



COFNOD O BENDERFYNIAD WEDI'I DDIRPRWYO GAN SWYDDOG
RECORD OF DELEGATED OFFICER DECISION

Penderfyniad Allweddol | Key Decision

PWNC | SUBJECT:

WELSH GOVERNMENT'S TARGETED REGENERATION INVESTMENT – EXTENSION OF FUNDING TO INCLUDE ALL RCT KEY TOWN CENTRES

DIBEN YR ADRODDIAD | PURPOSE OF THE REPORT:

In accordance with the Council's Scheme of Delegation, this report has been prepared to accompany the decision of the Director of Prosperity and Development in relation to the existing Welsh Government Targeted Regeneration Investment (TRI) programme.

The report contains details on the proposal to extend the existing TRI Thematic Project to include all key town centres across Rhondda Cynon Taf. As such, in addition to the ongoing development and delivery of project proposals in Pontypridd, projects will also be brought forward for development and delivery in Rhondda Cynon Taf's other key town centres.

ERFYNIAD WEDI'I DDIRPRWYO | DELEGATED DECISION:

It is **AGREED** that:

The Council will accept Welsh Government's amendment letter in relation to the TRI Thematic Programme dated 15 July 2020.

The development and delivery of eligible projects be extended to Rhondda Cynon Taf's other key town centres.

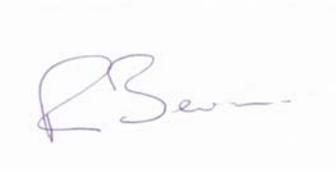
As the lead for the South East Wales TRI Thematic Project, appropriate amendments will be made to the Legal Agreement to accommodate the amendments detailed in the Welsh Government letter.

| | | |
|--|--|------------------------------------|
|  Llofnod y Prif Swyddog Chief Officer Signature | Simon Gale Enw (priflythrennau) Name (Print Name) | 09.11.20 Dyddiad Date |
|--|--|------------------------------------|

Mae'r penderfyniad yn cael ei wneud yn unol ag Adran 15 o Ddeddf Llywodraeth Leol 2000 (Swyddogaethau'r Corff Gweithredol) ac yn y cylch gorchwyl sy wedi'i nodi yn Adran 5 o Ran 3 o Gyfansoddiad y Cyngor.

The decision is taken in accordance with Section 15 of the Local Government Act, 2000 (Executive Functions) and in the terms set out in Section 5 of Part 3 of the Council's Constitution.

YMGYNGHORI | CONSULTATION



06.11.20

LLOFNOD YR AELOD YMGYNGHOROL O'R CABINET
CONSULTEE CABINET MEMBER SIGNATURE

DYDDIAD | DATE

LLOFNOD SWYDDOG YMGYNGHOROL
CONSULTEE OFFICER SIGNATURE

DYDDIAD | DATE

RHEOLAU'R WEITHDREFN GALW-I-MEWN | CALL IN PROCEDURE RULES.

A YW'R PENDERFYNIAD YN UN BRYN A HEB FOD YN DESTUN PROSES GALW-I-MEWN GAN Y PWYLLGOR TROSOLWG A CHRAFFU?:

IS THE DECISION DEEMED URGENT AND NOT SUBJECT TO CALL-IN BY THE OVERVIEW AND SCRUTINY COMMITTEE:

YDY | YES NAC YDY | NO ✓

Rheswm dros fod yn fater brys | Reason for Urgency:

.....

Os yw'n cael ei ystyried yn fater brys - llofnod y Llywydd, y Dirprwy Lywydd neu Bennaeth y Gwasanaeth Cyflogedig yn cadarnhau cytundeb fod y penderfyniad arfaethedig yn rhesymol yn yr holl amgylchiadau iddo gael ei drin fel mater brys, yn unol â rheol gweithdrefn trosolwg a chraffu 17.2:

If deemed urgent - signature of Presiding Member or Deputy Presiding Member or Head of Paid Service confirming agreement that the proposed decision is reasonable in all the circumstances for it being treated as a matter of urgency, in accordance with the overview and scrutiny procedure rule 17.2:

.....
(Llywydd | Presiding Member)

.....
(Dyddiad | Date)

DS - Os yw hwn yn benderfyniad sy'n cael ei ail-ystyried yna does dim modd galw'r penderfyniad i mewn a bydd y penderfyniad yn dod i rym o'r dyddiad mae'r penderfyniad wedi'i lofnodi.

