

# DECISION NOTICE OF AN INDIVIDUAL MEMBER OF GWYNEDD COUNCIL CABINET

**DATE OF DECISION** 10 December 2021

**DATE DECISION PUBLISHED** 15 December 2021

**DATE DECISION WILL COME INTO FORCE** and implemented,  
unless the decision is called in, in accordance with section 7.25 of  
the Gwynedd Council Constitution **22 December 2021**

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## **CABINET MEMBER NAME AND TITLE**

Cabinet Member: Councillor Gareth Thomas  
Cabinet Member for Economy and Community

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**SUBJECT – Submit bids and receive proposals to the Welsh Government's  
Transforming Towns funds.**

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## **DECISION**

- a) To confirm the arrangements within the Council to target Welsh Government's Transforming Towns funds in order to develop and implement a range of town centre regeneration projects.
  - b) To note the need for the Head of Finance jointly with the Head of Economy and Community Department to sign bids and offer letters for the Fund.
  - c) That the Risk Assessment document is updated regularly, reporting to the Cabinet as and when necessary in accordance with the Council's Financial Procedural Rules.
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## **REASON WHY THE DECISION IS NEEDED**

Please see attached Officer Report.

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## **DECLARATIONS OF PERSONAL INTEREST AND ANY RELEVANT DISPENSATIONS APPROVED BY THE COUNCIL'S STANDARDS COMMITTEE**

None

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## **ANY CONSULTATIONS UNDERTAKEN PRIOR TO MAKING THE DECISION**

Consultation with  
Gwynedd Council Statutory Officers

The results of the consultations are reported upon in the attached report.

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## DECISION NOTICE OF AN INDIVIDUAL MEMBER OF GWYNEDD COUNCIL'S CABINET – OFFICER'S REPORT

Name and title of Cabinet Member(s):	Cllr. Gareth Thomas Cabinet Member for Economy and Community
Name and title of the Report's Author:	Esyllt Rhys Jones Regeneration Programmes Manager
Date of Decision:	10 December 2021
Cabinet Member's Signature:	

**Subject:** Submit bids and receive proposals to the Welsh Government's Transforming Towns funds.

### Recommendation for the Decision:

- d) To confirm the arrangements within the Council to target Welsh Government's Transforming Towns funds in order to develop and implement a range of town centre regeneration projects
- e) To note the need for the Head of Finance jointly with the Head of Economy and Community Department to sign bids and offer letters for the Fund
- f) That the Risk Assessment document is updated regularly, reporting to the Cabinet as and when necessary in accordance with the Council's Financial Procedural Rules

### The reason for the need for a Decision:

In Spring 2021, the Economy and Community Department received information from Welsh Government that budgets were available in the form of town centre regeneration grants. It was explained that the money would contribute to the principle of Town Centres First and is a part of the Transforming Towns Scheme. There were several work streams linked to Transforming Towns, but specifically, two capital grant funds, Strategic Fund and Placemaking Fund.

The timetable to submit bids was tight as the budgets needed to be spent in the 2021-22 financial year, therefore, bids were submitted subject to receiving a decision notice.

### Rationale and justification for reaching the Decision:

Welsh Government recently launched the Transforming Towns programme. It is one of a package of funds launched by them and there are two capital funds where the money available needs to be spent in the current financial year:

- Strategic Fund - schemes worth over £250,000 to be implemented in the priority towns (Bangor and Caernarfon in the case of Gwynedd);
- Placemaking Fund - schemes with a contribution of less than £250k for all the County's towns where a strategy or scheme is in place which identifies the need for the scheme.

The aim of the fund is to invest in capital schemes which contribute to regenerating town centres. There is particular emphasis on bringing vitality back to town centres by improving their image and looking more widely on less traditional uses of the high street, such as residential, arts, health and recreation.

There is an expectation for the schemes submitted to be mature as expenditure needs to be ensured before 31 March 2022.

#### Gwynedd Council Priority Plan

Promoting Town Centres has been identified as a work stream within the Council's Strategic Plan. A range of cross-departmental efforts and interventions contribute to this work stream. The work stream adds value to Welsh Government's priorities and the National Regeneration Programme.

