other spatially focussed initiatives. This could include examining the potential for:

- local Business Improvement Districts (BID), which are defined area within which businesses pay an additional levy to fund infrastructure projects within the district's boundaries and can also draw on other public and private funding streams. BIDs provide services, such as cleaning streets, providing security, making capital improvements, construction of pedestrian and streetscape enhancements, and marketing the area. Work is already underway to develop a BID in Welshpool and the potential for BIDs in Newtown and Llanidloes should also be investigated.
- a specific focus on the Severn Valley area within the Powys Local Growth Zone.

6.12 **Who needs to be involved?** Town and Community Councils, Powys County Council, Welsh Government.

Recommendation 4: Gap fund provision of employment land and SME premises

6.13 **What is the issue?** The shortage of suitable business floorspace for SMEs in the Severn Valley is well documented. The lack of immediately available, purpose-built accommodation is a clear constraint to the creation of new businesses and in particular those in high value, knowledge based sectors. Gap funding development projects and bringing forward public land will help to increase the resilience of the economy and place it in a better position to benefit from wider economic growth.

6.14 **What is the solution?** Support for developers with a commercial or industrial development opportunity which is currently financially unviable. Schemes can include major employment sites, leading-edge science and business parks that provide incubator and grow-on space and small industrial units. Any proposals must be in line with State Aid and De Minimis regulations (eg. refurbishment of properties can be carried out by the private sector under De Minimis, but major site works would have be delivered by the public sector). Types of uses of funds could include:

- Preparing land for development (e.g. site investigation, remediation, reclamation, decontamination and demolition)
- Constructing or refurbishing buildings, including to meet the special needs of the establishments that will take occupation
- Marketing, letting and disposing of units.

6.15 **Who needs to be involved?** Town and Community Councils, Powys County Council, Welsh Government, private developers.

Recommendation 5: Develop a local enterprise programme which links hard and soft regeneration activities

- **What is the issue?** Whilst the Severn Valley area has high rates of economic activity and low rates of unemployment, there are some pockets of deprivation in Newtown and Welshpool. In addition, GVA per work and per head in the Severn Valley is lower than the average for Powys, which in turn is below the average for Wales as a whole, as is value added per worker. Much of Powys, and in particular the Severn Valley, is too distant from the main employment centres to benefit from the more buoyant urban economies and the lack of labour market opportunities is resulting in out-migration of young people in particular.

6.16 **What is the solution?** Development of a local enterprise programme which would seek to increase entrepreneurial activity, support the sustainable growth of locally owned businesses and to attract appropriate inward investment, making use of local labour resources. Such a scheme would seek to link up “hard” and “soft” economic development funds.

6.17 This would be consistent with, and could support an expansion of, the "Sirolli" model of community-based economic development, which is being taken forward in and around Newtown to support new business start-ups by nurturing local people through mentoring and enterprise facilitation. Types of activities supported could include:

- support for young people, including school based and outreach activities involving raising awareness of enterprise and inspiring young people to consider enterprise as a viable future option, linking to work experience.

- interventions aimed at residents currently not in work, covering outreach and training work to engage with the hard to reach and aid them in obtaining employment.
- encouragement of enterprise of residents both in work and out of work – engaging with those in the community and helping to raise their awareness of enterprise and develop business ideas to turn into start-ups.
- support to improve business productivity and growth, with some targeting of specific business types, for example social enterprises, and key sectors (eg. tourism and retail)
- development of physical facilities to support businesses (workspace and one-stop-shop business facilities). This would include development of workspace and incubators to provide business accommodation for start-up or existing firms.

6.18 The programme should provide support that is additional to, and so does not duplicate, existing programmes and support available from Business Wales.

6.19 **Who needs to be involved?** Town and Community Councils, Powys County Council, Welsh Government, local business representative groups.

Appendix I – Residents Survey Questionnaire

INTRODUCTION

Good morning/afternoon.

I'm [NAME] from Future Focus Research. We're carrying out a survey on behalf of Powys County Council and Welsh Government to find out local residents' views on the towns of Llanidloes, Newtown and Welshpool.

Would you be happy to take part in a short survey to provide us with your opinions? It takes approximately 10 minutes. If so, would you be content to carry out the survey in English, or would you prefer Welsh?

Please be assured that all survey responses are collated anonymously and held in strictest confidence, in line with the Market Research Society Code of Conduct.

