

Meeting of:	Cabinet
Date of Meeting:	Monday, 29 July 2019
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	Cardiff Capital Region, Targeted Regeneration Investment, Thematic Grants Programme 2019/20-2020/21
Purpose of Report:	To provide an update on the Cardiff Capital Region, Thematic Grants Programme for urban centres in South East Wales and to seek approval to deliver a grant scheme in Barry Town Centre.
Report Owner:	Deputy Leader and Cabinet Member for Education and Regeneration
Responsible Officer:	Rob Thomas, Managing Director
Elected Member and Officer Consultation:	<p>Ward Members for Buttrills, Castleland, Baruc and Illtyd have been consulted.</p> <p>Committee Reports Inbox - Legal Services</p> <p>Operational Manager (Accountancy) / Principal Accountant</p> <p>Head of Regeneration and Planning</p> <p>Finance Support Manager (Regeneration and Planning)</p> <p>Operational Manager (Regeneration)</p>
Policy Framework:	This report is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> ○ This report seeks to update Cabinet on the Cardiff Capital Region, Thematic Grants Programme for urban centres in South East Wales and also seeks approval to deliver a grant scheme in Barry Town Centre as part of the Welsh Government's Targeted Regeneration Investment (TRI) Programme. ○ Rhondda Cynon Taff (as Lead Authority) submitted a joint application to Welsh Government for TRI funding in November 2018 targeting key town/urban centres in all ten Local Authority areas of the Cardiff Capital Region. ○ In March 2019 the Minister for Housing and Regeneration, under authority of the Cabinet Secretary for Local Government and Public Services, approved the application. ○ The Council's total allocation of TRI funding (referred to in paragraph 4.2) is £970,000 (profiled £161,684 for 2019/20 and £808,316 for 2020/21). 	

- Barry Town Centre (and Holton Road in particular - refer to Appendix A) has been selected as a key target zone for the Thematic Grants Programme. Should there be residual resources the Council will canvass other property owners in High Street/Broad Street District Centre (refer to Appendix B) to establish a second wave of targeted properties.
- Eligible Applicants include Freeholders, Leaseholder (with a minimum 7-year lease remaining on the property), Sole Traders, Partnerships, Limited Companies, Community Businesses, Co-operatives and Registered Social Landlords.
- A draft Service Level Agreement has been prepared by Rhondda Cynon Taff (refer to Appendix C) reflecting the need to have a collaborative and consistent regional approach whilst allowing a degree of flexibility for particular local needs in order to achieve maximum impact. It is recommended (Recommendation 1) that delegated authority be granted to the Head of Regeneration and Planning in consultation with the Deputy Leader and Cabinet Member for Education and Regeneration, the Head of Finance/Section 151 Officer and the Monitoring Officer/Head of Legal and Democratic Services to undertake all necessary actions to agree the terms and enter into the Service Level Agreement.
- Recommendations 1-4 (inclusive) will enable the effective governance and administration of the Thematic Grants Programme in Barry Town Centre; and, facilitate future investment and development opportunities.
- In a financial climate that is and will continue to be tough, it is considered prudent (Recommendation 5) to defer the current use of the unallocated budget (referred to in paragraph 2.4) and for the Head of Finance/Section 151 Officer, in consultation with the Deputy Leader and Cabinet Member for Education and Regeneration and Head of Regeneration and Planning to be given delegated authority to approve the use of the unallocated budget for the year 2019/20 as appropriate.

Recommendations

1. That delegated authority be granted to the Head of Regeneration and Planning in consultation with the Deputy Leader and Cabinet Member for Education and Regeneration, the Head of Finance/Section 151 Officer and the Monitoring Officer/Head of Legal and Democratic Services to:
 - undertake all necessary actions to agree the terms of a Service Level Agreement regarding the Targeted Regeneration Investment, Thematic Grants Programme for South East Wales for the years 2019/20 and 2020/21;
 - agree the terms, conditions, guidance notes and application forms for grants in Barry Town Centre as identified in Appendix A and Appendix B, as attached to the report;
 - approve grants in Barry Town Centre as identified in Appendix A and Appendix B, as attached to the report; and,
 - negotiate terms and conditions for the appointment of third-party suppliers/providers where required.
2. That delegated authority be granted to the Monitoring Officer/Head of Legal and Democratic Services to prepare, complete and execute the required legal documentation with third party grant applicants.
3. That the Monitoring Officer/Head of Legal and Democratic Services in conjunction with the Head of Finance/Section 151 Officer be authorised to prepare, complete and execute the required legal documentation to enable third-party suppliers/providers to be appointed where required.
4. That changes to the 2019/20 and 2020/21 Capital Programme as outlined in paragraph 4.2 of the report be approved.
5. That the Head of Finance/Section 151 Officer, in consultation with the Deputy Leader and Cabinet Member for Education and Regeneration and Head of Regeneration and Planning be given delegated authority to approve the use of the budget as set out in paragraph 2.4 of the report as appropriate.

