

**Report of the Cabinet Member for
Enterprise, Development & Regeneration**

Cabinet - 17 March 2016

FPR7 – CITY CENTRE REGENERATION MATCH FUNDING BUDGET

Purpose:	To 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: Commit the budget to the Capital Programme for 2015/16 & 2016/17
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1.0 Background

- 1.1 Swansea City Centre is the economic driver of Swansea Bay City Region and should be the regional shopping, leisure, education, employment and administrative centre. However the City Centre does not currently fully fulfil this role, and is at a critical point in its evolution.
- 1.2 Today's City Centre suffers from a small residential population, a limited number of jobs, poor quality office accommodation which delivers low rents, low footfall, a limited retail offer with significant vacant floor space and the lack of major attractions to make it a significant destination.
- 1.3 Research shows that the catchment perceive the City Centre as tired, dated and declining with an average offer, coupled with a complex traffic

system, congestion and poor/expensive car parking. The ambition of the catchment remains strong for an integrated and coherent city centre capable of supporting City Region status and delivering a 24hour economy.

- 1.4 A strong established supportive planning policy through the City Centre Strategic Framework (2007) together with the City Centre Strategic Framework Review offers opportunity to regenerate the City Centre. The review will ensure that all resources, including Welsh Government and potential EU funding opportunities, are appropriately targeted and focused on a clear set of objectives for the City Centre including the St David's and Civic Centre sites which ensure that regeneration benefits are maximised.

2.0 City Centre Regeneration Match Funding

- 2.1 In order to facilitate future City Centre Regeneration an exercise was undertaken to identify unallocated brought forward capital funding and to re-profile currently allocated regeneration capital budgets.
- 2.2 This exercise identified a total sum of £1,638k to which approval is requested to add the budget to the capital programme for 2016/17 under the budget code C06364 'Regeneration Match Funding'
- 2.3 European funding bids are required to realise aspects of the city centre regeneration programme which will require match funding commitment from the City & County of Swansea.
- 2.4 Implications of each proposal to utilise the identified regeneration match funding budget of £1,638k will be compiled, considered and approved in separate reports in accordance with the Financial Procedure Rules in due course.

3.0 Financial Implications

- 3.1 The budget identified for regeneration match funding totals £1,638k and is shown in the table below together with other capital allocations. The financial implications summary is presented in Appendix A.

Regeneration budgets and funding		£'000
Current Regen budgets	Current capital budgets	659
Unapplied Grant	unused funding	789
Unapplied capital receipts	unused funding	227
Market Roof change in funding from borrowing to ERDF grant		550
Match funding available		<u>2,225</u>
Proposed Allocation		£'000
Hafod / Morfa Copper works	C06554	175
Waterfront schemes	C06307	228
Market roof additional works	C08644	184
Match funding for City Centre Schemes	C06325	1,638
		<u>2,225</u>

- 3.2 In addition to the £1,638k City Centre match funding allocation it is proposed that £175k be allocated towards the capital budget for the Hafod/Morfa Copper works site as well as £228k allocated towards the Waterfront City project and £184k towards the additional works for the Market roof.
- 3.3 An additional allocation of Waterfront City BEP grant of £550k was awarded to the market roof works in 2015/16. This additional budget resulted in an unused balance of borrowings allocated to the market roof works to which it is proposed that £184k is allocated towards additional roof works and the remaining balance is to be allocated towards match funding for the City Centre.
- 3.4 It is proposed that any remaining balance of City Centre match funding at close of 2016/17 be carried forward to 2017/18.
- 3.5 The full budget implications of each proposal to utilise the regeneration match funding of £1,638k will be compiled, considered and approved in accordance with the Financial Procedure Rules in due course.
- 4.0 **Legal Implications**
- 4.1 The Council will need to comply with the terms and conditions attached to any grant funding utilised in conjunction with the regeneration match

funding budget identified in this report. 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. The contractual liabilities/obligations of the Council and any appointed contractors will be covered by the individual contracts entered into.

4.2 All statutory consents required in proposals to utilise the regeneration match funding budget will be the responsibility of the Economic Regeneration and Planning Division.

5.0 Equality and Engagement Implications.

5.1 Equalities Impact Assessment screening will be conducted on all future proposals which are to utilise the regeneration match funding budget identified in this report.

Background Papers: None

Appendices:

Appendix A - Financial Implications