BACKGROUND INFORMATION

1. Do you live in Welshpool/Newtown/Llanidloes?

Yes (Go to Q2)	No, but live within 10 miles (Go to Q3)
1	2

2. How long have you lived in Welshpool/Newtown/Llanidloes?

Under 1 year	1-2 years	3-5 years	6-10 years	11-20 years	21 or more
1	2	3	4	5	6

3. If you live within 10 miles of Welshpool/Newtown/Llanidloes, where do you live?

____

CONFIDENCE AND SATISFACTION

4. Bearing in mind the size of Welshpool/Newtown/Llanidloes area how would you rate it for each of these? Could you please indicate by using a scale of 1-5, where 5 is very good and 1 is very poor. **USE SHOWCARD**

	Very good	Good	Neither good nor poor	Poor	Very poor	DK/ no opinion
a) Place to live	1	2	3	4	5	0
b) Place to visit for a day out	1	2	3	4	5	0
c) Place to work	1	2	3	4	5	0
d) Place to shop	1	2	3	4	5	0

5. How likely are you to be living in the area in 5 years time?

Very likely	Quite likely	Don't know	Unlikely	Very unlikely
5	4	3	2	1

PHYSICAL ENVIRONMENT

6. Thinking about the town's physical environment (it's buildings, the streets, etc), how would you describe Welshpool / Newtown / Llanidloes? Please rate on a scale from 1 to 5 with 5 being strongly agree and 1 being strongly disagree. **USE SHOWCARD**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	DK/ no opinion
a) An attractive town	5	4	3	2	1	0
b) A distinctive town	5	4	3	2	1	0
c) A town where the buildings are well maintained	5	4	3	2	1	0
d) A town where the streets are well maintained	5	4	3	2	1	0
e) A clean and tidy town	5	4	3	2	1	0

7. Do you think the Welshpool/Newtown/Llanidloes has got better or worse in terms of physical environment in the last 12 months? On a scale of 1 to 5, where 5 is much better and 1 is much worse.

Much better	Better	No change	Worse	Much worse	DK /no opinion
5	4	3	2	1	0

ECONOMY

8. How would you describe the economy in the Severn Valley area? Please rate the following descriptions on a scale from 1 to 5, with 1 being strongly agree and 5 being strongly disagree. The economy includes the areas different businesses, shops, jobs and so on. **USE SHOWCARD**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	DK/ no opinion
a) Old fashioned	5	4	3	2	1	0
b) Growing	5	4	3	2	1	0
c) Contracting	5	4	3	2	1	0
d) Slow	5	4	3	2	1	0
e) Narrow	5	4	3	2	1	0
f) Diverse	5	4	3	2	1	0
g) Modern	5	4	3	2	1	0
h) Vibrant	5	4	3	2	1	0

9. Would you agree or disagree with the following? Again, please rate on a scale from 1 to 5, with 1 being strongly agree and 5 being strongly disagree. **USE SHOWCARD**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	DK/ no opinion
a) There are a good mix of businesses in the Severn Valley Area (other than retail)	5	4	3	2	1	0
b) There is a range of good quality jobs in the Severn Valley Area	5	4	3	2	1	0
c) There are good career prospects in the Severn Valley Area	5	4	3	2	1	0

RETAIL OFFER

10. How would you describe Welshpool/Newtown/Llanidloes's mix and range of shops?

Very good	Quite good	Neither good or	Poor	Very poor	N/A or D/K
5	4	3	2	1	0

11. Can you buy everything you need from the shops in Welshpool/Newtown/Llanidloes?

Yes -	Yes – most	No - not really	No - definitely	Not sure
5	4	3	2	1

12. About how often do you shop outside of Welshpool/Newtown/Llanidloes?

Never	About once or twice a year	About once or twice every six months	About once or twice a month	About once or twice a week
5	4	3	2	1

13. If you do, where other than Welshpool/Newtown/Llanidloes do you mainly shop (one main place only)?

____

HERITAGE AND CULTURE

14. How well is the local area's heritage and culture promoted (or showcased) in the centre of Welshpool/Newtown/Llanidloes? [heritage and culture refers to the local area's history, natural environment and distinctive events]

	Very well	Quite well	Not sure	Not very well	Very poorly

a) Heritage	4	3	2	1	0
b) Culture	4	3	2	1	0

15. If you responded Very Well or Quite Well, what particular heritage and culture promotions come to mind?

____

SOCIAL ISSUES

16. For the following issues, can you say how much of a problem you believe they are in Welshpool/Newtown/Llanidloes: USE SHOWCARD

	Not a problem at all	Not a very big problem	No opinion	A fairly big problem	A very big problem
a) Noisy neighbours or loud parties	5	4	3	2	1
b) Teenagers hanging around the streets	5	4	3	2	1
c) Rubbish or litter lying around	5	4	3	2	1
d) Vandalism, graffiti and other deliberate damage to property or vehicles	5	4	3	2	1
e) People using or dealing drugs	5	4	3	2	1
f) People being drunk or rowdy in public places	5	4	3	2	1
g) Abandoned or burnt out cars	5	4	3	2	1

