

# Scrutinising the Welsh Government's support for people in North Wales

## Research Briefing

July 2023



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## 2. Introduction

On 7 July, the Senedd's **Committee for the Scrutiny of the First Minister** will meet in Wrexham to scrutinise the First Minister, Mark Drakeford MS, on support for people in North Wales. This briefing sets out some of the key issues that may be discussed during the evidence session.

## 3. Betsi Cadwaladr University Health Board

### 2.1 Governance and special measures

Betsi Cadwaladr University Health Board (BCUHB) is the largest organisation in NHS Wales, with a **budget of £1.87 billion and a workforce of over 19,000**. It delivers health care services to more than 700,000 people across North Wales.

**There have been calls** – rejected by the Welsh Government – for the health board to be ‘broken up’. Senedd Research has **published a timeline** summarising key events affecting BCUHB since initial concerns were raised in 2012.

In June 2015, BCUHB was **placed in ‘Special Measures’**, the highest level of escalation under the **NHS Wales Escalation and Intervention Arrangements**. There were five key areas identified where improvement was needed:

- governance;
- leadership and oversight;
- mental health services;
- maternity services;
- primary care, especially out of hours; and
- public engagement.

In February 2018, **Maternity services were de-escalated** from special measures, along with **GP out of hours services** in February 2019. In November 2020, the then **Minister for Health and Social Services announced** that BCUHB as a whole would be **de-escalated from special measures** and moved to targeted intervention with immediate effect. This was to be supported by a further £82m of funding per year over three-and-a-half years. In March 2021, the Welsh Government published the **Targeted Intervention Framework**, indicating the

areas for improvement expected of BCUHB.

In February 2023, Audit Wales published '**Betsi Cadwaladr University Health Board - Review of Board Effectiveness**' which highlighted significant concerns about the management of the health board. Audit Wales found:

...that the breakdown in working relationships within the board at Betsi Cadwaladr University Health Board is fundamentally compromising its ability to tackle the numerous challenges the organisation faces. The report also found that without some form of intervention to establish a more unified Executive Team and wider board, the current situation is unlikely to be resolved.

As a result of this review, on 27 February 2023 the Welsh Government **announced** it was again placing BCUHB in special measures with immediate effect. This also involved removing the Chair and independent members from the Board and appointing **a new Chair and independent members** along with a health board intervention and support team. The Minister for Health and Social Services **stated in Plenary** on 28 February 2023 that this team will initially be contracted for six months to support the Board. **She said in a written statement:**

Their work will be focused on the key areas of challenge, including leadership, culture, operational performance, improving the emergency departments and service configuration, including vascular services.

... a campaign to recruit new independent members to the board beyond this initial period of stabilisation will commence later this year.

The BCUHB Board received and agreed **a Special Measures Organisational Response Plan** on 25 May 2023.

## 2.2 Senior leadership

In May 2023, Carol Shilabeer, Chief Executive of Powys Teaching Health Board was **appointed as BCUHB Interim Chief Executive** following the departure of the previous postholder in October 2022. The recruitment process for a permanent Chief Executive commenced in March, although **there are reports** that the process has thus far been unsuccessful. There has been **considerable turnover in the Board's executive team**, and since 2019 there have been four different Chief Executives on either a substantive or interim basis.

The Minister for Health and Social Services has also confirmed **in recent correspondence** to the Health and Social Care (HSC) and Public Accounts and Public Administration (PAPA) Committees that terms of reference for a rapid review of Executive Team portfolios have also been developed and this would commence during May 2023.