Reasons for Recommendations

1. To allow the Council to enter into a Service Level Agreement regarding the Targeted Regeneration Investment, Thematic Grants Programme, agree the terms, conditions, guidance notes and application forms for grants in Barry Town Centre, and to approve grants and negotiate terms and conditions for the appointment of third-party suppliers/providers where required.
2. To prepare, complete and execute the required legal documentation with third party grant applicants.
3. To prepare, complete and execute the required legal documentation to enable third-party suppliers/providers to be appointed where required.

4. To include the Targeted Regeneration Investment, Thematic Grants Programme budget allocation for the Vale of Glamorgan Council in the 2019/20 and 2020/21 Capital Programme.
5. To align investment with priority actions and initiatives to enable the capital allocation to be managed effectively.

1. Background

- 1.1 The Welsh Government's Targeted Regeneration Investment (TRI) Programme 2018/19-2020/21 was launched in October 2017. The guidance issued by Welsh Government requires robust regional partnership and governance arrangements (aligned with the City Deal for South East Wales) to be in place at the outset to agree an overall plan for regeneration, to prioritise investment proposals and to provide assurances around decision-making.
- 1.2 In September 2018 the Minister for Housing and Regeneration and the Cabinet Secretary for Local Government and Public Services approved the South East Wales Regional Plan for Regeneration.
- 1.3 The Regional Plan for Regeneration recognises that there are shared issues and opportunities within the Cardiff Capital Region relating to town/urban centres such as dealing with long-term vacant and underutilised commercial premises; declining footfall; a lack of quality housing and urban living opportunities; a lack of flexible, modern, affordable floorspace for business growth and support; and, a lack of community facilities for co-location of key services. To address this Rhondda Cynon Taff (as Lead Authority) submitted a joint application to Welsh Government in November 2018. The application sought funding to deliver the following Thematic Grants Programme targeting key town/urban centres in all ten Local Authority areas of the Cardiff Capital Region:
 - The Urban Centre Property Enhancement Fund (UCPEF): will focus on addressing the lack of good quality commercial and retail space in town/urban centres. Applicants will have the opportunity to apply for grant funding for improvements to retail and commercial property frontages and associated external and internal works including bringing vacant floor space back into use; and,
 - The Urban Centre Living Grant (UCLG): will support the Urban Centre Property Enhancement Fund and will allow applicants to request grant funding to undertake external and internal works enabling the conversion of vacant floor space into residential use.
- 1.4 In March 2019 the Minister for Housing and Regeneration, under authority of the Cabinet Secretary for Local Government and Public Services, approved the application.
- 1.5 Cabinet has previously received updates regarding the Regional Plan for Regeneration on 30th July 2018 (minute C383 refers); and, TRI funding on 7th January 2019 (minute C541 refers).

2. Key Issues for Consideration

- 2.1** The Regional Plan for Regeneration identifies the settlement of Barry as a Regeneration Area for TRI funding. Within Barry the key target zone for the Thematic Grants Programme is Barry Town Centre. The target zone is subdivided into two areas in line with the Vale of Glamorgan Local Development Plan 2011 - 2026, namely Holton Road (as identified in Appendix A) and High Street/Broad Street District Centre (as identified in Appendix B). The Council's annual survey of vacant commercial units (ground and upper floors) conducted in July 2018, found that the vacancy rate for Holton Road is 23.5%. The equivalent figure for High Street/Broad Street District Centre is 11.7%.
- 2.2** Barry Town Centre (and Holton Road in particular) has been selected on the basis of the need to build upon previous grant programmes (as described in paragraph 2.4 of the report); market failure; diminishing footfall; physical decline; inadequate premises for business growth and an insufficient mix of housing tenures. Given the scale of the issues and challenges, the Council will initially target the landlords and/or their agents of key empty, under-utilised and prominent buildings in Holton Road. These properties have been identified and contact has already been made with a number of landlords and/or their agents with regards to their appetite for improving their building stock. All of these targeted properties offer the opportunity for improvements to accommodate retail, commercial or residential uses. These properties will form the first wave of the Council's Thematic Grants Programme in Barry Town Centre. Subject to demand from the first wave and mindful also of the scale of the funding award (refer to paragraph 4.2 of the report) the Council will (should there be residual resources) canvass other property owners in High Street/Broad Street District Centre to establish a second wave of targeted properties.
- 2.3** A draft Service Level Agreement has been prepared by Rhondda Cynon Taff (refer to Appendix C). The document reflects the need to have a collaborative and consistent regional approach whilst allowing a degree of flexibility for particular local needs in order to achieve maximum impact. The salient points of the draft Service Level Agreement are outlined in this report in paragraph 1.3 (the thematic grants); paragraphs 4.1 - 4.5 inclusive (financial details); and, paragraphs 4.8 - 4.10 inclusive (legal requirements). To enable the Council to access the TRI funding it is recommended (Recommendation 1) that delegated authority be granted to the Head of Regeneration and Planning in consultation with the Deputy Leader and Cabinet Member for Education and Regeneration, the Head of Finance/Section 151 Officer and the Monitoring Officer/Head of Legal and Democratic Services to undertake all necessary actions to agree the terms and enter into the Service Level Agreement. Recommendations 1-4 (inclusive) will enable the effective governance and administration of the Thematic Grants Programme in Barry Town Centre; and, facilitate future investment and development opportunities.
- 2.4** Since 2015/16 financial year the Council has administered a Commercial Grant Scheme (external works only) focusing on the main retail pitch along Holton Road. To date, eleven grant funded schemes have been completed. Total grant expenditure of £230,082 has levered in £102,841 of private sector match funding. Four empty commercial units are now occupied as a direct result of this