17. Do you feel safe walking in Welshpool/Newtown/Llanidloes in daylight hours and after dark?

	Yes – very safe	Yes	No strong views	No	No – not at all safe	N/A or D/K
a) Daylight	5	4	3	2	1	0
b) After	5	4	3	2	1	0

18. How often do you 'visit' the centre of Welshpool/Newtown/Llanidloes?

I live here (go to Q20)	Daily	Several times a week	About once a week	Less than once a week	Never
0	5	4	3	2	1

19. Why do you usually visit the centre of Welshpool/Newtown/Llanidloes?

____

20. Are you visiting the town centre more or less often than in the past?

Much more	A little more	Same (go to Q22)	Less	A lot less
5	4	3	2	1

21. If you're visiting the town centre more or less often, please explain why?

LOCAL ENGAGEMENT

22. Do you agree or disagree that you can influence decisions affecting your local area?

Definitely agree	Tend to agree	Tend to	Definitely	Don't know
5	4	3	2	1

23. Generally speaking, would you like to be more involved in the decisions that affect your local area?

Yes	No	Depends on the	Don't know
4	3	2	1

24. Are you aware of any consultation events which have been ongoing during the last 12 months on the development of Welshpool/Newtown/Llanidloes?

Yes	No	N/A
3	2	1

25. If you answered YES to question 25, could you please state which consultations you have been aware of?

26. Do you feel that you are kept informed about local issues, local developments, and future needs?

Yes	No	N/A
3	2	1

27. Do you feel that you are given the opportunity to comment about local issues, local developments, and future needs?

Yes	No	N/A
3	2	1

28. How active has the 'public sector' been in terms of providing support for the regeneration of Welshpool/Newtown/Llanidloes over the last 12 months?

	Very Active	Quite active	Not active	Don't know
a) Welsh Assembly	4	3	2	1
b) Powys County Council	4	3	2	1
c) European Union	4	3	2	1

LOCAL INVESTMENTS

29. How aware are you about the following publicly funded regeneration schemes:

	Very Aware	Quite aware	Not aware	Don't know/ No opinion
Offa's Dyke Business Park	4	3	2	1
Abermule Business Park	4	3	2	1
Improvements to rundown properties	4	3	2	1
Improvements to Newtown/ Welshpool/ Llanidloes town centres (eg. pavements, street furniture)	4	3	2	1

30. For those schemes that you are aware of, what has been the impact of them on your views of Newtown/Welshpool/Llanidloes as:

	Major improvement	Modest improvement	Made no difference	Made it worse	Made it much worse	DK/ no opinion
a) Place to live	1	2	3	4	5	0
b) Place to visit for a day	1	2	3	4	5	0
c) Place to work	1	2	3	4	5	0
d) Place to shop	1	2	3	4	5	0
e) Attractiveness of town	1	2	3	4	5	0
f)Distinctiveness of town	1	2	3	4	5	0
g) Maintenance of buildings	1	2	3	4	5	0
h)Maintenance of streets	1	2	3	4	5	0
i) Cleanliness/tidiness of town	1	2	3	4	5	0

31. Can you provide some reasons for your views?
____

AND FINALLY, SOME QUESTIONS ABOUT YOU

These final few questions are about you and will be used as a means of analysing the results of the survey. Please note that any data you give us will be treated with strict confidence in line with the Data Protection Act and will be only used for anonymous statistical analysis – <u>it will not be reproduced individually anywhere.</u>

32. Your gender

Male	Female
1	2

33. How old are you? [If they refuse to say, please write ‘refused’ in box]

Age	Code
16 – 18	1
19 – 24	2
25 – 30	3
30 – 34	4
35 – 49	5
50 – 59	6
60 +	7
Refused to say	8

34. Which ONE of these categories best describes your current employment status? *(Please tick <u>one</u> only)*

1	In Employment (as an employee)	
2	Unemployed	
3	Self employed	
4	Unable to work due to a Long Term Illness or disability	
5	Student	
6	Unpaid Family Worker (housewife, househusband, carer, etc.)	
7	Retired	
8	On a government-supported employment training course (please specify)	

35. Do you consider yourself to be? (Please tick yes <u>or</u> no for <u>each</u> of the following statements)

	Yes	No
a) Disabled	1	2
b) Having a long-term debilitating health problem	1	2

36. Do you have any of the following skills in Welsh? (Please tick yes <u>or</u> no for <u>each</u> of the following statements)

