



Cabinet Member for Investment, Regeneration & Tourism

Cabinet – 17 February 2022

**FPR7 Report - The Welsh Government Transforming
Towns - Placemaking Grant**

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|------------------------------------|---|
| Purpose: | To comply with Financial Procedure Rule No.7 (Capital Programming and Appraisals) - to commit and authorise the addition of new schemes to the Capital Programme. |
| Policy Framework: | Swansea Bay City Region Economic Regeneration Strategy, City Centre Strategic Framework. |
| Consultation: | Access to Services, Finance, Legal. |
| Recommendation(s): | It is recommended that Cabinet: 1) Notes the grant application as set out in this report has been approved by WG as part of the 2021/22 capital bidding round for the WG Transforming Towns Programme. 2) Approves the relevant schemes and their financial implications and authorises the schemes to be added to the capital programme. 3) Notes and approves the inter authority agreement which has been prepared to protect the Council's position as lead Authority in distributing the funding received from Welsh Government to deliver the schemes on a regional basis and delegates authority to the Head of Planning and City Regeneration in consultation with the Chief Legal Officer to enter into the agreement on behalf of the Council. |
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1.0 Introduction

1.1 This report presents the Welsh Governments Transforming Towns Placemaking grant programme for 2021/22 which affords Local Authorities in Wales the broadest and most flexible package of support aimed at revitalising town centres throughout Wales.

2.0 Background

2.1 The Transforming Towns Placemaking programme builds on the success of the previous Targeted Regeneration Investment Programme (TRIP) which supported projects that promote economic regeneration – creating jobs, enhancing skills and employability and creating the right environment for businesses to grow and thrive – with a focus on individuals and areas most in need to ensure prosperity is spread to all parts of Wales.

2.2 The newly introduced range of support interventions available within the Transforming Towns Placemaking programme are outlined in the appended framework document (Appendix B) and this includes 11 distinct types of intervention available to support the strategic aims of the Welsh Government and region and are listed below:

Placemaking programme– to include grant support considerations for:

- Residential Units in Town Centres
- Commercial Property Improvement Grants
- Green Infrastructure
- Public Realm
- Strategic Acquisition
- Town Centre Markets
- Town Centre Meanwhile Uses
- Town Centre External Trading Support.
- Shop Frontage Enveloping Schemes
- Digital Towns
- Active Travel

2.3 Previously the authority has focussed its thematic support on the Property Enhancement Development Grant (PEDG) and Sustainable Living Grant (SLG) interventions which are also present options within the Placemaking Grant programme but also complemented with a broader suite of possible interventions.

2.4 The maximum individual award of grant within each of the intervention categories is up to £250,000.

2.5 Swansea are the regional lead for the South West Wales region 'Placemaking award' and initially received a funding award for £4.5m covering the region. There is no set indicative apportionment of funding for the regional authorities. Funding is committed on an approvals basis where local and regional endorsement is required for each scheme within the placemaking programme.

- 2.6 The original award of funding was increased in December 2021 by a further £2m by the Welsh Government resulting in the current 2021/22 grant budget ceiling provisionally set at £6.5m should this be required.
- 2.7 In January 2022 it was confirmed by Welsh Government that an initial award of grant for the South West region covering 2022/23 was for £1m. Further awards are expected with this initial award to allow continuity of scheme approval.
- 2.8 The balance of 2021/22 Placemaking grant shown as £3.47m in appendix A will be utilised by the Welsh Government to finance currently approved regional strategic projects.

