



# Committee report

Committee	<b>CABINET</b>
Date	<b>13 JUNE 2019</b>
Title	<b>INSPIRATION ISLAND – THE ISLE OF WIGHT REGENERATION STRATEGY</b>
Report of	<b>CABINET MEMBER FOR REGENERATION AND BUSINESS DEVELOPMENT</b>

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## EXECUTIVE SUMMARY

1. This report seeks Cabinet approval for the Isle of Wight Regeneration Strategy, “Inspiration Island” - Appendix 1
2. In July 2017 the Isle of Wight Council set out its intention to develop and implement a wide-ranging programme of regeneration to help address its revenue generation aims in the medium-term financial plan and improve the quality of life of those who live, work and visit the Island.
3. Throughout 2017 and the first half of 2018 the Council undertook an “Island conversation” entitled “the Wight We Want” which sought to engage with businesses and communities regarding their views on the strengths of the Island and the challenges it faces in promoting economic prosperity, social improvement and environmental sustainability, and gather their ideas for making things better.
4. The conversation was informed by the development of a detailed statistical profile of the distinct areas of the Isle of Wight recognising the different characteristics of its landscape and population. At the same time a review of Council land and buildings was undertaken to identify opportunities for growing the economy, providing higher paid employment, providing more homes to tackle Island housing needs and creating places which reinforce the sense of pride the different settlements have in their part of the Isle of Wight
5. A draft regeneration strategy which sought to bring this information together was published in July 2018 setting out the key priorities for an integrated programme of regeneration across some key themes. The draft strategy was

then also subject to its own consultation exercise which ran until November 2018.

6. The draft regeneration strategy also informed the development of an updated Island plan which was published in October 2018.
7. Following the appropriate review of the comments received from the business and resident communities on both the draft Regeneration strategy and the Island Plan, the Regeneration strategy has been reviewed and revised and is now submitted in its current form for Cabinet approval.
8. Each theme describes what will be done in that theme, how the action contributes to other themes, how the impact will be measured and a three year programme action plan outlines who will be responsible for leading on specific projects.
9. Programmes of this type require a long-term commitment to addressing structural issues in the economy, the population and the environment so an initial scope period up to 2030 is proposed with a substantive review scheduled at the beginning of each new administration.

## BACKGROUND

10. Regeneration is a complex task. It is about improving all those aspects that influence the quality of life of people living in, working in or visiting a place. It is about jobs, more of them and better paid, growing existing businesses and attracting new investment to improve overall prosperity. It is about housing, affordable and liveable with quality choices for all budgets.
11. It is about all the basics such as drains, sewers, roads, utilities and broadband connectivity. It is about being able to get around easily and in our case get back and forth to the mainland. It is about making your assets work harder to gain more value to pay for the things that matter.
12. It is about taking care of the most vulnerable in our community. It is about everybody being able to fulfil their potential, getting the best possible start, staying healthy and improving their skills to continue being successful in an ever more competitive world. It is about our environment, keeping it special for future generations but utilising it fully as an asset for economic and social well-being. It is about our heritage and culture, our distinct identity and valuing history, creativity and diversity.  
***Regeneration is about creating the environment within which people can live the best quality of life they can.***
13. These different parts of the regeneration jigsaw rely on each other. Businesses need skilled workers, people need good homes and schools in order to make choices for themselves and their families, communities need a great environment and a vibrant culture to value the towns and villages in which they live. Achieving more by linking these issues and more importantly actions to address them is what a good regeneration strategy is all about.