	Yes	**No**
a) Ability to speak Welsh	1	2
b) Ability to understand spoken Welsh	1	2
c) Ability to read Welsh	1	2
d) Ability to write in Welsh	1	2

37. How would you describe your ethnic background? (Please tick one only*)*

A White	
Welsh	1
English	2
Scottish	3
Northern Irish	4
Irish	5
Any other white background, write in	6
B Mixed	
White and Black Caribbean	7
White and Black African	8
White and Asian	9
Any other mixed background write in	10
C Asian or Asian British	
Indian	11
Pakistani	12
Bangladeshi	13
Any other Asian background, write in	14
D Black or Black British	
Caribbean	15
African	16
Any other Black background, write in	17
E Other ethnic group	
Chinese	18
Arab	19
Gypsy / Romany / Irish Traveller	20
Any other, write in	21

38. Could you please tell me your postcode? This information is required for analytical purposes only and will not be divulged to any third party.

39. We would speak to some of the people that have completed this questionnaire again in the future to see whether their views have changed. Would you be happy for somebody to contact you in the future to do this?

Yes (go to Q40)	No (go to Q41)
1	2

40. If yes, can you please provide your contact details? The information that you provide will be protected under the Data Protection Act and will not be used for any purpose other than to the survey.

Name	
Telephone number and/or	
Email	

THANK YOU

41. For admin purposes:

a) Interviewer name:	
b) Time of interview:	
c) Location of interview:	
d) Date of interview:	

42. In which town did this interview take place?

Welshpool	1
Newtown	2
Llanidloes	3

Appendix II – Business/VCS Survey Questionnaire

INTRODUCTION

Good morning/afternoon.

I'm [NAME] from Future Focus Research. We're carrying out a survey on behalf of Powys County Council and Welsh Government to find out local businesses and voluntary sector organisations' views on the towns of Llanidloes, Newtown and Welshpool.

Would you be happy to take part in a short survey to provide us with your opinions? If so, would you be content to carry out the survey in English, or would you prefer Welsh?

Please be assured that all survey responses are collated anonymously held in strictest confidence, in line with the Market Research Society Code of Conduct.

CONTEXT

1. TRADING ORGANISATIONS ONLY: Thinking about the current trading environment for your company, would you say it was:

A positive trading environment	3
Neither a positive or negative trading environment	2
A negative trading environment	1
Don't know	0

2. ALL: How long has your business / organisation been established in the area?

Less than a year	1
1-3 years	2
4-6 years	3
7-10 years	4
More than 10 years	5

CONFIDENCE & SATISFACTION LEVELS

3. Bearing in mind the size of Welshpool/Newtown/Llanidloes area, how would you rate it for each of these? Could you please indicate by using a scale of 1-5, where 5 is very good and 1 is very poor.

	Very Good	Good	Neither good nor poor	Poor	Very poor	DK/ no opinion
a) Place to run a business organisation	5	4	3	2	1	0
b) Place to visit for a day out	5	4	3	2	1	0
c) Place to work	5	4	3	2	1	0
d) Place to shop	5	4	3	2	1	0

4. Generally, how confident do you feel about the future for your business?

Very confident	Quite confident	Not that confident	Not confident at all	Don't know
5	4	3	2	1

5. How likely is it that your business / organisation will be located in the area in 5 years time?

Very likely	Quite likely	Don't know	Unlikely	Very unlikely
5	4	3	2	1

6. Please explain your answer

____
____

PHYSICAL ENVIRONMENT

7. Thinking about the town's physical environment (it's buildings, the streets, etc), how would you describe Welshpool/Newtown/Llanidloes? Please rate on a scale from 1 to 5 with 5 being strongly agree and 1 being strongly disagree.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	DK/ no opinion
a) An attractive town	5	4	3	2	1	0
b) A distinctive town	5	4	3	2	1	0
c) A town where the buildings are well maintained	5	4	3	2	1	0
d) A town where the streets are well maintained	5	4	3	2	1	0
e) A clean and tidy town	5	4	3	2	1	0

8. Do you think the Welshpool/Newtown/Llanidloes has got better or worse in terms of physical environment in the last 12 months? On a scale of 1 to 5, where 5 is much better and 1 is much worse

Much better	Better	No change	Worse	Much worse	Don't know/no
5	4	3	2	1	0

PERCEPTIONS OF THE LOCAL ECONOMY

9. How would you describe the economy in the Severn Valley area? Please rate each of these descriptions on a scale from 1 to 5, with 5 being strongly agree and 1 being strongly disagree. The economy broadly includes the area's different businesses, shops, jobs and so on.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	DK/ no opinion
a) Old fashioned	5	4	3	2	1	0
b) Growing	5	4	3	2	1	0
c) Contracting	5	4	3	2	1	0
d) Slow	5	4	3	2	1	0
e) Narrow	5	4	3	2	1	0
f) Diverse	5	4	3	2	1	0
g) Modern	5	4	3	2	1	0
h) Vibrant	5	4	3	2	1	0