NB - If this is a reconsidered decision then the decision Cannot be Called In and the decision will take effect from the date the decision is signed.

DYDDIADAU CYHOEDDI A GWEITHREDU | PUBLICATION & IMPLEMENTATION DATES

CYHOEDDI | PUBLICATION

Cyhoeddi ar Wefan y Cyngor | Publication on the Councils Website:- _____ 11-11-20 _____

DYDDIAD | DATE

GWEITHREDU'R PENDERFYNIAD | IMPLEMENTATION OF THE DECISION

Nodwch: Fydd y penderfyniad hwn ddim yn dod i rym nac yn cael ei weithredu'n llawn nes cyn pen 3 diwrnod gwaith ar ôl ei gyhoeddi. Nod hyn yw ei alluogi i gael ei "Alw i Mewn" yn unol â Rheol 17.1, Rheolau Gweithdrefn Trosolwg a Chraffu.

Note: This decision will not come into force and may not be implemented until the expiry of 3 clear working days after its publication to enable it to be the subject to the Call-In Procedure in Rule 17.1 of the Overview and Scrutiny Procedure Rules.

Yn amodol ar y drefn "Galw i Mewn", caiff y penderfyniad ei roi ar waith ar / Subject to Call In the implementation date will be

_____ 17.11.20 _____
DYDDIAD / DATE

WEDI'I GYMERADWYO I'W GYHOEDDI: ✓ | APPROVED FOR PUBLICATION :✓

Rhagor o wybodaeth | Further Information:

| | |
|--------------------------------------|---|
| Cyfadran Directorate: | Prosperity and Development |
| Enw'r Person Cyswllt Contact Name: | Derek James |
| Swydd Designation: | Service Director for Prosperity and Development |
| Rhif Ffôn Telephone Number: | 01443 281114 |

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

KEY DELEGATED DECISION

**A REPORT TO ACCOMPANY A DECISION OF THE DIRECTOR OF
PROSPERITY AND DEVELOPMENT**

OCTOBER 2020

**WELSH GOVERNMENT'S TARGETED REGENERATION INVESTMENT
THEMATIC PROJECT – EXTENSION OF FUNDING TO INCLUDE ALL RCT KEY
TOWN CENTRES**

AUTHOR: Derek James - Service Director for Prosperity and Development

1 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to seek approval to accept Welsh Government's variation to the existing award of funding in relation to the Targeted Regeneration Investment (TRI) Programme (Appendix 1).
- 1.2 Agreement to accept the variation would allow for the development and delivery of projects to Rhondda Cynon Taf's other key town centres in addition to the existing projects in Pontypridd.
- 1.3 As the Lead Authority for the South East Wales TRI Thematic Project, appropriate amendments will be made to the Legal Agreement to accommodate the amendments detailed in the Welsh Government letter, allowing partner Local Authorities to implement the same funding variations in their areas.

2 RECOMMENDATIONS

It is recommended that:

- 2.1 The Council accepts Welsh Government's variations in relation to the TRI Thematic Project.
- 2.2 Eligible projects be developed and delivered in Rhondda Cynon Taf's key town centres in addition to projects in Pontypridd town centre, in line with the agreed criteria of the TRI Thematic Project.
- 2.3 Amendments be made to the existing Legal Agreement in order to accommodate the changes detailed in the Welsh Government letter in order to extend the amendments to the South East Wales Local Authority Partners.

3 REASON FOR RECOMMENDATION

- 3.1 In January 2020, Welsh Government announced its Town Centre First approach, including a 'Transforming Towns' package of funding to support projects that intervene and regenerate towns where market failure is evident.
- 3.2 Welsh Government's revised guidance for local authorities to bring forward TRI Thematic projects in additional key towns will enable the Council to support economic regeneration and deal with market failure in more of its town centres.
- 3.3 The town centres in Rhondda Cynon Taf have suffered unprecedented disruption in 2020 mainly due to flooding and Covid-19 impacts. With Welsh Government support, it has been recognised that applying the Targeted Regeneration Investment funding in a way that benefits all of our County Borough's town centres is a highly positive and welcome approach for promoting sustainability of the towns' fabric within which businesses and residents can prosper.