investment. The unallocated budget for this scheme in 2019/20 is currently £119,094. In light of the challenges and issues facing Holton Road (as discussed at the Barry Town Centre Summit held in November 2018 and reported to Cabinet on 18th February 2019, Minute C588 refers) there is a justifiable need to retain the appropriate flexibility on possible future uses of the unallocated budget. The Council and partner organisations are striving to deliver a range of actions and initiatives such as the potential of establishing a Business Improvement District, Sense of Place and Shop Local in a financial climate that is and will continue to be difficult. With this in mind (refer to Recommendation 5) it is considered prudent to defer the current use of the unallocated budget and for the Head of Finance/Section 151 Officer, in consultation with the Deputy Leader and Cabinet Member for Education and Regeneration and Head of Regeneration and Planning to be given delegated authority to approve the use of the unallocated budget for the year 2019/20 as appropriate.

- 2.5** Ward Members for Buttrills, Castleland, Baruc and Illtyd have been consulted. Councillor Ian Johnson (Buttrills Ward) has submitted the following response:

Thank you for the opportunity to contribute to this report.

I support the proposal for prioritising targeted regeneration investment within the Holton Road area, as set out in the report, and in the High Street/Broad Street area if funding allows. I would hope that regular feedback will be provided to local members as to the progress of this investment, in addition to the formal report mechanisms for Cabinet and the Environment and Regeneration Scrutiny Committee.

With regards to the unallocated budget for 2019/20, I believe that it would be more appropriate for light-touch involvement of local members within the decision making process (similar to discussions on the expenditure of section 106 funds), rather than agreeing delegated authority at this stage.

As a local ward member, I would also appreciate an update on the Barry Gateway Schemes which were first brought to Cabinet in Spring 2017.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** The Thematic Grants Programme will be delivered through the five ways of working, as set out below:
- Long Term - It is more efficient and sustainable to make the best possible use of our existing commercial stock and to encourage the reuse of underutilised or vacant floor space.
 - Prevention - To prevent issues from escalating the Council will seek to work with the landlords and/or their agents in the first instance, offering advice, assistance and options designed to help with the process of returning underutilised or vacant floor space back to use.

- Integration - The Thematic Grants Programme builds on the work of the previous Grant Programme and links with several key Council documents, strategies and plans. An officer working group will meet periodically to support information sharing; to review progress; and, to agree solutions to issues encountered.
- Collaboration - Close working is required with investors, landlords and/or their agents over the life of this grant programme to align investment plans and maximise the regeneration benefits for Barry Town Centre.
- Involvement - The Thematic Grants Programme is an opportunity to strengthen existing and develop new internal partnerships with teams and service areas whose work is pertinent to the issue; and, external partnerships with investors, landlords and/or their agents.

4. Resources and Legal Considerations

Financial

- 4.1** South East Wales has a notional TRI funding allocation of £44 million for the period 2018/19-2020/21. The budget is managed by Welsh Government as a rolling programme to allow projects to come forward at an appropriate time. Welsh Government has awarded the ten Local Authority areas of the Cardiff Capital Region, TRI capital funding of up to £10m for the Thematic Grants Programme. 92% of the funding award (£9.2m) is for the UCPEF/UCLG grant products. This element is to be shared equally between the ten Local Authority areas i.e. £920,000 per local authority. 8% of the funding award (£800,000) is for management fees associated with the development and implementation of the grant programme. As Lead Authority, Rhondda Cynon Taff has been allocated £300,000. The residual amount (£500,000) is to be shared equally between the ten Local Authority areas i.e. £50,000 per local authority.
- 4.2** The Council's total allocation of TRI funding is £970,000 (£161,684 for 2019/20 and £808,316 for 2020/21). The Projected Expenditure Profile for the Council's allocation of TRI funding is set out in the table below:

	2019/20 (£)	2020/21 (£)	Total (£)
UCPEF	92,000	460,000	552,000
UCLG	61,350	306,650	368,000
Sub-Total (UCPEF +	153,350	766,650	920,000

UCLG)			
Management Fee	8,334	41,666	50,000
Total	161,684	808,316	970,000

- 4.3** The management fee expenditure is pro-rata with the projected expenditure of grant on eligible projects.
- 4.4** It is a Welsh Government requirement that there can be no slippage of sums from 2019/20 to 2020/21.
- 4.5** The Welsh Government's TRI Application Guidance states that the grant should not exceed 70% of the identified eligible project cost. The amount of grant offered will be assessed on an individual project basis. The Applicant is paid in arrears.
- 4.6** Staffing resources are in place to provide pro-active help, advice and information for third parties.