14. Creating the space for businesses, public sector organisations, town and parish councils, communities and third sector groups to come together to decide what is important and deliver change across the range of issues is ever more important in a climate of limited resources; making sure every penny is targeted towards maximising future opportunity and putting right the things that are not working for people.
15. In December 2016 the Isle of Wight Council made a key decision to invest in a regeneration team to deliver on the aim set out in its 2016 Medium Term Financial Plan where *“in year expenditure matches in year income over the medium term, whilst regenerating the Island’s economy and providing essential value for money services for our residents and businesses”*.
16. Driven by this need to address the medium term financial challenge by generating greater revenue from its asset base, the regeneration programme has evolved to address all the necessary components affecting the Isle of Wight’s prospects of retaining and attracting investment. All the elements that enable the best quality of life for residents, allow businesses to thrive and keep visitors coming back.
17. A recognition that the Isle of Wight is not made up of one homogenous community is central to delivering effective regeneration. The needs of rural communities in the South and West Wight are distinctly different to those in coastal towns such as Ryde and Sandown. Considering the needs of population sizes and sub areas of the Island which can support local economies and enable sufficient scale for effective service planning are as important as addressing whole Island issues and opportunities.
18. Titled “Inspiration Island” the strategy has been co-designed with those it is intended to benefit. Over 2500 people and organisations participated in surveys, workshops and a series of thematic conferences to help shape the draft strategy. A detailed appreciation of “where the Island is now”, the key issues it faces on a whole Island and area level was collated using latest available data.
19. The strategy sets out the current issues facing the Island and a vision for change, consistent with the Council’s Corporate Plan.

***Our vision is for the Isle of Wight to be an inspiring place to grow up, live, work and visit.***
20. Structured as an integrated programme and operated using a programme management approach, the strategy proposes six key areas of activity to help achieve the vision.
  - Place making
  - Housing
  - Transport and Infrastructure
  - Cultural and Environment Assets

- Skills and business development
  - Area Regeneration
21. The strategy is underpinned by a specific theme focusing on Communications and Engagement, sustaining the conversation that shaped the strategy to help monitor its progress and influence future direction.
  22. Each key theme links to the other – improved places need the right kind of housing and access to better paid jobs. Employers need to know there is access to a skilled workforce, energy supply, transport and business premises. This whole place approach, so often aspired to but difficult to achieve is the key mission for the strategy.
  23. The strategy is the repository and monitoring instrument for a programme of specific projects, located under each theme, that must measurably deliver financial and quality of life outcomes, in support of the vision, and therefore warrant their development and investment. Projects that meet an identified need, in terms of statistical exception or stakeholder commentary at an Island or specific community level.
  24. The strategy is not just a Council document but an “Island” document that references how all the distinct parts of the public sector, the business community and wider civil society are working toward achieving and then sustaining the shared vision.
  25. Each theme describes what will be done in that theme, how the action contributes to other themes, how the impact will be measured and a three year programme action plan outlines who will be responsible for leading on specific projects.
  26. Programmes of this type require a long-term commitment to addressing structural issues in the economy, the population and the environment so an initial scope period up to 2030 is proposed with a substantive review scheduled in 2024.

## STRATEGIC CONTEXT

27. The “Inspiration Island” strategy sets out these key elements of the regeneration programme. It sets out how they will deliver change individually and how they link together.
28. It sets out how regeneration actions support the outcomes set in the 2017-2020 Isle of Wight Council Corporate Plan:
  - A financially balanced and sustainable council
  - Businesses have the confidence to invest
  - Vulnerable people are supported and protected
  - All young people will have the best start in life so they can fulfil their potential
  - People have a place to call home and can live with independence

- People take responsibility for their own health and well-being
  - A well-educated and skilled community
  - The IW is a leading UK visitor destination
  - Outstanding digital and transport connectivity
  - The community feels safe and the Island is resilient
  - The environment and unique Island characteristics are celebrated
  - Community needs are met by the best public services possible
29. A strong and vibrant economy, delivered in sustainable way, is essential to achieving a better quality of life. This aspiration informs every element of the regeneration strategy and has been closely developed with the Isle of Wight Chamber of Commerce and other business organisations on the island.
30. But this strategy isn't just about contributing to the delivery of the Council's Corporate Plan priorities and economic prosperity – it's wider than that.
31. True regeneration is about more than bricks and mortar, it is about measurable social and environmental improvement in people and place. It is a focal point for a range of other plans and strategies, from both within and outside of the Council.
32. In addition to this shared economic and social vision, the Regeneration strategy seeks to support delivery of a number of interrelated Island strategies. These include, but are not limited to:
- Health and Well-being strategy: Start Well, Live Well, Age Well
  - Local Care Plan
  - Delivering Better Education action plan
  - (emerging) Housing Strategy
  - (emerging) Island Planning Strategy
  - Island Independent Living Strategy
  - Economic Development Strategy
  - Solent Local Economic Partnership – emerging Local Industrial Strategy

## OPTIONS

33. The foundation of the Regeneration programme was centred on taking a pro-active approach to addressing the Council financial challenges through bringing forward revenue generating projects and increased core sources income such as council tax and business rates.
34. As the programme and specific projects have developed it has become clear that stand alone property focused, revenue generating proposals require a more holistic context to help secure their successful delivery. The need to evidence wider impact in terms of meeting the challenges the Island faces has also required attention on issues such as skills development and infrastructure.