10. Would you agree or disagree with the following? Again, please rate on a scale from 1 to 5, with 5 being strongly agree, and 1 being strongly disagree.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	DK/ no opinion
a) There are a good mix of businesses in the area (other than retail)	5	4	3	2	1	0
b) There is a range of good	5	4	3	2	1	0
c) There are good career prospects in the local area	5	4	3	2	1	0

RETAIL OFFER

11. How would you describe Welshpool/Newtown/Llanidloes's mix and range of shops?

Very good	Quite good	Neither good or bad	Poor	Very poor	N/A or D/K
5	4	3	2	1	0

LOCAL ENGAGEMENT

12. Do you agree or disagree that you can influence decisions affecting your local area?

Definitely agree	Tend to agree	Tend to disagree	Definitely	Don't know
5	4	3	2	1

13. Generally speaking, would you like to be more involved in the decisions that affect your local area?

Yes	No	Depends on the issue	Don't know
4	3	2	1

14. Are you aware of any consultation events which have been ongoing during the last 12 months on the development of Welshpool/Newtown/Llanidloes?

Yes	No	N/A
3	2	1

15. If you answered YES to question 14, could you please state which consultations you have been aware of?

---

16. Do you feel that you are kept informed about local issues, local developments, and future needs?

Yes	No	N/A
3	2	1

17. Do you feel that you are given the opportunity to comment about local issues, local developments, and future needs?

Yes	No	N/A
3	2	1

18. How active has the 'public sector' been in terms of providing support for the regeneration of Welshpool/Newtown/Llanidloes over the last 12 months?

	Very Active	Quite active	Not active	Don't know
a) Welsh Assembly Government	4	3	2	1
b) Powys County Council	4	3	2	1
c) European Union	4	3	2	1

LOCAL INVESTMENTS

19. aware are you about the following publicly funded regeneration schemes:

	Very Aware	Quite aware	Not aware	Don't know/ No opinion
Offa's Dyke Business Park	4	3	2	1
Abermule Business Park	4	3	2	1
Improvements to rundown properties	4	3	2	1
Improvements to Newtown/ Welshpool/ Llanidloes town centres (eg. pavements, street furniture)	4	3	2	1

20. For those schemes that you are aware of, what has been the impact of them on your views of Newtown/Welshpool/Llanidloes as:

	Major improvement	Modest improvement	Made no difference	Made it worse	Made it much worse	DK/ no opinion
a) Place to run a business/organisation	1	2	3	4	5	0
b) Place to visit for a day	1	2	3	4	5	0
c) Place to work	1	2	3	4	5	0
d) Place to shop	1	2	3	4	5	0
e) Attractiveness of town	1	2	3	4	5	0
Distinctiveness of town	1	2	3	4	5	0
g) Maintenance of buildings	1	2	3	4	5	0
Maintenance of streets	1	2	3	4	5	0
i) Cleanliness/tidiness of town	1	2	3	4	5	0

21. Can you provide some reasons for your views?

____

____

AND FINALLY... SOME INFORMATION ABOUT YOUR BUSINESS / ORGANISATION

These final few questions are about your business / organisation and will be used as a means of analysing the results of the survey. Please note that any data you give us will be treated with strict confidence in line with the Data Protection Act and will be only used for anonymous statistical analysis
– <u>it will not be reproduced individually anywhere.</u>

22. BUSINESS ONLY: What kind of business are you?

Business to business (i.e. you supply other businesses)	1
Business to consumers (i.e. you sell your products or services to the public)	2

23. BUSINESS ONLY: Which sector is your business in?

Manufacturing	1
Retail	2
Services	3
Tourism	4
Other (please specify)	5

24. ALL: Can you please say which of the following turnover bands your company comes into:

Under £50,000	1
£51,000 to £300,000	2
£301,000 to £500,000	3
£501,000 to £1,000,000	4
Over £1,000,000	5
Refused answer	6

25. ALL: How many employees do you have (excluding the owner but INCLUDING seasonal staff)?

0	1
1 – 5 employees	2
6 – 25 employees	3
26 – 49 employees	4
50 – 249 employees	5
Over 250	6

26. How many of the employees are:

a) Full Time?	
b) Part Time?	
c) Seasonal?	