Employment

- 4.7** There will not be any staffing issues which arise as a result of the recommendations in this report.

Legal (Including Equalities)

- 4.8** Eligible Applicants include Freeholders, Leaseholders (with a minimum 7-year lease remaining on the property), Sole Traders, Partnerships, Limited Companies, Community Businesses, Co-operatives and Registered Social Landlords.
- 4.9** For grants up to £49,999 a restriction is required in favour of the Council against the grant funded property/registered estate, to remain registered against the property for a period of 5 years from the date of the final payment. For grants of £50,000 or more a legal charge together with a restriction in favour of the Council is required against the grant funded property/registered estate, to remain registered against the property for a period of 5 years from the date of the final payment. Should the property title/estate have any existing charges or restrictions recorded against it then the applicant is required to assist the Council, as it so requires, in order to agree and complete a deed of priority that may be required to be entered into with any other party.
- 4.10** Assistance is offered under the State Aid De Minimis Regulation, which allows an enterprise to receive up to €200k of De Minimis aid over a rolling 3 year period. To ensure compliance, checks will be undertaken as part of the application process.

4.11 In keeping with the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure 2011, publicity, guidance notes and application forms associated with the Thematic Grants Programme will be translated into Welsh.

5. Background Papers

Cabinet Report, 30th July 2018, Welsh Government Targeted Regeneration Investment Programme 2018-21 (Minute C383 refers).

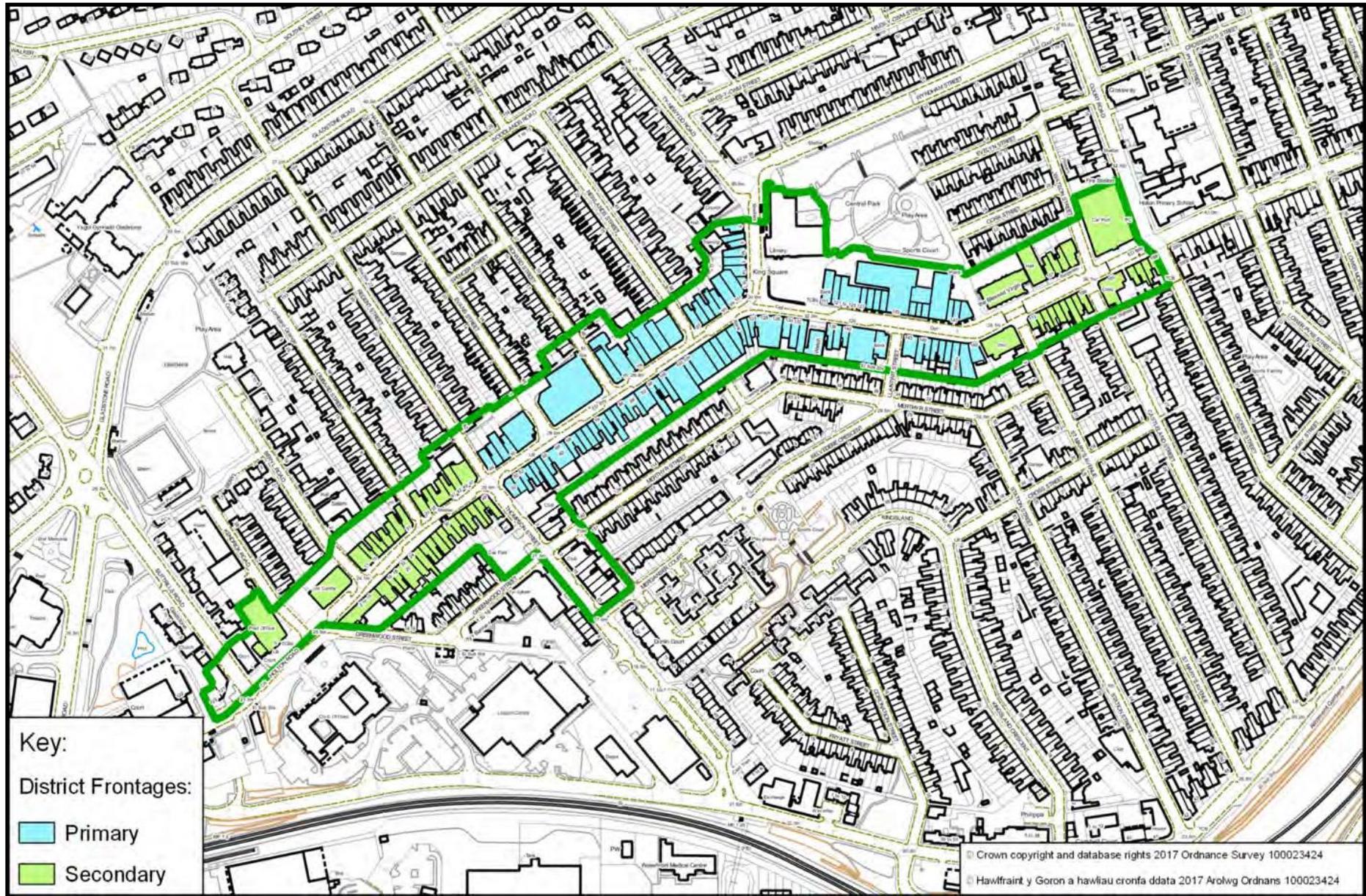
Cabinet Report, 7th January 2019, Targeted Regeneration Investment Programme 2018/19-2020/21: Update (Minute C541 refers).

