

CABINET
30 IONAWR 2023

CYMERADWYO ARFOR 2 (2022-2025)

Y Pwrpas:

Rhoi'r wybodaeth ddiweddaraf am y rhaglen Arfor 2 a chymeradwyo'r camau a gymerwyd hyd yn hyn i sicrhau bod y sir yn elwa o'r rhaglen fuddsoddi newydd hon.

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

- Cymeradwyo'r camau a gymerwyd hyd yn hyn a fydd yn galluogi'r sir i elwa o'r rhaglen Arfor 2.
- Awdurdodi'r gwaith o sefydlu trefniadau llywodraethu priodol i weithredu'r rhaglen ar lefel leol, gan gynnwys sefydlu'r grant trydydd parti Cymunedau Mentrus.

Y rhesymau:

Yn sgil llwyddiant cam cyntaf y rhaglen Arfor, mae Llywodraeth Cymru wedi ymrwymo £11 miliwn i ail gam y rhaglen Arfor ar draws pedair sir, sef Gwynedd, Sir Gaerfyrddin, Ceredigion ac Ynys Môn, hyd at fis Mawrth 2025.

Angen i'r Cabinet wneud penderfyniad: OES

Angen i'r Cyngor wneud penderfyniad: NAC OES

Yr Aelod Cabinet Sy'n Gyfrifol Am Y Portffolio:

Y Cyngorydd Gareth John, yr Aelod Cabinet dros Adfywio, Hamdden, Diwylliant a Thwristiaeth

Y Gyfarwyddiaeth:

Enw Pennaeth y Gwasanaeth:

Jason Jones

Awdur yr Adroddiad:

Rhian Phillips

Swyddi:

Pennaeth Adfywio

Rheolwr Rhanbarthol –
Datblygu Economaidd

Rhifau ffôn / Cyfeiriadau e-bost:

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EXECUTIVE SUMMARY CABINET 30TH JANUARY 2023

ARFOR 2 (2022-2025) APPROVAL

ARFOR 1

In 2019, following a budget agreement between the Welsh Government and Plaid Cymru, £2 million was allocated to the Arfor programme to trial innovative methods of supporting the economy in the strongholds of the Welsh language of Gwynedd, Anglesey, Ceredigion and Carmarthenshire.

ARFOR 2

Based on the success of the first phase of the Programme, a further £11 million is being provided by Welsh Government until March 2025 to support the communities to flourish through economic interventions, which will also contribute to increasing opportunities to see and use the Welsh language on a daily basis.

The key strategic objectives of Arfor 2 are:

- To create opportunities for young people and families (under 35 years old) to stay in or return to their indigenous communities – supporting them to succeed locally by engaging in enterprise or developing a career
- To create enterprising communities within Welsh-speaking areas – by supporting commercial and community enterprises that aim to preserve and increase local wealth by taking advantage of the identity and unique qualities of their areas.
- To maximise the benefit of activity through collaboration– to ensure that good practice and lessons learnt are shared and that there is on-going monitoring to ensure continuous improvement.

Strengthen the identity of communities with a high density of Welsh speakers – by supporting the use and visibility of the Welsh language, encouraging a sense of place and local loyalty.

Arfor 2 comprised the following 5 work packages:

- Llwyddo'n Lleol - Targeted youth programme to support entrepreneurial skills to deter youth migration
- Cymunedau Mentrus/Enterprising Communities - Administered by Carmarthenshire County Council, creating opportunities for business start-up, growth and third sector development via a third grant aligned with Arfor objectives
- Arfor Challenge Fund- Opportunity for organisations across the region to submit applications for resources to develop and pilot activities that will address the strategic objectives of the Programme.
- Strengthening the Identity of Arfor Communities - Create a communication and marketing program for the Programme
- Monitoring and Evaluation and learning

GOVERNANCE

As per the previous round of funding, Gwynedd County Council will continue to act as the lead authority for Arfor 2 and will lead on the procuring services to deliver each strand, other than Cymunedau Mentrus, which will be administered by Carmarthenshire County Council.

OTHER OPTIONS AVAILABLE AND THEIR PROS AND CONS

Welsh Government has allocated funding to the four Local Authority areas which were part of the initial Arfor programme. The funding is designed to help address some of the challenges faced across the County. Arfor 2 presents an opportunity to draw down further investment into the County as well support for businesses and organisations to grow and support the economy and the sustainability of the Welsh language. Carmarthenshire County Council could decide not to participate, although this would mean the loss of significant funding to the Welsh language communities of Carmarthenshire.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed:

Jason Jones

Head of Regeneration

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	YES	NONE

1. Policy, Crime & Disorder and Equalities

The Arfor 2 Programme provides an opportunity to draw down additional investment which will help deliver against some of the County's key strategic objectives.

