

**Providing Council with Written Responses to Questions at Council –
15 July 2014**

1. Mr Tony Beddow asked the Cabinet Member for Finance & Resources

Question

Is the Cabinet Member for Finance and Resources satisfied with the implications of the reply to my previous question and would he understand why I had expected the answer to be '£48,000'.

Would he accept that this expectation is justified by:

- a) Paragraph 7 of the Cabinet paper (25 May 2006) agenda item 9 C (1);
- b) Paragraph 5 of the 28 January 2011 PWC report to Council which says 'the stadium is leased to SSMC under a 50 year lease. The rent payable is effectively 30% of any distribution of profits from SSMC. The lease can be terminated for non payment of rent, breach of covenant by Swansea Stadium Management Company (SSMC), or the insolvency of SSMC'.
- c) Section 10.2 of the April 2005 Joint Venture Agreement which repeats the basis of the derivation of the rent (30% of profit).

How can the alleged discretionary powers of the directors be squared with the absolute requirements of the 2005 agreement to pay rent or risk voiding the agreement?

However, if both the Joint Venture Agreement and PWC's February 2011 description of the rental deal no longer apply when did the change occur and where is this publicly reported?

Finally, as SSMC is at last profitable and debt free, will he seek a means of recouping over four / five years rent outstanding since 2006 -say £480,000 - in recognition of Council's patience and to allow much needed funding to flow into hard pressed budget areas such as adult social care.

Response of the Cabinet Member for Finance & Resources

Rent is only payable if the company makes a profit and declares a dividend. 30% of the declared profit would be the rent payable.

No profit has been declared and therefore no rent has been paid, nor is it liable to be repaid until a profit is made. If rent was payable and it had not been paid then the debt would be pursued in accordance with standard policy and procedure.

In addition we will continue to investigate ways of achieving a more acceptable return for the investment the people of Swansea have made in the Stadium.

2. **Councillor J W Jones asked the Cabinet Member for Regeneration**

Question

- i) What criteria was used for the District Regeneration Area Grant?
- ii) Numbers 15 and 16 of the response list the business names as 'Locksmiths' and 'Photography'. Can you please provide Council with the actual names of the businesses."

Response of the Cabinet Member for Regeneration

- i) The Swansea Grant Fund was open to applications from Swansea residents and businesses looking to either start a new business or expand one already on operation. In this instance there were no restrictions placed on the locality, nor the sector in which the business would operate.

The type of expenditure eligible included:-

- Machinery and office equipment
- Website Development
- ICT equipment and business software
- Minor building works to premises
- Other marketing and promotion work.

Route

Applicants completed an application form and submitted supporting information with their application. Assistance in developing the supporting documentation was available free of charge from one or more of Welsh Government's 'Business Wales' providers.

Restrictions

Expenditure incurred before grant approval was not eligible and funding support remained discretionary with a final decision resting with the City and County of Swansea. All applications were be screened for any existing debt or unresolved issue with the Council. Processes followed Council procedures and financial rules. Grant money was only paid after evidence was supplied of the approved expenditure (copies of paid invoices/receipts and copies of bank statements).

- ii)
MA Locksmiths
Marc Greco Photography

3. **Councillor A M Day asked the Cabinet Member for Place**

Question

What level of savings are being made by allowing parts of the parks to be become meadow land, i.e. not cut

Response of the Cabinet Member for Place

By reducing the grass cutting frequency at over 30 areas of Parks and Open Spaces, adding up to 42.5 hectares, down to one annual cut in September/October as a biodiversity measure, there is a target saving of £57K.