Vale of Glamorgan Local Development Plan 2011 - 2026.

Cabinet Report, 18th February 2019, Barry Town Centre Summit (Minute C588 refers).

Welsh Government (October 2017), Targeted Regeneration Investment - Guidance for local authorities and delivery partners.

Welsh Government (June 2018), Targeted Regeneration Investment programme (A Capital Funding Programme for the period 2018-2021) - TRI Application Guidance.





DATED

2019

BLAENAU GWENT COUNTY BOROUGH COUNCIL

BRIDGEND COUNTY BOROUGH COUNCIL

CAERPHILLY COUNTY BOROUGH COUNCIL

THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF

MERTHYR TYDFIL COUNTY BOROUGH COUNCIL

MONMOUTHSHIRE COUNTY COUNCIL

NEWPORT CITY COUNCIL

TORFAEN COUNTY BOROUGH COUNCIL

VALE OF GLAMORGAN COUNTY BOROUGH COUNCIL

AND

RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL

AGREEMENT

REGARDING TARGETED REGENERATION INVESTMENT PROGRAMME FOR
THE SOUTH EAST WALES (CARDIFF CITY REGION) URBAN CENTRE
PROPERTY ENHANCEMENT FUND AND URBAN CENTRE LIVING GRANT

THIS AGREEMENT is made the day of 2019

BETWEEN:-

BLAENAU GWENT COUNTY BOROUGH COUNCIL of Municipal Offices, Civic Centre, Ebbw Vale, Gwent NP23 6XB (“Blaenau Gwent”)

BRIDGEND COUNTY BOROUGH COUNCIL of Civic Offices, Angel Street, Bridgend CF31 4WB (“Bridgend”);

CAERPHILLY COUNTY BOROUGH COUNCIL of Penallta House, Tredomen Park, Ystrad Mynach, Hengoed CF82 7PG (“Caerphilly”)

THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF of County Hall, Atlantic Wharf, Cardiff CF10 4UW (“Cardiff”);

MERTHYR TYDFIL COUNTY BOROUGH COUNCIL of Civic Centre, Castle Street, Merthyr Tydfil CF47 8AN (“Merthyr”);

MONMOUTHSHIRE COUNTY COUNCIL of County Hall, The Rhadyr, Usk NP15 1GA (“Monmouthshire”)

NEWPORT CITY COUNCIL of Civic Centre, Newport NP20 4UR (“Newport”)

TORFAEN COUNTY BOROUGH COUNCIL of Civic Centre, Pontypool NP4 6YB (“Torfaen”)

VALE OF GLAMORGAN COUNTY BOROUGH COUNCIL of Civic Offices, Holton Road, Barry, Vale of Glamorgan CF63 4RU (“Vale of Glamorgan”); and

RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL of The Pavilions, Cambrian Park, Clydach Vale CF40 2xx (“Lead Partner”).

1. WHEREAS

1.1 The Welsh Government have allocated the Funding to enable the South East Wales (Cardiff City Region), which forms the geographical area served by the Partner Authorities, to deliver the Urban Centre Property Enhancement Fund and Urban Centre Living Grant.

1.2 The Lead Partner has applied for the Funding on behalf of the Partner Authorities.

1.3 The Lead Partner is required to accept the terms and conditions of the Funding as set out in the Offer Letter and will be liable to the Welsh Government if the Conditions are not complied with or breached.

- 1.4 The Partner Authorities enter into this Agreement to ensure that they comply with the Conditions and to indemnify the Lead Partner in respect of Non-Compliance and/or breaches which are not attributable to the Lead Partner.
- 1.5 This Agreement is made under the powers conferred by Section 101 and 111 of the Local Government Act 1972, Section 25 of the Local Government (Wales) Act 1994, the Local Authorities (Goods and Services) Act 1970, Sections 2, 19 and 20 of the Local Government Act 2000 and all other enabling powers vested in the Partner Authorities.

2. OPERATIVE PROVISIONS

2.1 In this Agreement the following terms have the following meanings:-

“Agreement”	means this Agreement including all Schedules.
“Conditions”	means the terms, conditions and obligations set out in the Offer Letter together with the Financial Conditions and the General Conditions.
“Data Protection Legislation”	means (i) the General Data Protection Regulation (Regulation (EU) 2016/679) and any applicable national implementing legislation, as amended from time to time; (ii) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; and (iii) all applicable legislation about the processing of personal data and privacy;
“Default Notice”	means a notice served by the Lead Partner or the Project Board in accordance with Clause 5.
“Financial Conditions”	means the financial conditions set out in Schedule 2.
“Funding”	means funding of up to £10,000,000.00 consisting of the Urban Centre Property Enhancement Fund and Urban Centre Living Grant to be received from the Welsh Government in respect of the Project in accordance with the Offer Letter or such other amount as agreed in a variation of the Offer Letter issued by the Welsh Government and accepted by the Partner Authorities.
“General Conditions”	means the general conditions set out in Schedule 3.