27. THIRD SECTOR ONLY: How many volunteers do you have?

0	1
1 – 5 volunteers	2
6 – 25 volunteers	3
26 – 49 volunteers	4
50 – 249 volunteers	5
Over 250	6

28. ALL: We would speak to some of the people that have completed this questionnaire again in the future to see whether their views have changed. Would you be happy for somebody to contact you in the future to do this?

YES	NO

29. If yes, can you please provide your contact details? *The information that you provide will be protected under the Data Protection Act and will not be used for any purpose other than to the survey.*

A) Name:
B) Position:
C) Company/Organisation:
D) Telephone:

E) Email:

30. Location of business / nearest town of business / organisation

Welshpool	1
Newtown	2
Llanidloes	3

THANK YOU

Appendix III – Key Points from Partner Workshops

Introduction

The purpose of the workshops was to provide partners with an opportunity to provide their views on the impacts of the Programme to date, the key successes/challenges encountered and the further steps needed to make Llanidloes, Newtown and Welshpool great places to live, work, shop and visit.

Newtown Workshop

This note summarises the key points raised during the workshop which took place at Welsh Government offices in Newtown on Monday 19th May. Workshop attendees were:

Attendee	Organisation
Tony Walton	Welsh Government
Chris Probert	Welsh Government
Mike Bacigalupo	Welsh Government
David Hern	Welsh Government
John Jones	Welsh Government
Adrian Leonard	Welsh Government
Mary Davies	Welsh Government
Jo Coates	Welsh Government
Linda Davies	Welsh Government
Steve Barker	Welsh Government
Debra Lewis	Powys County Council
Phil Jackson	Powys County Council
Sam Lloyd-Clayton	Powys County Council
Tim Ashcroft	Innovas Consulting
Simon Hallam	Innovas Consulting

This note contains key points (anonymised) raised at the workshop. It is not intended to be a detailed minuted account of the meeting, nor does it represent either an analysis of the comments made by workshop attendees or an endorsement of them, by either Innovas Consulting or the evaluation Steering Group.

Socio-economic strengths, weaknesses, opportunities and threats facing the Severn Valley programme area

Strengths/opportunities

- Low unemployment rates/high economic activity rates; competitive labour costs/wage rates
- Good schools/colleges and GCSE/A Level performance; good links between local businesses and FE Colleges (although this is being affected by current FE restructuring and mergers between institutions, which has reduced the number of local institutions offering A Level courses)
- Economy picking up and business demand increasing
- Good housing mix/offer and affordability
- Low crime
- Overall a good quality of life for local residents
- Local businesses well represented (eg. Business Clubs, Mid-Wales Manufacturing Group) but these forums possibly need reinvigorating
- A strong local brand which could be exploited (but may not be able to use the wider "Severn Valley" brand)

Weaknesses/threats

- Large firms facing difficulties recruiting locally; need to rely on in-commuters
- Manufacturing sector continuing to decline; resulting in weaker R&D performance
- Not enough "growth businesses"; over-representation of lifestyle businesses
- Poor road/rail links outside the SVSRP area; few businesses cite these as an issue affecting their businesses, but this is because they've become resigned to these poor links, and have stopped expecting them to be addressed; they still impact upon competitiveness and inward investment
- Welsh Government Inward Investment team do not often recommend sites in mid-Wales to potential investors
- Anecdotal evidence that local firms that are expanding tend to move out of the area (eg. to Oswestry or Shrewsbury) when they get to around 30+ employees, due to lack of quality business premises.

- Outward migration of young, higher-skilled residents
- Over-dependence on public sector for employment
- Lack of broadband networks/connectivity
- Located far from a university
- Low land values constrain investment in business premises; hard for developers to earn return on investment without gap funding

Impacts of ERDF funded SVSRP investments on the Severn Valley programme area

- Funding was probably diluted and spread over too many different schemes, which will limit their impact, as well as awareness of them; that impact possibly greatest in Llanidloes; schemes were delayed, and much work being done later than originally scheduled
- Awareness greatest of Offa's Dyke scheme; not surprising as was building onto an existing site with businesses already located there (whereas Abermule is a new site, with no business premises constructed as yet), is on main road to Shrewsbury and is well signposted, with good landscaping
- Public realm investment was necessary, but possibly something that people expect to see anyway, rather than being viewed as "transformational"; main impact on quality of life, not economy
- Investments in Newtown mainly about accessibility; need a major investment scheme
- ERDF procurement rules mitigate against using local construction firms; BREEAM requirements add further cost/complexity.