## 2.3 Performance

The most recent NHS Wales activity and performance data was **published on 22 June 2023** and relates to April and May 2023. This indicates areas of concern both at an all-Wales level and for BCUHB:

- In BCUHB, 55.6% of patients spent less than the 4 hour target time in major emergency departments, compared to **a 95% target** and an all-Wales average of 72%;
- In BCUHB, 86.5% of patients spent less than the 12 hour target time in major emergency departments, compared to a **100% target** and an all-Wales average of 90.9%;
- For referral to treatment (RTT) waiting times, BCUHB had 11,461 patients waiting over 1 year for a first out-patient appointment, 34,844 waiting over 1 year for treatment, and 9,155 waiting over 2 years. This compares with the respective all-Wales totals of 52,831, 136,534, and 31,481;
- Although only 62.5% of BCUHB patients met the suspected cancer pathway target of 62 days, this was above the all-Wales average of 55.3% but below the target of 75%.

Senedd Research has published a **summary of progress** against the Welsh Government's ambitions for reducing the waiting list backlog.

## 2.4 Finance

On 3 November 2020, the then Minister for Health and Social Services **announced strategic assistance** for BCUHB. This included "cover for the [health board's] deficit of up to £40 million a year". The then Minister stated:

I recognise this as a priority area for investment. It is therefore my intention to continue this support for the years 2021-22 through to, and including, 2023-24.

The Finance Report **received by the BCUHB Board on 25 May 2023** stated that "the draft unaudited year end position for 2022/23 achieved a surplus of £0.4m". However, it also stated that:

...the Health Board's initial financial plan for 2023/24 is to deliver a deficit position of £134.1m. The April position is reporting an in-month deficit of £12.2m, which is £1.0m higher than the £11.2m profiled financial plan for Month 1, due essentially to outsourcing costs.

On 7 June 2023, following recent **widespread coverage**, an **opposition debate was held in Plenary** calling for the Ernst and Young report of accounting issues at BCUHB to be published. A motion was not agreed.

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## 4. Other health issues

### 3.1 The health of Wales

The **Chief Medical Officer for Wales's annual report for 2021-22** sets out a number of key concerns relating to the health of the nation:

- There remains a significant difference in life expectancy and healthy life expectancy between the most and least deprived areas of Wales, with no sign of this gap reducing and a greater prevalence of unhealthy lifestyles in the most deprived areas;
- **The 2022 National Survey for Wales** highlighted that 46% of adults in Wales reported having at least one long-standing illness, and only 36% of people are a healthy weight, while 62% are overweight or obese.
- In North Wales, although 75% of people reported being in good or very good health, there are still concerns around unhealthy lifestyles (**2020 figures**);
- Over the next 20 years, Wales is set to continue on a trend towards an ageing population. Those aged 65 and over are expected to increase from 21% to 26% of the population.

### 3.2 North Wales Medical School

In 2020, the then Minister for Health and Social Services **set up a group** to examine the feasibility of a North Wales medical school. A Welsh Government Task and Finish Group examined proposals and reported back to the Minister **in September 2021**. The Minister agreed their recommendations and to work towards the delivery of a medical school in North Wales.

On 26 January 2023 the **Minister announced**:

I am pleased to announce the Welsh Government will be funding up to 140 medical student places a year at the new North Wales Medical School. Direct intake will start in 2024.

We expect student numbers to increase steadily and to reach their optimum number from 2029 onwards. This gradual trajectory will provide time to assess and evaluate both the quality tuition and student experience at the new medical school.

### 3.3 Dentistry

Widespread attention has been given recently to the difficulties in accessing NHS dentistry in Wales, with a number of Senedd Members describing it as a 'crisis'. Senedd Research published a [research article](#) on 19 June 2023, which outlines the issues relating to access to dentistry in Wales.

The Health and Social Care Committee published a [report on dentistry in Wales](#) in February 2023 and the Welsh Government [responded to its recommendations](#) in April 2023.

In Plenary on [24 May 2023](#) and [14 March 2023](#), a number of Members referred to problems in accessing dental care in North Wales, with some Members referring to research they had undertaken on this issue. The problems outlined include a lack of NHS dental practices taking on new patients, long waiting times, and a limited number of NHS dental practices available, with others only offering private dentistry.