“Intellectual Property”	means copyright and neighbouring and related rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in design, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered.
“Non-Compliance”	means failing to comply with the terms of this Agreement or the Conditions.
“Notification Events”	means the events listed in Schedule 3 of the Offer Letter which, in accordance with Clause 9 of the Offer Letter, the Lead Partner is required to immediately notify the Welsh Government of if they occur or are likely to occur.
“Offer Letter”	means the 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 a copy of which is annexed at Schedule 1.
“Operative Date”	means the date of this Agreement
“Partner Authorities”	means Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Merthyr, Monmouthshire, Newport, Torfaen, Vale of Glamorgan and the Lead Partner and “Partner Authority” shall be construed accordingly.
“Partner Representative”	means a nominated officer of each of the Partner Authorities who sits on the Project Board.
“Payment”	means 3% of the Funding which is to be paid to the Lead Partner to manage the Project.
“Payment Support Information”	means the information to be provided to the Lead Partner as detailed in the Conditions in the format and with the information requested in Schedule 4

“Project”	means the delivery of the Targeted Regeneration Investment Programme for the South East Wales (Cardiff City Region) Urban Centre Fund and Urban Centre Living Grant by way of the Funding.
“Project Board”	means a board comprising of senior officer representatives of the Partner Authorities to oversee the Project which shall operate as set out in Schedule 5.
“Project Working Group”	means a group of officer representatives of the Partner Authorities who meet bimonthly to manage the operational delivery of the project.
“Projected Expenditure”	means the projected expenditure by each Partner Authority as detailed in the Thematic Project Application Form, Proposed Outputs/Outcomes, Risk Register, Proposed Project Funding Package, Proposed Project Expenditure Profile and Projected Expenditure Profile by Partner attached at Schedule 6
“Schemes”	means the schemes and projects of the Partner Authorities which will contribute to the overall delivery of the Project
“State Aid Information”	means the State Aid Wording for Grant Offer Letter, State Aid Checklist – De Minimis Regulation General Conditions, State Aid Checklist – Welsh Local Government Property Development Grant (SA.49738) (Support for Capital Investment in Assisted Areas) and State Aid Checklist – Welsh Local Government Property Development Grant (SA.49738) (Support for Capital Investment (SMEs only) in Non-Assisted Areas) contained in Schedule 8.
“Termination Date”	means 31 st March 2021
“TRI Application Guidance”	means guidance issued by the Welsh Government relating to the Targeted Regeneration Investment Programme which is relevant to the Project as amended from time to time the current version of which is contained in Schedule 7.

“Urban Centre Living

Grant”

means that part of the Funding to be utilised towards works enabling the conversion of vacant floor space above commercial properties into residential use.

“Urban Centre Property

Enhancement Fund”

means that part of the Funding to be utilised towards addressing the lack of good commercial and retail space in town and city centres.

“Urban Centre Property

Enhancement Fund /

Urban Centre Living

Grant Forms and

Information

means the terms, conditions, guidance notes and application forms attached at Appendix 9 or such other forms and guidance prepared by a Partner Authority on the basis that any default that arises due to the use of alternative forms and guidance shall be the responsibility of the relevant Partner Authority

“Welsh Government”

means the Welsh Government of Cathays Park, Cardiff CF10 3NQ.

“Working Day”

means any day which is not a Saturday, a Sunday, or a bank holiday or public holiday in Wales.

- 2.2 Any reference to any of the Partner Authorities or Welsh Government includes any statutory successors or any successor authorities that may result from re-organisation or any other reason.
- 2.3 Clause headings in this Agreement are for convenience only and shall have no contractual effect.
- 2.4 Any reference to a clause is a reference to a clause of this Agreement.
- 2.5 Words importing one gender shall include the other genders and words importing the singular include the plural and vice-versa.

- 2.6 Reference to “individual” or “person” shall include bodies corporate, unincorporated associations and partnerships.
- 2.7 Any reference to any enactment or statutory instrument shall be deemed to include reference to such enactment or statutory instrument as re-enacted or extended.
- 2.8 An obligation not to do or omit to do something shall be deemed to include an obligation not to permit or (so far as is reasonably practicable) suffer that thing to be done or omitted to be done.
- 2.9 An obligation to do something shall include an obligation to seek to procure that it is done.