Strategic socio-economic regeneration priorities for the Severn Valley area

- Investment in NGA broadband
- Greater focus on cross-border collaboration with English LEPs (e.g. Marches) bordering Wales (links with English regions have become weaker since the closure of English RDAs)
- Workforce development/training
- Continued investment in town centres
- Better business premises
- Road/rail improvements

- Potential for Business Improvement Districts - defined area within which businesses pay an additional levy to fund projects within the district's boundaries and can also draw on other public and private funding streams; BIDs provide services, such as cleaning streets, providing security, making capital improvements, construction of pedestrian and streetscape enhancements, and marketing the area; most have sectoral focus, which may not be appropriate in SVSRP area, but should be investigated.
- Potential for Local Growth Zones (i.e. rural version of Welsh Government Enterprise Zones); providing infrastructure and incentives for businesses to locate there (there are seven in Wales, and as with BIDs have a sectoral focus).
- The SVSRP area as a geographical area of focus for investment/schemes not likely to continue in future
- Create strong linkages between schools and businesses (e.g. create cluster partnerships); link businesses with Careers Wales
- Tourism is a key industry and should remain a focus for support (e.g. through Mid Wales My Way website)
- Need to align hard (i.e. physical investment) and soft (ie. skills, business support) regeneration funds
- Schemes to encourage graduates to return to area mid-career (to work and set up businesses)

Specific investments/projects and funding opportunities

- Newtown market hall (now being redeveloped)
- Abermule Phase 2 (building business premises)
- Redevelopment of derelict sites (eg. old Co-Ops in Newtown and Welshpool); there are half a dozen such sites in the SVSRP are, each of which has no current private sector developer interest and which require major work to clear up and to make investment-ready
- Redevelopment of public sector buildings no longer in use following fiscal cutbacks
- Property development grant (need 50 per cent gap funding, compared to 20 per cent in the ERDF SVSRP schemes)
- High end leisure/tourism facility/complex

- Satellite centre for a university (eg. Glyndwr)
- Cross-border scheme with English LEPs

[note – not all of these investments may be eligible for European Structural Funds; the SVSRP is in a non-assisted area, which means that there are restrictions on the amount of grant funding available for industrial development, including business premises]

Welshpool Workshop

This note summarises the key points raised during the workshop which took place at Powys County Council (PCC) offices in Welshpool on Monday 19th May. Workshop attendees were:

Attendee	**Organisation**
Cllr Bob Mills	Powys County Council Elected Member
Cllr Francesca Jump	Powys County Council Elected Member
Nick Hoskins	MWMG
Jon Armitage	MWMG
Diane Jones-Poston	Representing Russell George AM
Jo Coates	Welsh Government
Debra Lewis	Powys County Council
Phil Jackson	Powys County Council
Sam Lloyd-Clayton	Powys County Council
Sue Bolter	Powys County Council
Tim Ashcroft	Innovas Consulting
Simon Hallam	Innovas Consulting

This note contains key points (anonymised) raised at the workshop. It is not intended to be a detailed minuted account of the meeting, nor does it represents either an analysis of the comments made by workshop attendees or an endorsement of them, by either Innovas Consulting or the evaluation Steering Group.

Socio-economic strengths, weaknesses, opportunities and threats facing the Severn Valley programme area

Strengths/Opportunities

- Powys has highest rates of degree level employment in Wales (but skills not being fully utilised); opportunity for encouraging more Research & Development related businesses to come to the area.
- Powys has low rates of unemployment (but low-skilled work).
- One of the highest levels in Wales of businesses employing less than 5 people, yet a surprising number of these companies have innovative and growth potential (Evidence Powys Business Awards 2009 – 13) and would prosper for the sake of good cross the board business support
- Some major local employers with international markets, but need a strong private sector champion, supported by public sector to ensure these companies continue to grow in-situ.
- Welshpool hosts major agricultural market (largest sheep selling market in Europe) – potential for maximum use of site and encouraging establishment of related businesses – abattoir, meat packing, agricultural vehicles and machinery, agricultural supplies, hotel – at Offa's Dyke Business Park.
- Rail links improving: hourly service being introduced to Telford/Shrewsbury – active marketing campaign to promote the advantages of living in Wales
- The area is an attractive place to live although residents need improved access to health facilities and town centres need revamping as destination centres for shopping, housing and leisure.
- With access to exceptional natural facilities and with improving transport links (rail/road), longer stay tourism is a growing opportunity; need more accommodation in terms of quality B&B's plus a decent hotel in Newtown; make Newtown/Welshpool railway stations more welcoming (potential private venture); consider making area more related to motor sport, fishing, water sports, marathons, walking, extreme sports etc.
- Develop Powys brand related to environment – space, freedom, fresh air, countryside, quality of life.