4 BACKGROUND

- 4.1 In October 2017, Welsh Government (WG) announced their Targeted Regeneration Investment (TRI) programme with a three-year capital funding stream commencing in the 2018-19 financial year and completing in March 2021. In March 2019, the Council accepted Welsh Government's offer of funding to allow delivery of the following two grants, deliverable in Pontypridd town centre only:
- Urban Centre Property Enhancements - improving town centre commercial and business properties and bringing disused floor space back into use.
 - Urban Centre Living Grant - improving town centre buildings and bringing back disused space to provide new homes
- 4.2 Grants are offered to business and property owners and Registered Social Landlords at up to a maximum grant intervention rate of 70% with up to a maximum of £250,000 grant per project.

5 PROGRESS ON THE TRI THEMATIC PROJECT

- 5.1 A number of projects are currently in development and delivery in Pontypridd town centre which have approved funding through the TRI Thematic Project.
- 5.2 These projects will directly produce just under 1,800 square feet of new commercial floor space and six new housing units for private rent in the town.
- 5.3 Extending this scope to Rhondda Cynon Taf's other key town centres will allow for such development to catalyse further regeneration. This will be achieved by creating new facilities and homes which would otherwise not be realised or take much longer to develop and deliver.

6 BENEFITS AND IMPACT

- 6.1 This programme has already demonstrated its ability to positively contribute to a number of outputs. Welsh Government, as the main funding body, set out a number of regeneration-led outputs that eligible projects will need to deliver. These include creating new jobs, accommodating businesses, creating and reinstating commercial floor space and providing new housing units.

7 EQUALITY AND DIVERSITY IMPLICATIONS

- 7.1 An Equality Impact Assessment screening form has been prepared for the purpose of this report. It has been found that a full report is not required at this time.

8 CONSULTATION

- 8.1 Relevant service areas within the Council have been consulted, in particular Strategic Housing, Finance, Procurement and Legal Services. The development and delivery of individual projects will be subject to the appropriate consultation and statutory requirements.

9 FINANCIAL IMPLICATIONS

- 9.1 There are no new financial resource requirements as a result of the proposals set out in this report.

10 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 10.1 As when the TRI Programme was initially established, discussions have taken place with Legal Services and Finance to consider the legal implications. It is still considered that the arrangements and terms and conditions of this funding may be administered under the Council's lawful powers.
- 10.2 In addition, an amended Service Level Agreement will be put in place between the Council and each of the other participating local authorities in South East Wales. This will again pass on the accountability, risk and responsibility for the local delivery of projects to each of the participating local authorities and will also govern the grant monitoring and claim process. The SLA will also pass on all relevant Welsh Government grant terms and conditions that sit within the revised grant approval.

11 LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

- 11.1 The successful delivery of the project will contribute to the Enabling Prosperity priority within the 2020-2024 Corporate Plan; making our town centres great places to live, work and socialise. The project also contributes toward the Well-being goals of the

Well-being of Future Generations Act, in particular 'A Prosperous Wales' - an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work. Also, a Wales of Cohesive Communities – supporting connected communities, allowing them to be well-connected and safe.

12 CONCLUSION

- 12.1 The town centres in Rhondda Cynon Taf have suffered unprecedented disruption in 2020 mainly due to flooding and Covid-19 impacts. With Welsh Government support, it has been recognised that applying the Targeted Regeneration Investment funding in a way that benefits all of our County Borough's town centres is a highly positive and welcome approach for promoting sustainability of the towns' fabric within which businesses and residents can prosper.

Other Information:-

Relevant Scrutiny Committee

Public Services Delivery, Communities and Prosperity

Contact Officer: Derek James Service Director of Prosperity and Development Tel: 01443 281115



Llywodraeth Cymru
Welsh Government

Mr Derek James
Head of Regeneration and Prosperity
Rhondda Cynon Taf County Borough Council
Sardis House
Pontypridd
CF37 1DU

15 July 2020

Dear Derek

Variation to Award of Funding in relation to the Targeted Regeneration Investment Programme for the South East Wales (Cardiff City Region) Urban Centre Property Enhancement Fund and Urban Centre Living Grant Award of 21 March 2019 as varied by a letter dated 18 November 2019 (the “Funding Letter”).

We write to you concerning the Funding Letter under which we awarded Rhondda Cynon Taf County Borough Council (“the Council”) on behalf of South East Wales Local Authorities, funding of up to £10,000,000.00 (the “Funding”) and to the Council’s request of 22 June 2020 to re-purpose up to £3.5m of the Funding for COVID-19 recovery adaptations in the 2020/21 financial year, and to extend the Purposes of the Funding to include other towns across the Cardiff City Region.