The objectives of the Arfor programme are:

- to create opportunities for young people and families (under 35 years old) to stay in or return to their indigenous communities, supporting them to succeed locally by engaging in enterprise or developing a career
- to create enterprising communities within Welsh-speaking areas, by supporting commercial and community enterprises that aim to preserve and increase local wealth by taking advantage of the identity and unique qualities of their areas
- to maximise the benefit of activity through collaboration, to ensure that good practice and lessons learnt are shared and that there is on-going monitoring to ensure continuous improvement
- strengthen the identity of communities with a high density of Welsh speakers, by supporting the use and visibility of the Welsh language, encouraging a sense of place and local loyalty

The above is aligned with the county's existing strategies and plans including the Economic Recovery Plan, Local Innovation Strategy, Wellbeing Assessment, and the South West Wales Regional Economic Delivery Plan and Corporate Strategy.

The Programme will support the objectives of the Wellbeing & Future Generations Act by targeting interventions which aim to ensure that the Welsh speaking communities of the County remain vibrant and sustainable communities.

The proposals are also in line with the objectives of Cymraeg 2050 in terms of increasing the use of the Welsh language, as well as creating favorable conditions for the Welsh language to flourish.

2. Legal

Gwynedd County Council will act as the lead body for the Arfor 2 programme, as per the previous programme. A legal agreement between the counties was established for the first phase of the Programme. This is currently being reviewed for Arfor 2. The Authority's legal team will be consulted as part of this process.

The Authority will be responsible for the delivery and management of the 'Cymunedau Mentrus/Enterprising Communities' work package at a local level. This will include assessing and approving local project applications and entering into funding agreements with third parties. These will be developed in conjunction with the Authority's legal team at the appropriate time.

3. Finance

Overall accountability for the Programme will rest with Gwynedd County Council as lead Authority.

The Authority we will be given direct responsibility for the delivery of a £1.25m, third party grant under the Cymunedau Mentrus/Enterprising Communities work package.

A dedicated officer will be employed to undertake the necessary fund administration fully funded by the programme. Grant management processes and procedures will be established to ensure that the funding is managed in accordance with the fund requirements. This will involve the establishment of funding agreements with third parties as well as the establishment of procedures for processing payments, monitoring of financial spend, audit requirements etc. These will be developed in conjunction with the Council's Corporate Services.

5. Risk Management Issues

A programme level risk management process will be developed by Gwynedd County Council as lead Authority to ensure that risk is assessed and managed at all levels.

A specific risk register will be maintained for the Cymunedau Mentrus/Enterprising Communities work package with appropriate mitigation measures identified.

6. Staffing Implications

To ensure the effective delivery of the Programme at a local level, a dedicated officer will be recruited which will sit within Economic Development. Funding has been secured via the Arfor programme to fund this post.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: **Jason Jones**

Head of Regeneration

1. Scrutiny Committee request for pre-determination	NO
Scrutiny Committee	
Date the report was considered:-	
Scrutiny Committee Outcome/Recommendations:-	

2. Local Member(s)

N/A

3. Community / Town Council

N/A

4. Relevant Partners

Gwynedd, Anglesey and Ceredigion County Councils. Welsh Government

5. Staff Side Representatives and other Organisations

N/A

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

YES – Cllr Gareth John

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Funding Letter from WG dated 2.12.2022		Will be located at County Hall
Legal Agreement issued by Gwynedd County Council		Will be located at County Hall

ARFOR 2

1.0 Background

In 2019, following a budget agreement between the Welsh Government and Plaid Cymru, £2 million was allocated to the Arfor 1 programme to trial innovative methods of supporting the economy in the strongholds of the Welsh language of Gwynedd, Anglesey, Ceredigion and Carmarthenshire.

In Carmarthenshire, Arfor 1 was targeted at the food and creative industry sectors. A total investment of £500k was invested in 40 of businesses, which resulted in the creation of 40 new jobs and safeguarded 170 jobs in the local economy of Carmarthenshire.

2.0 Lessons learned from Arfor I

An evaluation of the overall Arfor programme identified the following key lessons:

- Innovation and piloting of ideas should continue to be a key focus of any successor programme
- The programme had an impact on supporting young people to establish and develop enterprises, thereby increasing the likelihood of keeping them in their local areas
- The relationship between the economy and the language needs to be better understood and any future programme should place greater emphasis on research, monitoring and evaluation
- Collaboration and the sharing of good practice and learning have been key features of the programme.

3.0 Arfor 2

Based on the success of the first phase of the Programme, a further £11 million has been secured until March 2025 to support the communities that are strongholds of the Welsh language to flourish through economic interventions which will also contribute to increasing opportunities to see and use the Welsh language on a daily basis.

The key strategic objectives of Arfor 2 are:

- To create opportunities for young people and families (under 35 years old) to stay or return to their indigenous communities – supporting them to succeed locally by engaging in enterprise or developing a career
- To create enterprising communities within Welsh-speaking areas – by supporting commercial and community enterprises that aim to preserve and increase local wealth by taking advantage of the identity and unique qualities of their areas.
- To maximise the benefit of activity through collaboration– to ensure that good practice and lessons learnt are shared and that there is on-going monitoring to ensure continuous improvement.
- Strengthen the identity of communities with a high density of Welsh speakers – by supporting the use and visibility of the Welsh language, encouraging a sense of place and local loyalty.