The Health and Social Care Committee's report was debated in [Plenary on 21 June 2023](#). During the debate, the Minister for Health and Social Services acknowledged that there is "much to do to resolve the access issue in NHS dentistry". The Minister stated that the Welsh Government is working on "creating a long-term sustainable solution" that includes taking forward the majority of the recommendations made in the Committee's report. The Minister went on to say:

But I have to tell you that there is no quick fix in relation to dentistry, and for the fix to happen, it's going to cost a whole lot of money that is very difficult, currently, to find.

Some of the actions being taken by the Welsh Government that relate to dentistry in North Wales include:

- an [enhanced offer](#) to encourage future dental trainees to complete their foundation year in dental practices across rural Wales, which includes a £5,000 salary uplift and enhanced academic and well-being support.
- The establishment of the [North Wales Dental Academy](#) in Bangor, which aims to provide work, training and upskilling opportunities to all dental care professionals at both undergraduate and postgraduate level.
- A [mobile dental unit](#) to be piloted on the site of Ysgol y Moelwyn in Blaenau Ffestiniog, where over a number of weeks, every child in the school will have an

opportunity to have a dental examination and advice on oral health, and will be directed to any treatment that they need.

There have been **calls for a new dental school in North Wales** and **the Minister for Health and Social Services has stated** that she is “broadly supportive” of the proposal. However, she says it is a long-term development that will require significant investment, and, at the moment, the Welsh Government is “very, very short of money”.

### 3.4 Community pharmacies

As part of the **‘Choose Pharmacy’ system**, many community pharmacies in Wales now offer a wide range of services, aimed at reducing the number of people who go to their GP with minor issues. This includes the ‘Independent Prescribers Service’, which allows pharmacists to assess patients and provide self-management advice or prescribing medicines for certain conditions. Pharmacists can view a patient’s Welsh GP records to allow them to treat minor illnesses such as skin conditions and urine infections.

There are **147 community pharmacies** in the BCUHB area. As of October 2021 there were **13 community pharmacies, which offer an Independent Prescriber Service** in BCUHB. The **health board announced** in November 2021 that this number would increase to 25. This planned expansion would provide access to the scheme in all six counties of North Wales, and in **around 15% of pharmacies across the region**.

The Welsh Government introduced **new community pharmacy contractual arrangements** in December 2021. As part of this, it announced an increase in funding for independent prescribing services from £4.2m in 2022 to £12.2m in 2023, followed by £18.4m in 2024. It also committed to supporting at least 60 community pharmacists to complete training to become Pharmacist Independent Prescribers (PIPs) each year.

More recently, the Welsh Government announced renewed short-term goals for pharmacy in Wales through the **‘Pharmacy: Delivering a Healthier Wales’ plan**, which includes goals up to 2025. One of the goals in this plan is to “Increase patient access to pharmacist independent prescribers, ensuring the expertise of PIPs are fully utilised across all care settings”. As part of this, the Minister for Health and Social Services **announced plans** to expand independent prescribing services so that one in three pharmacies in Wales offer the service by the end of March 2023.

## 5. Transport

### 4.1 The Roads Review

The Welsh Government published the **final report of the roads review panel**, and **its own response**, in February. Senedd Research **published an article** at the time which provides further detail.

The report makes 51 recommendations. Two headline recommendations established a "4x4" of purposes and conditions for future road investment" (see article for details).

Of the schemes themselves, 17 were considered consistent with the 4x4 criteria. For a further 17, the panel found a different approach or alternative solution preferable. The panel found no case for the remaining 14.

Of 16 schemes in North Wales reviewed, **15 were stopped or sent back to the drawing board**.

The Welsh Government's detailed response is set out in a **new roads review policy statement** - which applies the "4x4" of purposes and conditions" - and a new **National Transport Delivery Plan** (NTDP).