There is an opportunity here to target capital grants to develop and implement town centre regeneration schemes across the County. Opportunities in the financial year are limited to mature schemes which have the ability to deliver and spend before the end of March 2022.

It is anticipated that a longer-term Regeneration Programme will be launched in April 2022 which will give further opportunities for less mature schemes to be developed and implemented in order to contribute to the regeneration work.

#### Management and Implementation Arrangements

It is noted above that two capital sources offer opportunities in this financial year and there are different arrangements for the administration of both:

- Strategic Fund - schemes worth over £250,000 to be administered by Welsh Government via a National Panel with ministerial approval;
- Placemaking Fund - schemes with a contribution of up to £250,000 which will be administered by Wrexham Council on behalf of all North Wales Regions and will be considered and fully assessed by the North Wales Regeneration Officers Group.

This is a usual procedure when applying for funds to implement the local authority's schemes directly. However, the programme is open for third party applications, and Welsh Government has confirmed that the administration of any application from a third party to be administered via the relevant local authority. This means that the relevant authority will be responsible for checking the applicant's bid, complying with the terms and conditions and the financial arrangements and claims.

As the membership of the Loans Panel includes the Cabinet Members and Heads of Service of the relevant work fields, it is considered that the Panel offers itself to undertake the role of assessing the applications of Gwynedd Council and third party applicants from Gwynedd before submitting them to the appropriate funds. That is, the Panel reviews applications and challenges their content, with only applications that the Panel is willing to support be submitted to Wrexham

Council.

#### Risk assessment

As part of the application process, Risk Assessments have been prepared for each of the schemes noted above.

In addition, a risk assessment has been prepared which reflects the risks associated with the process, the responsibilities on the Council as well as the fund's terms and conditions. The following summarises the risks identified for the Council.

- Failure to complete expenditure in the current financial year which is one of the Fund's requirements;
- No confirmation for the Scheme;
- Difficulties involving land issues;
- Difficulties in obtaining the necessary statutory permissions;
- Problems arising as a result of third-party agreements to realise the scheme.

#### **Any consultations undertaken prior to making the decision:**

Consultations have taken place with:

Gwynedd Council Departments

Town / City Councils

Business Groups and Business Improvement Districts

Third sector partners

Chief Finance Officer –

I am satisfied that the arrangements outlined in the Decision Sought are suitable to mitigate the risks to the Council which are associated with the schemes in question. The Finance Department will work with the Economy and Community Department in assessing and monitoring the applications as required.

Monitoring Officer –

I am satisfied that what is recommended for the process is rational and proportional. It is specifically noted that there are risk assessment processes which provide with the Cabinet with a backstop role.

Local Member/s -

1 Risk No	2 Risk Area	3 Potential Impact of Failure	4 Inherent Risk Score			7 Actions required to Mitigate Risk	8 Responsibility & Date	9 Date identified	10 Date last reviewed
			Likelihood	Impact	Total Risk				
1	Failure to spend within the current financial year	High costs within the building industry . Lack of contractors tendering for work	3	4	12	<p>Detailed work programmes evidence expenditure before end March 2022</p> <p>Scheduled monthly claims</p> <p>Regular updates with individual Project Managers to ensure projects are in line with work programme</p> <p>Number of projects associated with purchasing buildings</p> <p>Regular monitoring of the programme</p> <p>Regular communications with Project Managers and Main Contractors emphasising the risk</p> <p>Regular dialogue with Welsh Government</p>	Project Managers	October 2021	October 2021
2	Construction Programme delay	See above	3	4	12	See above	Project Managers, Project Executive, Project Board Main Contractor	October 2021	October 2021
3	Underspend within the project	The total project cost not reached	1	2	3	Structures in place to consult with the communities on adding value to the projects, also in discussion with Welsh Government	Project Managers, Project Executive, Project Board	October 2021	October 2021
4	Project Outputs Failure to reach project outputs	Fewer outcomes achieved than anticipated Short timescale to collate the information and to Project not reaching aims and objectives set out in Application	3	4	12	<p>Monitoring plan in place</p> <p>Structures to be established to ensure that the monitoring plan is implemented and data is collected on a quarterly basis</p> <p>Regular discussions with Welsh Government</p>	Project Managers, Project Executive, Project Board	October 2021	October 2021
5	Changes to personnel / absence of key staff	Detrimental effect on the project management issues may not be dealt with  Project may fall behind on outputs All other risks identified on register higher if there are changes or long-term sickness / absence of key personnel	4	4	16	<p>Ensure that all project processes are documented and filed effectively</p> <p>Produce desk instructions for all project processes</p> <p>Keep all major project documentation on shared Drive for easy access</p> <p>Set-up effective file management system (hard and electronic copies)</p> <p>Ensure that processes are discussed and communicated on an on-going basis to project staff</p> <p>Key personnel identified within the department to undertake the work should this happen</p> <p>Regular updates with Project Managers</p>	Gwynedd Council	October 2021	October 2021
6	Monitoring and Evaluation	Unable to reach targets Unable to appoint suitable consultants for the Unable to undertake the work within budget	3	3	6	<p>Develop a robust brief for the work</p> <p>Ensure that the consultant is available and a clear timeframe is defined in the brief</p>	Project Manager	October 2021	October 2021
7	Project Closure	Failure to ensure that the project closures document not in place	1	3	3	<p>Ensure that all project closure documents and requirements have been fulfilled</p> <p>Ensure that there is a key contact at all Local Authorities in order to provide information during Project Closure as well as during the project's Final Audit.</p>	Project Manager	October 2021	October 2021