3.0 Financial Implications

- 3.1 Swansea Council's role as regional lead for the South West Placemaking Grant will generate a 5% local management fee together with a 3% regional management fee.
- 3.2 In the majority of cases covering the commercial and residential focused grants within the Placemaking programme, any match funding required to deliver the schemes will be met by external private sector investment and there is no requirement for the authority to make capital match funding contributions to these 3rd party schemes. Match funding will be required for any Placemaking scheme proposals that relate to Council assets.
- 3.3 Appendix A outlines the total anticipated South West regional project costs out turn for the Placemaking programme for 2021/22 along with an estimate of associated fees for supporting delivery and management. Following below this summary, the expected Placemaking out turn for Swansea is shown where it is anticipated that £740k of grant expenditure will be incurred together with £59k in associated fees.
- 3.4 The South West regional out turn for Placemaking is anticipated to be £2.8m with £165k in associated fees. The balance of the annual Placemaking budget will be allocated by the Welsh Government to finance approved strategic projects. The £6.5m Placemaking grant must be claimed against eligible expenditure by the 31st March otherwise it will be lost and not carry over to the 2022/23 Placemaking budget.
- 3.5 There will be no future revenue implications arising from the schemes. Any ongoing maintenance costs would be absorbed within existing budgets.

3.6 Summary of Placemaking Budget for 2021/22:

| | | | | £'000 |
|-------------------------------|---------------|------|-------|--------|
| | | | | Budget |
| | | | | 6,500 |
| LA | Profiled Cost | Fees | Fee £ | Total |
| | £'000 | | £'000 | £'000 |
| Swansea | 740 | 0.08 | 59 | 799 |
| Carmarthenshire | 1,095 | 0.05 | 55 | 1,150 |
| NPT | 731 | 0.05 | 37 | 768 |
| Pembrokeshire | 297 | 0.05 | 15 | 311 |
| | | | | |
| Total | 2,863 | | 165 | 3,028 |
| | | | | |
| Balance to Strategic Projects | | | | 3,472 |
| | | | | |

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.
- 4.2 Any projects or grant proposals developed and subsequently delivered or administered in partnership with internal or external organisations will be managed in-line with appropriate Agreements, to ensure adherence to the terms and conditions set-out in Grant Offer Letters and to relevant City and County of Swansea policies. In the case of grant investment in private sector developments a legal charge will be placed on property or assets linked to the grant recipient as required by the grant offer terms and conditions for the necessary period and to ensure that the financial risk to the authority is mitigated.
- 4.3 Generally the terms attached to WG Grant Funded schemes are legally binding and will be formally recorded in an appropriate document/contract. Any joint bid by Regional Partners should similarly be so recorded and governance issues clarified in terms of legal responsibility and decision making.
- 4.4 An inter-authority agreement and suggested project specific agreement has been drafted by Swansea Council as lead authority for the region and agreed by regional local authority partners to ensure that appropriate indemnities and governance arrangements for the terms and conditions applicable to the Transforming Towns Placemaking Grant are in place. This agreement also encompasses the Transforming Towns 'Town Centre Business Fund' which relates to revenue funding to complement the capital funding within the Transforming Towns regeneration programme.
- 4.5 All contracts for works, goods and services necessary to deliver the strategic projects and Council led Placemaking schemes must be procured in accordance with the Council's Contract Procedure Rules and the relevant domestic regulations as appropriate. The contractual liabilities/obligations of

the Council and any appointed contractors will be covered by the individual contracts entered into.

- 4.6 All statutory consents required in proposals to utilise the regeneration match funding budget will be the responsibility of the Planning and City Regeneration Service and will be formally recorded in an appropriate document/contract.

5.0 Integrated Assessment Implications

- 5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts;
- advance equality of opportunity between people who share a protected characteristic and those who do not;
- foster good relations between people who share a protected characteristic and those who do not;
- deliver better outcomes for those people who experience socio-economic disadvantage;
- consider opportunities for people to use the Welsh language;
- treat the Welsh language no less favourably than English;
- ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

- 5.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

- 5.3 There are no specific equality implications in relation to this report. Reference is made to strategic projects where these together with council Placemaking projects will be addressed by separate reports where IIA screening has been completed and full IIA will be undertaken where needed as specified from the screening.

Background Papers: None

Appendices:

Appendix A – Financial Implications – Placemaking Programme

Appendix B – Placemaking Framework

Appendix C – IIA screening form