Some of the NTDP plans differ from the panel's recommendations on schemes. The recommendation that the third Menai Crossing shouldn't proceed was changed to a referral to the **North Wales Transport Commission** to develop options for resilience on the Menai strait. Also, while the **Flintshire Corridor Improvement programme has been cancelled**, the NTDP commits to develop options to improve air quality at the A494 Aston Hill.

**On 13 June a media report** suggested two economic projects - the **Western Gateway project** in Wrexham and **Warren Hall** at Broughton - are at risk following the roads review. The report quotes Wrexham Council as noting that the roads review purposes and conditions for road building include sustainable access to economic sites. The Welsh Government roads policy statement says "access and connectivity to jobs and centres of economic activity in a way that supports modal shift".

### The Menai crossing

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#### **The closure of the Menai Bridge**

The Menai crossings are internationally significant infrastructure - part of the UK landbridge connecting Ireland to Europe. The Menai Suspension Bridge is operated and maintained as a concession by **UK Highways A55 Ltd**.

The bridge closed on 21 October 2022 due to safety concerns. The Deputy Minister for Climate Change made a **Plenary statement on 25 October**. He explained that technical analysis following a 2019 Principal Inspection Report identified potential issues with the span hangers. The Deputy Minister said subsequent modelling identified “serious risks” and the bridge was closed. It **reopened in February** 2023.

#### **Plans for Third Menai Crossing**

Plans for a third Menai crossing **had been discussed since 2007** and became the Welsh Government's preferred option in 2018. The December 2022 **Wales Infrastructure Investment Plan project pipeline** gave an estimated delivery date of 2029/30.

As outlined earlier, following the roads review recommendation that the third crossing should not proceed, the NTDP instead commits to “revised schemes for [the] Menai corridor” with the timescale given as “2022 to 2027 and beyond”.

Local political representatives **were critical of the decision** to cancel the crossing.

### North Wales Transport Commission

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Plans to establish a North Wales Transport Commission were **announced in spring 2022**. It is chaired by Lord Burns, who also chaired the **South East Wales Transport Commission** which considered alternatives to the M4 relief road.

Following the roads review, the Commission has also been asked to consider the future of the Menai corridor.

#### **The Commission's progress statement and Interim Report**

The North Wales Transport Commission **published a progress statement** in January, prior to the roads review report. This notes a range of “good work” already

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underway and will “support and endorse this work, seeking to enhance and prioritise proposals”. However, it states:

None of these ambitions are without challenge, but current arrangements will not achieve any significant change. Levels of public transport use will not increase while the infrastructure and services are lacking and there is a need for more profound and progressive change.

The Commission **published its Interim Report** on 8 June. The Interim Report sets out conclusions and draft recommendations on development and delivery of an integrated transport system in the region. A final report is expected in the autumn.

Bus and rail are discussed below. The report also makes recommendations on active travel, modal integration and ‘enablers’ including governance and planning, cycles and micro-mobility, car share, freight, digital connectivity and behaviour change (‘encouragement’ and ‘discouragement’ measures).

### **Rail devolution and cross-border connectivity**

Rail is a reserved matter. Infrastructure, including enhancement investment, is the responsibility of the UK Government except for the Core Valleys Lines in south Wales which are now Welsh Government owned.

While the Welsh Government has executive powers to invest in rail infrastructure, Wales receives no block grant allocation. Executive powers for rail services are also devolved, and the Transport for Wales (TfW) rail franchise is the Welsh Government’s responsibility.

The recommendations of the South East Wales Transport Commission were broad. However, non-devolved rail infrastructure enhancements are key to their success.

The Interim Report of the North Wales Transport Commission notes:

North Wales is the region in Wales with the largest number of daily cross-border movements to and from England. Effective cross-border public transport services are therefore important.

The report recognises that rail infrastructure is not devolved, commenting “further funding commitments by the UK Government could provide a step-change in the region”.