8	<b>Exit Strategy</b>	Failure to agree a legal agreement with third party partners Failure to ensure all legal and project documents are in place	1	2	3	Co-operation with the property and legal department to ensure all legal documents are in place	Project Manager Gwynedd Council departments	October 2021	October 2021
9	<b>Document Retention</b>	Failure to ensure that the project closures document not in place	1	4	8	Ensure that all project closure documents and requirements have been fulfilled Ensure that there is a key contact at all Local Authorities in order to provide information during Project Closure as well as during the project's Final Audit.	Project Manager	October 2021	October 2021
10	<b>Ensure all project documentation is archived accordingly</b>	Failure to locate project files after project closure. Files destroyed before the confirmation date.	1	3	6	Filing structure in place. Follow document retention policy. Archive all documents ensuring that all relevant documentation in place.	Project Manager	October 2021	October 2021
11	<b>Final Audit</b>	Ineligible expenditure	1	3	6	Ensure all expenditure is eligible at point of claim	Project Manager	October 2021	October 2021
12	<b>Match Funding</b> Match Funding not available for third party projects	May have to reduce Total Project Cost	2	5	10	Discussions with third party partners very positive. Offer letters will not be released without evidence of match funding in place Gwynedd Council projects have secured match funding	Project Manager	October 2021	October 2021
13	<b>Land matters</b> Acquisition, leasing and legal agreement in respect of land	Failure to reach agreements with land owners	2	4	8	Initial positive discussions and involvement of legal representation from the beginning. A legal charge to be placed on any property investment worth over £50k	Project Manager Gwynedd Council Legal Department	October 2021	October 2021
14	<b>Third Party Agreements</b>	Failure to comply with the terms and conditions of the grants	2	4	8	Legal agreements to be draw with all third party applicants to append the Welsh Government terms and conditions and where necessary a legal charge. Regular monitoring and communication with the third party organisation	Project Manager	October 2021	October 2021
15	<b>Legal Resources</b>	Lack of resources from the Legal Team to address the need of the legal agreements and legal charges required between Cyngor Gwynedd and third party applicant	3	4	12	Discussions in place with Head of Legal Service to provide templates and guidance and for a company to be on board to assist	Project Manager	October 2021	October 2021
16	<b>Cash Flow</b>	Lack of cash flow within third party organisations to be able to pay project invoices	4	8	16	On a case by case basis, and in agreement with Risk Manager, a plan to be established which shall ensure the project is deliverable whilst eliminating the risk to the Council	Project Manager	October 2021	October 2021
17	<b>Statutory Consents</b>	Failure to complete all necessary statutory consents	2	4	8	Initial positive discussions with Welsh Government and Planning Authorities. Ensure involvement and discussions from the beginning	Project Manager, Gwynedd Council Legal Department, Welsh Government, Planning Authority (Snowdonia National Park and Gwynedd Council)	October 2021	October 2021