In April 2022, the Arfor Board which consists of the Leaders of the four Counties, submitted an 'Outline Proposal' to Welsh Government for the second phase of the Programme setting out the strategic objectives and principles of Arfor 2. This was subsequently approved in principle. Over the last few months officers across the region have been working up more detailed proposals which were approved by Welsh Government prior to WG public announcement of the programme on 6 October 2022. Confirmed via a funding letter received from Welsh Government dated 2.12.2022

It is anticipated that Arfor 2 will commence December 2022.

4.0 Arfor 2 Work packages

Arfor 2 will consist of the following work packages which will meet the overall strategic objectives of the programme:

Work Package	Budget	Method of delivery
<p>Llwyddo'n Lleol Llwyddo'n Lleol is a targeted youth programme to support entrepreneurial skills. The project will support young people to start up a new business within their indigenous communities through a combination of support and financial assistance with the aim of encouraging young families to stay or return to the area. The project will be delivered across the four counties via a 3rd party contractor, managed by Gwynedd County Council.</p>	<p>£ 3,000,000 Regional project</p>	<p>Procured delivery via the Regional lead (Gwynedd County Council)</p>
<p>Cymunedau Mentrus/ Enterprising Communities The third party grant will consist of the following:</p> <ul style="list-style-type: none"> • business start up fund • business growth fund • Social enterprise fund <p>The fund will build upon the work which was undertaken under Arfor I and will focus on sectors that provide growth opportunities.</p> <p>Whilst the fund will be delivered locally, eligible activity will be agreed at a regional level to ensure consistency of approach. Funding secured via the will enable the Authority to employ a dedicated officer to manage and implement the fund at a local level.</p>	<p>£ 4,500,000 (£1,125,000 allocation per County)</p>	<p>Implementation in each individual county via a third party grant</p>

<p>Arfor Challenge Fund The Challenge fund will consist of 2 elements:</p> <p><i>Small Challenge Fund</i> -offering support and funding of up to £30,000 for local organisations to develop and pilot activities that will address the strategic objectives of the Programme. Delivery of the small challenge fund will be commissioned via Gwynedd County Council. The appointed contractor will work with each of the four areas to promote the opportunities available via the challenge fund and be responsibility for inviting and receiving applications for funding.</p> <p><i>Large Challenge Fund</i> - a flexible fund that will offer up to £100k funding to organisations individually or jointly to develop and implement plans responding to the strategic objectives of the ARFOR Programme. This element will be directly managed by Gwynedd County Council in liaison with the other three Local Authorities. The opportunity to bid for funding will be promoted to a cross section of organisations across the four Counties.</p> <p>All applications submitted for consideration as part of the Challenge Funds will be considered by an Officer working group comprising of the four authorities before being submitted to the Arfor Board.</p>	<p>£ 2,600,000 Regional project</p>	<p>Activity will be available at a local level but managed at a regional level by Gwynedd County Council</p>
<p>Strengthening the Identity of Arfor Communities Arfor 2 will build on previous work to promote good practice and to help businesses and community organisations to realise the economic benefits associated with the use of the Welsh language as part of their day to day business. This will done by further developing Bwrlwm Arfor (www.bwrlwmarfor.cymru) an online platform to share best practice.</p> <p>A strategic marketing and communication plan will also be a key feature of the programme.</p>	<p>£300,000.00</p>	<p>Administered regionally by Gwynedd County Council with input from each of the Counties</p>

<p>Monitoring and Evaluation and learning</p> <p>A key element of Arfor 2 will be monitor and evaluate the results and impact of the Programme from the outset. Gwynedd County Council will oversee the contract management however each Authority will have a valuable role to play in feeding into this process. This element of the programme will also seek to broaden our understanding of the links between the economy and the Welsh language.</p>	<p>£200,000.00</p>	<p>Administered regionally by Gwynedd County Council with input from each of the Counties</p>
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5.0 Programme Governance

Gwynedd County Council will continue to act as the lead authority for the programme across the four local authority areas. A legal agreement between the counties has already been established for the first phase of the Arfor Programme. This is currently being reviewed for the 2nd phase and will be shared with the Corporate legal team for their input at the appropriate time.

To provide strategic direction and oversee the delivery of Arfor II, a Board consisting of the Leaders of the four Counties has been established. To date, the Board has met on 2 occasions to consider and endorse the work which has been undertaken to date in the development of the programme.

The Board will be supported by a Group of Officers comprising senior officers representing the four counties, together with representatives from the Welsh Government and the Welsh Local Government Association.

The role of the officer group will be to ensure that there is continual input from a Carmarthenshire level at every part of delivery to ensure that the needs of our local businesses and communities are met.

6.0 Conclusion

Arfor 2 presents a further opportunity for the County to support communities to flourish through economic interventions which will also contribute to the strengthening of the Welsh language. By creating opportunities for young people and families to stay or return to their indigenous communities, the Programme will also address a key issue which currently faces our County.