### 4.2 Bus and rail services

The Welsh Government's **Transport Strategy includes a target** for 45% of journeys to be made by public transport or active travel by 2040 – up from 32% in 2021 when the strategy was published. **The Welsh Government admits** this will be a challenge.

The North Wales Transport Commission's January **progress statement** describes current bus and rail provision:

Although a large proportion of the population is located within walking distance of a bus stop or train station, the service provision is often poor. The standard measure used is up to 400m from a bus stop or 800m from a rail station. In several areas there are infrequent services and a lack of evening or weekend options which do not meet people's needs – notably for accessing employment and leisure activities.

After 7pm, only one third of north Wales residents have access to an hourly public transport service, and only one in thirty residents have access to a fifteen minute frequency service. This is a significant deterrent to using public transport.

The **Interim Report notes** "significant barriers" to travel on public transport and "many instances where practice and delivery on the ground is at odds with aspirations for a sustainable integrated transport system in north Wales".

It also notes that "many people in the region do not have access to a car". Living near bus stops/stations "does not help if the service provided does not meet your needs or is unaffordable".

It recommends "that improvements to existing bus and rail services should be prioritised in the short-term."

#### Rail Services

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The Commission's Interim Report notes:

Despite the railway lines connecting key settlements in north Wales and the North West of England, many train services have limited frequency and operating hours due to a combination of physical infrastructure restrictions and a lack of long-term investment in service enhancements.

The report notes the importance of cross border rail links, and links to HS2 – while also noting Wales will not receive any consequential funding from HS2 spending.

It says service frequency enhancements and operating hours extensions are required. Specific enhancements and improvements are identified from page 18 of **the report**.

**Recent media reports** describe calls from rail user groups in North Wales for a review of TfW following what they see as poor service including delays, cancellations, overcrowded trains and poor levels of communication.

**In April, passenger watchdog Transport Focus** highlighted issues across the Welsh rail network, calling for TfW to “to urgently deliver a more reliable rail service after months of disruption for passengers”. Transport Focus said that in its most recent survey, passengers rated TfW rail services “in joint bottom place for overall satisfaction (alongside TransPennine Express)”.

The current Welsh Government procured TfW rail franchise began operating in October 2018. Welsh Government owned TfW took over from KeolisAmey in February 2021 to run services directly as **operator of last resort**.

**Senedd Research's October 2020 article**, published at the time of the announcement, provides further background on this process.

This ‘nationalisation’ of rail services draws on **emergency provisions of railways legislation. Section 25 of the Railways Act 1993**, which prevents public sector operators being awarded rail franchises in England and Wales, continues to apply. The Welsh Government **has long called** for this provision to be disapplied in Wales to permit a ‘not for profit’ approach to service delivery.

## Bus services

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### **Declining passenger numbers and “poor” services in North Wales**

Bus passenger numbers have been in long-term decline across Great Britain for many years – a trend driven by **a wide range of factors**. However, passenger numbers collapsed during the pandemic and have not recovered.

The Commission's Interim Report says “the existing bus network in the region is poor, with limited frequency and operational hours, as well as often having poor journey times in comparison with the car”.

It **sets out a number of recommendations** from page 24 – including support for bus reform legislation (see below).



### Bus funding pressures and risks to services

The Welsh Government provided over £150m of emergency funding to bus services during the pandemic through the establishment of the **Bus Emergency Scheme (BES)**. This has remained in place in one form or other since early 2020.

Although £28m was included for BES in **the draft Budget paper provided to the Climate Change Environment and Infrastructure (CCEI) Committee in January**, in February **the Welsh Government indicated** that this was in doubt.

The Deputy Minister for Climate Change has since made a series of statements updating the Senedd on work to protect services. **On 23 May he said**, “we have nearly reached a solution that will allow us to make further funding available to protect as much of the network as we can for the remainder of this financial year”. The Welsh Government would make £46m available “from bus budgets to support BES and successor arrangements for the whole financial year” in addition to concessionary fares funding and other “regular support” for services.