This letter sets out the variations that we have agreed to the terms of the Funding Letter and supersedes any variations in relation to the Funding Letter.

1. Condition 4 (b) is amended to read “You must achieve the targets and outcomes set out in Schedule 2 (“the Targets”). However it is accepted that the Targets may change as a result of the Covid-19 response activity. You are therefore required to review Schedule 2 with the Welsh Government Official as and when necessary.
2. Schedule 1 (The Purposes) shall be replaced with the revised Schedule 1 (The Purposes) set out in Annex 1 to this letter to reflect the options for local authorities to re-purpose 2020-21 expenditure for COVID-19 town centre recovery adaptations and to extend the Purposes into other towns within the Cardiff City Region.

3. Schedule 6 (requirements of the GDPR) is deleted

All other terms and conditions in the Funding Letter will remain in full force and effect.

To accept the amendment(s) set out in this letter please sign the duplicate copy of this letter and return it to your Welsh Government Official within 14 days of the date of this letter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ian Williams'.

Signed by Ian Williams, Deputy Director Homes and Places

under authority of the Deputy Minister for Housing and Local Government, under authority of the Minister for Housing and Local Government, one of the Welsh Ministers.

ACCEPTANCE

**TWO SIGNATORIES ARE REQUIRED
(one of which must be a Section 151 Officer)**

We hereby accept the award of Funding [insert award reference from heading on front page] dated [insert date] and the Conditions relating to the Funding

An authorised signatory of [insert name of Council] Signature

_____ Name

_____ Job Title

_____ Date

An authorised signatory of [insert name of Council] Signature

_____ Name

_____ Job Title

_____ Date

SCHEDULE 1 The Purposes

The Purpose of the Funding is to enable the South East Wales Region (Cardiff City Region) to deliver its Urban Centre Property Enhancement Fund and Urban Centre Living Grant and support COVID -19 recovery works required in town centres as a result of the pandemic, across the following authorities; Rhondda Cynon Taf, Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Merthyr Tydfil, Monmouthshire, Newport, Torfaen, Vale of Glamorgan.

1. Urban Centre Property Enhancement Fund and Urban Centre Living Grant

The Urban Centre Property Enhancement Fund (UCPEF) will focus on addressing the lack of good commercial and retail space in town and city centres. Applicants will have the opportunity to apply for grant funding for retail and commercial property frontages, and associated external and internal works with the objective of bringing vacant floor space back into use.

The Urban Centre Living Grant (UCLG) will support the UCPEF and will enable applicants to request grant funding to undertake works enabling the conversion of vacant floor space above commercial properties into residential use.

There is an option for local authorities to bring forward eligible projects in additional priority towns to those agreed at the start of the Thematic programme. This is subject to Local Authorities demonstrating that there is a clear need and opportunity in other priority locations identified and that they are located at the core of town, city or district centres. Where possible these new locations will build on other Welsh Government or public sector support so as to enforce natural clustering and investment multiplier effects.

2. Covid -19 Recovery Funding

Up to £3,500,000 of the Funding is available from 26 June 2020 and may be used in 2020/2021 to deliver measures which adapt to the comprehensive social distancing changes required in town, city and district centres because of the COVID-19 pandemic and which support the recovery of town centres.

The attached guidance sets out specific potential COVID-19 recovery funding interventions.



You may choose to deliver the Covid-19 recovery measures in priority locations outside of the agreed UCPEF and UCLG red line boundaries where there is a clear need and opportunity. Any newly chosen locations should be either town, city or district centre locations.

Rhondda Cynon Taf CBC will act as the lead body for delivering the Funding and will report to the Welsh Government and the South East Wales Regional Regeneration Board, which will comprise the Cardiff Capital Region Regeneration Board.

RCT's Terms & Conditions etc will be devolved to the other Local Authorities via a Service Level Agreement. A South East Wales TRI Thematic Group has been established with representation from the 10 Local Authorities and the Welsh Government. This will set out roles and responsibilities. The administration of the Thematic Project grants will be led by Rhondda Cynon Taf CBC.

You must ensure value for money and minimum public intervention is achieved in the delivery of projects given prevalent market conditions.