3. AGREEMENT

- 3.1 The Partner Authorities agree that the Lead Partner will accept the Funding as set out in the Offer Letter on behalf of the Partner Authorities. The Partner Authorities acknowledge that the Funding will not be payable until the Lead Partner has satisfied the Funding pre-conditions set out in the Offer Letter and received the completed Payment Support Information.
- 3.2 The Partner Authorities undertake to and covenant with each other that they will comply in all material respects with the Conditions and agree that any of the Partner Authorities in default will fully indemnify the Lead Partner in respect of any Non-Compliance and/or breach of the Conditions which is not attributable to the Lead Partner and the Lead Partner will fully indemnify each and any of the Partner Authorities in respect of any Non-Compliance and/or breach of the Conditions attributable to the Lead Partner.
- 3.3 Upon receipt of no less than 5 (five) Working Days notice each Partner Authority permits right of access to the Lead Partner and other bodies specified in the Offer Letter for audit, compliance and any other purpose set out therein.
- 3.4 Each Partner Authority undertakes to provide in a timely manner information requested by the Lead Partner to enable claim deadlines to be met.
- 3.5 Notwithstanding the termination of this Agreement the Partner Authorities shall remain liable for any of the Conditions they have not complied with and in respect of any liability arising from Non-Compliance and/or breach of the Conditions and that Partner Authority shall be liable for any direct loss suffered by any or all other Partner Authorities.
- 3.6 In consideration of the Payment the Lead Partner undertakes and agrees that it shall co-ordinate and manage the Project on a day to day basis which shall include:

- 3.6.1 employ sufficient persons to manage the Project in an effective manner;
 - 3.6.2 to act as co-ordinator for the Project Board and provide requisite support services;
 - 3.6.3 to be responsible for the administration of the claims process including receiving and disseminating such funding properly and auditing and making financial returns;
 - 3.6.4 to provide appropriate and compliant forms and policies for use by the Partner Authorities;
 - 3.6.5 to collate and maintain relevant monitoring information and to ensure all necessary data protection steps are taken in relation to use and maintenance of the same; and
 - 3.6.6 in the event that there are changes to Welsh Government Guidance, to notify the Partner Authorities of the change as soon as is practicable and where required to provide detailed instructions to Partner Authorities within 28 days of the change imposed.
- 3.7 In acceptance of payments of the Funding from the Lead Partner the Partner Authorities shall;
- 3.7.1 employ sufficient persons to manage the delivery of the Project; and
 - 3.7.2 fulfil any requirements for the administration of the claims process.
- 3.8 The Funding is to be allocated in accordance with the Projected Expenditure as updated from time to time by the Project Board.
- 3.9 The Partner Authorities will submit any request for amendment to their Project Expenditure in writing to the Lead Partner. The Lead Partner shall submit such request to the next available meeting of the Project Board who shall be responsible for determining such a request and reallocating any of the Funding.

4. WORKING ARRANGEMENTS

- 4.1 Signature of this Agreement by the Partner Authorities includes an agreement to:
- 4.1.1 the oversight of this Agreement by the Project Board;
 - 4.1.2 ensure that the Project Working Group meets at regular intervals (at least quarterly) to review projects, share information and best practice, share progress, resolve joint issues and escalate serious risks, issues

or deviations which may affect the delivery of the Project to the Project Board;

4.1.3 work collaboratively, including across Partner Authorities boundaries, where possible or appropriate, to ensure the best outcomes and to ensure the mutual success of the Project;

4.1.4 share such operational information between the Partner Authorities as is necessary for the smooth and co-operative running of the Project, including but not limited to:-

4.1.4.1 cross-operational risks or issues;

4.1.4.2 problem or dispute resolution;

4.1.4.3 identified best practice;

4.1.4.4 finance or Funding information; and

4.1.4.5 any other information deemed to be relevant by the Partner Authorities or the Project Board; and

4.1.5 Discuss with each other, as soon as possible, any problems or disputes which arise, attempting to resolve any difficulties through the negotiations at an early stage and ensuring appropriate officers are available upon reasonable notice to discuss any issues under dispute.

5. DEFAULT

5.1 Without prejudice to any other right or remedy, either upon the reasonable request of any Partner Authorities supported with evidence, which on the balance of probabilities indicates Non-Compliance, or of its own volition if it discovers evidence, which on the balance of probabilities indicates Non-Compliance, the Lead Partner may serve a Default Notice upon the defaulting Partner Authority, setting out the nature of the alleged default and requiring the Partner Authority to remedy the default within such reasonable times as may be specified in the Default Notice.

5.2 If any Partner Authority discovers evidence, which on the balance of probabilities indicates Non-Compliance by the Lead Partner, that Partner Authority shall request the Project Board to serve a Default Notice upon the Lead Partner setting out the nature of the alleged default and requiring the Lead Partner to remedy the default within such reasonable time as may be specified in the Default Notice.

5.3 If any Partner Authority discovers evidence, which on the balance of probabilities indicates Non-Compliance by any other Partner Authority it shall

request that the Lead Partner serve a Default Notice upon the defaulting Partner Authority.

- 5.4 Any dispute as to a Default Notice and/or the service thereof under this Clause 5 shall be referred to the Project Board who will make a decision at the earliest opportunity.
- 5.5 If any Default Notice served under clauses 5.1, 5.2, or 5.3 are not complied with within the timescales set out in the Default Notice, then the Lead Partner or the Project Board may:
 - 5.5.1 terminate this Agreement as it applies to the defaulting Partner Authority in accordance with Clause 7; and / or
 - 5.5.2 deduct or request the Lead Partner to deduct from any amount then due, or to become due to the defaulting Partner Authority or Lead Partner such amount as is reasonable.
- 4.6 Any disputes over the deduction of any sums under this Clause 5 shall be referred to the Project Board.