Funding has been provided from within the Climate Change Main Expenditure Group (MEG). However, stakeholders suggest bus services are essential to **address transport poverty**, and to allow people to access services like health and education, and for the economy.

**CCEI Committee has written** to the Deputy Minister to ask how this wider impact of bus services is reflected in the Welsh Government's budget setting process, and particularly what work has been done to consider this wider impact and “the merits of redirecting funding from other portfolios in that context”.

On 16 June the Deputy Minister **issued a statement** saying this £46m would fund a new Bus Transition Fund when BES ends in July.

### Bus reform and revenue risk

The Welsh Government is preparing to introduce a Bus Services Bill which will introduce Wales-wide franchising. **White Paper proposals set out plans for fundamental reform** with the Welsh Ministers, rather than local authorities, as the franchising authority. Bus operators delivering franchised services would receive a fee, so that revenue risk from passenger fluctuations would be carried by the Welsh Ministers.

This arrangement will require stable, flexible and most likely increased funding to be effective, and particularly to meet stringent modal shift targets. In the light of current funding uncertainty, **CCEI's letter** to the Deputy Minister asks:

Given your intention that the Welsh Government will be the franchising authority and carry the revenue risk for all franchised bus services across Wales can you outline how the planned arrangement will ensure this risk is managed and that the current funding challenges and uncertainty are not repeated and amplified by franchising?

### 4.3 Freeports

Freeports are zones within a country's geographic border, but outside its customs area. Goods can be imported and exported without duty or taxes. Value can be added through processing by port-based businesses before being re-exported or paying taxes on entering the domestic market. They may also benefit from further tax and non-tax incentives.

The UK Government launched a **Freeport Prospectus** for England in November 2020. This stated an ambition to work with devolved administrations to establish "at least one Freeport" in each of Wales, Northern Ireland and Scotland.

**The Welsh Government had concerns** about this, including around the environmental impact. Welsh Ministers stressed the need for Welsh and English freeports to get the same financial support and had concerns about employment and environmental standards. **Others have expressed concerns** that the approach would displace jobs and economic performance rather than grow both overall.

**In July 2021**, the Welsh Government set out conditions it expected to be met. The two governments **reached agreement** in May 2022. The **bidding prospectus** for Welsh freeports launched in September 2022.

**Three bids** were received. On 23 March 2023, the UK and **Welsh Governments announced** that **Anglesey Freeport** and the **Celtic Freeport** – comprising Milford Haven and Port Talbot - were successful. These plans will now move to the next stage – development of an outline business case.

Together, the two freeports are expected to generate 20,000 jobs by 2030 and attract public and private investment of up to £4.9bn.

### Anglesey Freeport

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#### **The Welsh Government Freeport announcement explains:**

The freeport will be based around the port of Holyhead, Anglesey Prosperity Zone, Rhosgoch and **M-Sparc**. The freeport will develop the Energy Island Programme (EIP) by focusing on marine energy technology testing on the seabed (tidal and wind). The freeport aims to create between 3,500 and 13,000 jobs by 2030, with an increased GVA of approximately £500 million. It also anticipates significant inward investment, including the possibility of £1.4 billion in the green energy sector.

The **freeport website FAQs** say several sites are currently being considered for the location of the freeport. On road and rail freight infrastructure, the FAQs say:

Over the next 10-15 years, we expect to see a rejuvenation of Anglesey and the wider North Wales. As we see new businesses come to take advantage of the freeport, the infrastructure will be upgraded accordingly.

The FAQs also seek to provide reassurance that the freeport will create new jobs, not displace existing posts, and will not lower labour, environmental and business practice standards.

Concerns about business practices have arisen in England where the UK Government **has ordered a review** into plans for one of its English freeports at Teeside following allegations of corruption.