Weaknesses/Threats

- Powys has 2nd lowest GVA per head of any UK local authority area; very rural area with low wages
- Too much low value self-employment
- Too many businesses employing low skilled workers and not seeking to upskill workers or become more competitive
- Manufacturing/industrial sectors neglected and not competitive enough
- Not enough quality potential development sites for large [inward] investors and for growing businesses (ie. grow-on/expansion space)
- Transport infrastructure too geared around roads
- Ageing population (inflow of retirees and outflow of younger people of working age); mismatch between local sectoral make-up of economy and sectors/occupations that are attractive to young people
- Over-dependence on public sector employment
- Welsh Government fund business networks in north Wales and south Wales, but not mid-Wales
- Historically (evidence supported) Mid Wales and particularly Severn Valley has failed to benefit from the investment of millions of pounds of Welsh Government and European Union money that has often been awarded to areas of Wales with a lesser economic need than Powys.
- Because of the political landscape of the region, Welsh Government see no political advantage of investing in the region to gain the influence that such investment secures in their strongholds in North and South Wales. Failure to invest equitably will eventually render the opportunity for economic recovery in the region almost beyond reasonable reach.
- Powys County Council has seen a number of years of reducing income and increasing demand for expenditure; uncertainty regarding the future has encouraged many of the most capable staff to leave without adequate replacement and no plausible Regeneration Strategy has been introduced to halt decline.

Impacts of ERDF funded SVSRP investments on the Severn Valley programme area

- Concern that investment in two large industrial estates (Offa's Dyke and Abermule) likely to generate few hard economic benefits. Despite size of investment there is little evidence of active engagement with target market or an innovative/entrepreneurial approach to creating benefit from these two developments.
- £5m investment unlikely to generate sufficient return on investment; no new businesses arising from the investments; at present investment in the two sites is not commercially viable. [Offas Dyke and Abermule Business Parks].
- Remove BREEAM requirements at Offas Dyke and Abermule which add too much cost (up to 40 per cent) to infrastructure investments
- Rules on De Minimis mean that although redevelopment of factory space can be funded, but necessary subsequent investment by business in capital machinery is prohibited for five years
- Need to know impact on individual businesses who have had their premises refurbished or are located near to public realm improvements [Built Heritage etc]

Strategic socio-economic regeneration priorities for the Severn Valley area

- Link physical regeneration priorities with tourism offer/opportunities
- Welsh Government should join up Business Wales, Industry Wales, Mid Wales Manufacturing Group, Mid Wales Chamber of Commerce and Powys County Council to join up "soft" and "hard" regeneration.
- Boosting skills/invest in training and link to business investment opportunities
- Increase inward investment – make Severn Valley an attractive environment for investment – housing, skills, transport, communications, cost, premises etc.
- Provision of space/premises for business expansion.
- Reinvigorate mid-Wales business forums and work much more closely with Powys County Council; too many small representative groups at

present (ie. business groups too fragmented) and most have lost traction/impetus

- Invest in night-time economy
- Revise SVSRP area boundaries; may help to bring into play some additional investment sites/locations

Specific investments/projects and funding opportunities

- New fit for purpose business premises: move-on/expansion space and incubation space
- Bypass road for Newtown
- Better rail links to larger urban centres
- Better hotel/accommodation offer for visitors
- Open up River Severn in SVSRP area to boating
- Improve canal between Newtown and Welshpool and link up to Grand Union canal in Shropshire. This could provide a major tourist attraction right into the heartland of Mid Wales together with spin of businesses.
- An electric weir put across the River Severn in Newtown, which could be raised to lift water levels during the summer for boating purposes, and which would also accommodate a Water Turbine with high water pressure during the summer months (this could also be lowered when river is high to avoid flooding)
- Broad Street in Newtown – need to widen the pavements to accommodate market traders, and still allow through traffic, and deliveries to the shops, but also give a wider field of pedestrianisation; perhaps a lay-by or two to cater for the morning shoppers and those on their way through town to work to stop for a short while at the shops.
- During phase one of the regeneration programme Church Street in Newtown was narrowed and a brick edged pavement was put in place. However, the road should be widened, not narrowed, to create a left filter lane for traffic turning left at the Newroad junction - this would ease the traffic back up into the town.
- There are a number of B&B accommodations in Newtown in desperate need of upgrade and refurbishment

- Create Community Interest Company (CIC) Public/Private Partnership to facilitate the development of businesses in mid-Wales
- Continue to invest in improvements to shop frontages, town centres etc
- Locate abattoir and/or meat processing plant on Offa's Dyke (close to Welshpool agricultural market); encourage related businesses to co-locate.

[note – not all of these investments may be eligible for European Structural Funds; the SVSRP is in a non-assisted area, which means that there are restrictions on the amount of grant funding available for industrial development, including business premises]