

Cabinet Member for Enterprise, Regeneration and Development

Cabinet - 17 March 2015

**VIBRANT AND VIABLE PLACES (V&VP)
FPR7 – PROPERTY ENHANCEMENT / DEVELOPMENT FUND**

Purpose:	To approve the scheme and include the budget within the Capital Programme
Policy Framework:	City Centre Strategic Framework.
Reason for Decision:	To comply with Financial Procedure Rule No.7 (Capital Programming and Appraisals) - to commit and authorise schemes as per the Capital Programme or to include new schemes in the Capital Programme.
Consultation:	Legal, Finance, Access to Services.
Recommendation(s):	It is recommended that Cabinet: 1) Approve the scheme as described; 2) Commit the budget to the Capital Programme for 14/15-16/17.
Report Author:	Craig Fisher
Finance Officer:	Jayne James
Legal Officer:	Nigel Havard
Access to Services Officer:	Phil Couch

1. Background

- 1.1 Welsh Government (WG) in a letter dated 17th June 2014 advised that £8.394m V&VP funding had been awarded to support the schedule of projects submitted to WG on behalf of the Swansea Economic Regeneration Partnership in March 2014. All of the successful schemes will be reported individually for Cabinet approval to comply with Financial Procedure Rule 7.

2. Property Enhancement/Development Fund

- 2.1 The scheme will support the development (including acquisition/ demolition) and/or enhancement of commercial property in support of the implementation of proposals emanating from the Swansea City Centre Strategic Framework Review. The objective of this scheme is to support property development and improvement and to stimulate private sector investment and create jobs.
- 2.2 It will build upon the successful Building Enhancement/Property Development fund programme currently funded under the European Convergence programme as part of the Waterfront City initiative. Schemes will be required to provide social benefits from the investment in conjunction with the Council's Beyond Bricks and Mortar initiative.
- 2.3 Individual grant applications will be reported for approval in accord with the Council's Constitution.

3. Financial Implications

- 3.1 Appendix A details the financial implications. The V&VP budget totals £2,040k over the 3 year funding period 2014/15 – 2016/17. V&VP funding must be defrayed in the year allocated or the funding will be lost. There is no provision for carry forward.

4. Legal Implications

- 4.1 The Council will need to comply with the terms and conditions attached to any grant funding. All contracts for works, goods and services necessary to deliver the projects must be procured in accordance with the Council's Contract Procedure Rules and the relevant EU Regulations as appropriate.
- 4.2 All statutory consents will be the responsibility of the applicant.
- 4.3 Grant applicants must either be the freeholder or have a minimum 5 year leasehold interest remaining on the property. A legal charge will be placed on the property prior to grant funding being released and this will be the subject of a clawback requirement if the property is sold within a 5 year period based on a reducing sliding scale basis.

5. Equality and Engagement Implications

- 5.1 An initial Equalities Impact Assessment Screening has been undertaken and this indicates an Equalities Impact Assessment will be required to inform the development of scheme guidance.

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: REGENERATION
 Service : CITY CENTRE
 Scheme : PROPERTY ENHANCEMENT/DEVELOPMENT FUND

<u>1. CAPITAL COSTS</u>	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	TOTAL £'000
<u>Expenditure</u>					
Capital works		36	974	1030	2,040
EXPENDITURE		36	974	1030	2,040
<u>Financing</u>					
WG V&VP grant		36	974	1030	2,040
FINANCING		36	974	1030	2,040
<u>2. REVENUE COSTS</u>	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees)					0
Maintenance)					0
Equipment)					0
Administration)					0
NET EXPENDITURE	0	0	0		0