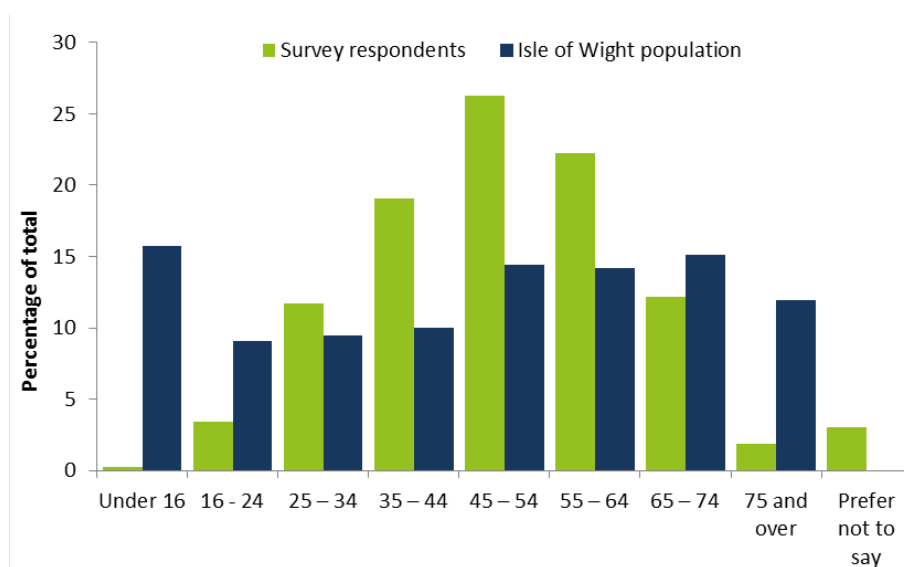
35. This wider appreciation of the economic, social and environmental value of regeneration programme activity has attracted widespread business and community support.

Option 1 – Not approve the proposed “Inspiration Island” regeneration strategy and instruct officers to consider other options for addressing the Island's development and revenue generating challenges.

Option 2 – Cabinet approve the “Inspiration Island” regeneration strategy - 2019 to 2030, as the first working version and require annual progress reports linked to its implementation.

## CONSULTATION

36. An online survey of the Island's population was held in summer 2017 – nearly 2000 people responded (fig 1) setting out their views on Island and local area priorities (fig 2)



**Figure 1 – Wight We Want survey responses**

Responses came from across the Island and the following table sets out the key whole island issues highlighted

	Number	Percentage
<b>Better transport links/more affordable transport</b>	951	53.4
<b>More jobs/better paid jobs</b>	812	45.6
<b>Better health care facilities</b>	592	33.2
<b>Better protection of the natural environment</b>	567	31.8
<b>More leisure facilities for children and young people</b>	508	28.5
<b>Improved education provision</b>	478	26.8
<b>Better access to housing / more affordable housing</b>	371	20.8
<b>More leisure facilities for older people</b>	245	13.7
<b>More cultural facilities</b>	229	12.9
<b>Other (Please specify)</b>	339	19.0

## Figure 2 – Wight We Want whole island issues

37. The survey was followed by a series of area workshops held throughout 2018 which discussed Wight We Want survey findings, statistics which evidenced local needs and considered these to determine local area priorities. A database of over 3000 people are registered to receive updates and attend these workshops. Town and Parish council representatives also played an active part in these workshops.
38. A series of landmark conferences have been held over the last 18 months covering the regeneration programme as a whole, a youth conference, and environmental conference and two digital conferences have been held to help shape the regeneration programme.
39. A new business reference group comprising over 60 businesses from across the Island have met regularly to help shape the programme and help inform a more business friendly approach.