## 6. Economic development and employment

### 5.1 Job losses at 2 Sisters, Llangefni

On 26 January, 2 Sisters **announced its intention** to close its factory at Llangefni, resulting in the loss of around 730 jobs. The factory subsequently closed its doors on 31 March.

On 26 January, the Minister for Economy **announced that** he would, alongside Isle of Anglesey County Council, establish a taskforce to support affected employees and the local community. **The taskforce** includes representatives from the Welsh Government, Isle of Anglesey County Council, the Department for Work and Pensions, 2 Sisters and Unite the Union.

**An employment hub** has been set up at the Bryn Cefni Business Centre in

Llangefni, involving a number of organisations including Working Wales, Citizens Advice and Job Centre Plus. On 6 April, **the Minister for Economy announced £206,000 funding** for the Communities for Work Plus programme in Anglesey and Gwynedd.

The additional investment will:

- enable local employment charity Môn CF and Gwynedd Council to employ additional employment mentors through the coming year; and
- allow Môn CF to commission Citizens Advice Bureau services for those made redundant.

Former staff are also being supported through the Welsh Government's ReAct+ programme, which provides them with tailored support to get them into employment as soon as possible.

In relation to the future use of the site, the Minister for Finance and Local Government **said in Plenary on 22 March** that:

...there was a meeting held on 15 March between Anglesey council, the Wales Office, Welsh Government and Amber Holdings who own the site, and that meeting secured an agreement to engage with stakeholders to agree a future use of the site in line with local needs, and also to engage with local businesses to determine the type of property required in the current market. And again, that would be a discussion led by the Minister for Economy. But I just thought that sharing that could be of interest to colleagues this afternoon as well.

On 5 June, **the Daily Post reported** that the site has gone on the market as the Llangefni Point site, and the main facility is valued at £2m, with two other pieces of land being valued at £125,000 each.

## 5.2 Economic development in Wrexham

### Economic impact of recent success of Wrexham AFC

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Since Ryan Reynolds and Rob McElhenney completed their takeover of Wrexham AFC **in February 2021**, it's been reported that there has been **considerable interest** in the club and city from the USA. The 'Welcome to Wrexham' documentary aired between August and October 2022. **Over the 12 months to February 2023**, Wrexham AFC's social media following rose to over 1.5 million, shirt sales increased, while attendances also increased.

In a **recent media article**, Wrexham Council's tourism manager said that the

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recent success of Wrexham AFC has had a wide range of benefits for the city. These include:

- “A renewed sense of belief in the whole city”.
- Raising the profile of the city, encouraging investment and empowering businesses.
- Local and international tourism benefits.
- Wrexham becoming “one of the biggest searched locations for UK staycations in 2024”.

The **Football Museum for Wales** is being developed in Wrexham, through the Museum of Two Halves project. It will be located on Regent Street in Wrexham, and will be co-located with the Wrexham Museum. It is intended that construction on the building will start in spring 2024, and that the museum will open in 2025 or 2026.

On 21 February the Deputy Minister for Arts, Sport and Tourism **announced a grant of £5.46m** to Wrexham Council to continue work to progress the museum. The funding “subject to conditions and approval of a full business case, will continue the community and pan-Wales engagement on the project, developing the content, collections and exhibitions through to construction and opening”. The funding builds on the around £800,000 previously committed to the museum for engagement work.

### Wrexham Gateway project

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The **Wrexham Gateway project** will develop the corridor around Mold Road. Wrexham AFC's Racecourse Ground will be developed as part of the plans, which will also include transport upgrades, and new office, hotel, and conference spaces. Funding will come from a mixture of public and private investment.

The Welsh Government is **providing £25m funding** to the Wrexham Gateway project. **In April 2023**, Wrexham Council allocated £17.83m of this funding to the Racecourse Stadium development, including the Kop stand. The remainder of the Welsh Government funding will be used for project costs on the eastern side of the gateway, including “the car parking deck and land exchanges”. The council will also apply for external funds for the eastern side scheme.