For a contract value over £2 million the Welsh Government Procurement Route Planner Community Benefits Measurement Tool must be used to capture added value outcomes. For consistency and best practice where contracts are below £2 million this would also be our preferred tool for capturing such data.

You must undertake a comprehensive assessment of individual projects to ensure that each complies with the State Aid Rules. If any potential state aid is identified you must inform us immediately.

Where grant funding is used to support the development of social housing units, schemes are required to comply with "Development Quality Requirements". In terms of value for money, schemes must have regard to Welsh Government "Acceptable Cost Guidelines". Any scheme that does not meet either DQR or has a Scheme Cost Index above 120% should be discussed with Welsh Government officials.

The Welsh Government has a legal duty to reduce carbon emissions in Wales by 80% by 2050 (over 1990 levels). Buildings are a significant contributor to current emission levels and therefore you are required (if applicable) to clearly demonstrate how you have considered the carbon emissions of your proposals and what action you have taken or will take to reduce or minimise them.

Where grant funding is used to support domestic energy efficiency projects, schemes are required to follow the Welsh Government's energy company obligation (ECO) funding criteria.

Grants to Third Parties

If the Funding is to be used by you to provide grants to third parties (the Beneficiaries") then:

You are responsible for managing all grants to the Beneficiaries and ensuring that all necessary procedures and processes are put in place before any grant is awarded.

You must undertake appropriate due diligence before awarding any funding to a Beneficiary.

You must also consider the State Aid implications of each individual grant and obtain such documentation and information from the Beneficiary as is necessary to comply with the State Aid Rules.

You must maintain and provide a copy if requested by us of the Beneficiaries receiving the grant funding and be able to demonstrate whether or not the de minimis regulation has been breached.

You must put in place appropriate grant terms and conditions as provided to us with your grant application form dated 15 November 2018, ensuring that they are in line with and, not in conflict with any of the requirements set out in the Conditions, which for the avoidance of doubt must include the provisions contained in this Schedule.

You must agree a clear purpose for each grant and how you will measure the Beneficiaries success in delivering those purposes. You must agree SMART targets with the Beneficiaries.

In accordance with Condition 10, we may from time to time request information about the scheme and any grant paid under the scheme. The information you provide must comply with your Application. Any failure by you to provide satisfactory information will be deemed a Notification Event.

Nothing in this Schedule shall relieve you of any of your obligations to us as set out in the Conditions.

Community Benefits

We are striving to help develop a vibrant Welsh economy capable of delivering strong and sustainable economic growth by providing opportunities for everyone in Wales.

Projects benefitting from public funding should contribute in the round to social, economic and environmental well-being now and in the future. The aim of which is to build stronger communities, reduce social exclusion and poverty and encourage the development of the economy.

Our commitment to deliver 'community benefit' outcomes from procurement activity is designed to ensure these wider social and economic issues are taken into account when spending public money. The intention is to achieve the very best value for money in the widest sense.

You and any third party who receives any part of the Funding in connection with the Purposes must maximise the community benefits delivered through the Funding by providing where applicable:-

1. Training and Employment opportunities: contractors being encouraged to recruit and train economically inactive persons as part of the workforce delivering any contract let, directly and/or indirectly through the supply chain. This could include employment; apprenticeships; work experience; work trials; or other relevant training opportunities.
2. Supply Chain opportunities for SMEs based in Wales: Successful contractors in any procurement must consider opportunities for SMEs, including social enterprises. This could include:-
 - advertising subcontracting opportunities on Sell2Wales
 - Using the Welsh Government's Supplier Development Service to promote tender opportunities and hold 'Meet the Buyer' events
3. Contributions to the Community & Education: Successful contractors considering other benefits for the community such as:-
 - working with local schools and colleges to support work experience placement; careers day; support for school projects
 - Make a contribution to community regeneration by donation; in-kind donation; support for local projects; consultation; education.

You will be required to monitor the community benefits achieved by you and/or any third party who received any part of the Funding in connection with the Purposes and report outcomes using our Community Benefits Measurement Tool. Information on the Measurement Tool is set out in the Welsh Government Document *Community Benefits - Delivering Maximum Value for the Welsh Pound – 2014* available at <https://gov.wales/docs/dpsp/publications/valuwales/140904-community-benefit-report-en.pdf>. The Measurement Tool should be completed and submitted at the end of the project or annually, whichever is sooner.