### FINANCIAL / BUDGET IMPLICATIONS

40. There are financial / budget implications that will arise as a result of the implementation of the “Inspiration Island” strategy:
  - Capital expenditure
  - Revenue expenditure

#### **Capital expenditure:**

41. **Capital programme** £4.2m towards land and infrastructure costs in bringing forward regeneration schemes
42. **Prudential Borrowing** - £25m for Regeneration & Business Development
  - Allocated subject to a comprehensive business case and financial appraisal for each project, approved by the S151 Officer which can demonstrate with a good certainty that any borrowing costs can be met from reliable long term income streams or savings to the council.
  - Prudential Borrowing is governed by the Prudential Code and its associated tests of affordability, sustainability and prudence
  - The Council must demonstrate it can afford the debt repayments over the long term.
  - Given the future forecast revenue deficits of the Council, prudential borrowing is only available for invest to save schemes where this is a demonstrable case that the capital expenditure incurred will result in savings (i.e. a cost reduction or additional income) that at least cover the cost of borrowing.
  - Those savings must accrue directly to the Council and be available on a sustained basis over the lifetime of any borrowing

## **Revenue expenditure**

43. A revenue budget of £1.3m (2019/2020) for Regeneration and Business Development to enable project development, implementation and monitoring across all the programmes themes.

## CARBON EMISSIONS

44. Development and implementation of this wide-ranging programme of regeneration is centred on the principle of sustainable development and while new business growth, development of new housing presents risks in terms of emissions growth the strategy will seek to be carbon neutral over the period of its implementation through development and implementation of green energy and jobs and transport initiatives.
45. The monitoring and evaluation framework for the programme will focus on monitoring this issue.

## LEGAL IMPLICATIONS

46. There will be legal implications associated with each project set out in the strategy. These will need to be identified for each project and appropriate legal advice and guidance received prior to full business cases being agreed. This can be done through the Council's own legal team or, where necessary, procured from external legal specialists.

## EQUALITY AND DIVERSITY

47. The Council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
48. Under the Equality Act 2010 we are required to have due regard to our equality duties when making decisions, reviewing services, undertaking projects, developing and reviewing policies. This must be done at the formative stage of any proposal, not retrospectively as justification for the recommendation.
49. An Equality Impact Assessment taking account of the feedback received from consultation was undertaken in February 2019 and found that there were no negative equality and diversity impacts arising from the proposed implementation of the strategy. The implementation of the projects will have a positive effect on addressing social exclusion and improving access and treatment for protected characteristics groups.



## PROPERTY IMPLICATIONS

50. A progressive and comprehensive review and utilisation assessment of the Council's property portfolio is a key element of strategy implementation.

## RISK MANAGEMENT

51. Not approving the “Inspiration Island” strategy would create a significant risk in not being able to achieve the revenue generation objectives and timelines set out in the Isle of Wight Council’s medium-term financial strategy.
52. Each project brought forward in years 1-3 of strategy implementation will be managed as a distinct project including project risk logs and mitigations.

## EVALUATION

53. Assessing the impact of the investment placed in the regeneration programme is key part of the regeneration strategy not just in terms of revenue generated and homes built but also measuring the Island population’s sense of well-being and confidence in their future. In order to achieve the Isle of Wight Council's, place leadership responsibilities, contribute to continuing financial stability and improve the economic prosperity, well-being and quality of life of Islanders the Inspiration Island strategy represents the most effective response given current resources.
54. Working with the Health and Well Being board, a common set of key measures are being developed to complement the regeneration programmes own qualitative and quantitative data collection
55. The programme and project management approach being implemented by the programme clearly identifies intended outputs and their contribution to overall programme outcomes linked to the key themes

## RECOMMENDATIONS

- Cabinet approve the “Inspiration Island” regeneration strategy - 2019 to 2030, as the first working version and requires annual progress reports linked to its implementation.
- Cabinet recommend the strategy to other stakeholders in the public, private and community sectors on the Isle of Wight and encourage collective endorsement and ownership of its aims and objectives.

## APPENDICES ATTACHED

56. [Appendix 1: Inspiration Island – Isle of Wight regeneration strategy](#)

Contact Point: Chris Ashman, Director of Regeneration, ☎ 821000 e-mail:  
*chris.ashman@iow.gov.uk*

CHRIS ASHMAN  
*Director of Regeneration*

CLLR WAYNE WHITTLE  
*Cabinet Member for Business and  
Regeneration*