### Wrexham enterprise hub closure

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The Wrexham enterprise hub opened in May 2018, and was delivered by Town Square Spaces on behalf of Business Wales. The hub provided access to co-working facilities and bookable meeting spaces, free access to Business Wales and Town Square training programmes, one-to-one sessions with advisors, and events.

However, **the hub closed on 16 June**, following the end of the hub's funding and contract with the Welsh Government on 31 May. An **open letter** published by Town Square Services said "We're hoping [to be closing] temporarily, but we have to accept that it might be permanent. We are still working hard to secure the hub's future, and planning to reopen the doors later in the year subject to successful funding bids".

In an article published by Wrexham.com, the Welsh Government **said that** "While support for physical hubs does not form part of the Business Wales service going forward, advice and support can be accessed through the service for entrepreneurs and businesses based in Wrexham and across Wales".

Town Square **published an impact report** into the hub in 2021, which found that:

- Members report that the hub has "made them more effective business owners, and made their businesses more profitable".
- For "many members", the hub has changed their attitudes to, and perceptions of, Wrexham. It has also impacted the way they travel to, and spend time, in the city centre.
- Members felt that the hub created a sense of community, which they placed "huge value" on.

An **independent review** commissioned by the Welsh Government for its five enterprise hubs located across Wales found that:

- Enterprise Hubs have worked well when all the identified key success factors are in place.
- Enterprise Hubs have played an important role in engaging entrepreneurs who would not necessarily have engaged with mainstream Business Wales provision and made a meaningful contribution to their business start-up journey.
- The extent to which Enterprise Hubs have achieved their funded objectives varies, with overall performance against funded KPIs lower than expected.

### 5.3 North Wales Growth Deal

The **North Wales Growth Deal** was **signed by the Welsh and UK governments** in December 2020. The Welsh and UK governments will each provide £120m funding. The deal's main objectives are to create up to 4,200 new jobs by 2036, support an uplift of £2bn-£2.4bn for the economy over that same period, and deliver total investment of up to £1.1bn.

Since the deal was signed, two projects will no longer be funded by it. The **Bodelwyddan Key Strategic Site** will no longer receive funding as there is less demand for new homes and infrastructure than originally expected, so the project will be much smaller than anticipated. The **Llysfasi Net Zero Farm** will now be funded by other sources, including the Welsh Government's Sustainable Communities for Learning Fund.

In February, Ambition North Wales, who are delivering the growth deal, **opened a call for new projects** with £30m funding available. They will be selecting projects in June/July.

In November 2022, WISERD published a **report on the North Wales Growth Deal**, which was based on a number of anonymous interviews with officials and political leaders involved in its development. One of the key challenges outlined in the report was that:

Whilst the “Welsh Government have very much promoted an ethos of collaborative across region working”, as indicated by the publication of the recent North Wales Regional Economic Framework, the UK Government is now “driving in a different direction” [i14]. The Levelling Up and Community Renewal funds are seen as undermining regional strategic approaches...

The present reality is thus one of “six local authorities driven through [UK] Government policy to work in silos on developing their own microeconomies” [i14], which is in tension with Welsh Government efforts to develop more regional partnership level working.

### 5.4 Cross-border economic links

**On 18 May**, the First Minister and Minister for Rural Affairs, North Wales and Trefnydd met with the Mayors of Greater Manchester and the Liverpool City Region, and the Consul General of Ireland. The purpose of the meeting was to discuss the links between North Wales, North West England and Ireland.

In a **Plenary statement on 23 May**, the Minister for Rural Affairs, North Wales and Trefnydd highlighted cross-border collaboration in relation to transport, and

decarbonising industry. In particular, she noted the opportunities around hydrogen, offshore wind and nuclear, and the cross-border **HyNet** consortium. Most of the projects for this consortium are in England, however the project at Hanson Cement Works in Padeswood is one of those being taken forward to negotiations to create carbon capture usage and storage clusters.