6. DISPUTE RESOLUTION

- 6.1 This Agreement is entered into on the basis that the Partner Authorities will work on a basis of co-operation and will arrange to discuss with each other as soon as possible any problems or disputes which arise and they will attempt to resolve any difficulties through negotiation at an early stage and to make themselves available with reasonable notice to discuss the issues under dispute.
- 6.2 If there is a dispute between the Partner Authorities concerning the interpretation or operation of this Agreement then any party may notify the others in writing that it wishes the dispute to be referred to a meeting of the Project Board to resolve, with all parties negotiating on the basis of good faith.
- 6.3 If, after 28 days from the date of the notice referred to in Clause 6.2 above (or such other period as the parties may agree), the dispute has not been resolved, the Project Board may refer the matter to the Partner Authorities respective Directors responsible for regeneration for resolution. If the Directors are unable to resolve the dispute within a period of 14 days of the matter being referred to them then the matter may be referred to the Chief Executives of the Partner Authorities for resolution. If the Chief Executives are unable to resolve the dispute within 14 days then the Project Board may refer the matter to arbitration on the following basis;

- 6.3.1 referral shall be to a single Arbitrator selected by the Project Board or, in the absence of agreement, to be nominated by the President of the Chartered Institute of Arbitration; and
- 6.3.2 such arbitration shall be conducted in accordance with the provisions of the Arbitration Act 1996 and the Arbitrator appointed shall have the power to:-
- 6.3.2.1 obtain the assistance of such experts as they think fit and to adopt any statement or report that is obtained;
 - 6.3.2.2 order and direct what they shall think to be done by any of the Project Sponsors respectively in relation to the matters in dispute; and
 - 6.3.2.3 apportion the costs of arbitration between the Project Sponsors in a manner as they see fit.
- 6.3.3 The decision of the Arbitrator shall be final and binding on all Partner Authorities.

7. TERMINATION

- 7.1 The Lead Partner or the Project Board under Clause 5.5, may give three (3) calendar months notice in writing to terminate this Agreement.
- 7.2 In the event of this Agreement being terminated within the provisions of Clause 5.5;
- 7.2.1 the defaulting Partner Authority shall immediately pay to the Lead Partner;
 - 7.2.1.1 all arrears of payments and any other sums due under the terms of this Agreement; and
 - 7.2.1.2 all further sums which would but for the termination of this Agreement have fallen due at the Termination Date.
 - 7.2.2 either the Lead Partner or defaulting Partner Authority shall be entitled to exercise any one or more of the rights and remedies given to it under the terms of this Agreement and the termination of this Agreement shall not affect or prejudice such rights and remedies. Each Partner Authority shall, and will remain liable to, perform all outstanding liabilities under this Agreement notwithstanding that the others may have exercised one or more of the rights and remedies against it; and

7.2.3 any right or remedy to which any of the parties is or may become entitled under this Agreement or in consequence of the other's conduct may be enforced from time to time separately or concurrently with any right or remedy given by this Agreement or now or afterwards provided for and arising by operation of law so that such rights and remedies are not exclusive of the other or others but are cumulative. Any right or remedy expressly include in any provision of this Agreement shall not be construed as limiting a party's rights or remedies under any other provision of this Agreement.

8. COMMENCEMENT AND DURATION

- 8.1 This Agreement shall commence from the Operative Date until the Project terminates on the Termination Date or until the date upon which the Funding ceases to be available from the Welsh Government whichever is the latest. In the event that the Project is available beyond the Termination Date the Lead Partner will provide the Partner Authorities with notification as soon as reasonably possible after it is received from the Welsh Government.
- 8.2 On the date that the Funding ceases to be made available by the Welsh Government then this Agreement shall terminate on the next Working Day.
- 8.3 This Agreement may be extended on the agreement of all Partner Authorities and shall not prejudice or affect any right of action or remedy which shall have accrued, or which may thereafter accrue, to anybody under the Conditions.
- 8.4 The Partner Authorities agree to undertake an annual review of this Agreement via the Project Board to ensure it is achieving its objectives and that each Partner Authority is upholding the general aims and spirits of this Agreement. If deemed necessary, there will be an interim review if there are any significant policy reviews or legislative changes that require this Agreement to be updated.

9. INTELLECTUAL PROPERTY

- 9.1 Any Intellectual Property created through the establishment and running of this Agreement shall vest in the Partner Authorities jointly. The Intellectual Property shall be held by the Lead Partner on behalf of the Partner Authorities. This shall include but is not limited to processes, procedures, methodology and manuals.
- 9.2 The Lead Partner shall grant to the Partner Authorities an irrevocable licence to use that Intellectual Property for the purposes of this Agreement.

9.3 Where a Partner Authority develops Intellectual Property in relation to the delivery of Schemes in its area only, that Intellectual Property shall belong to that Partner Authority alone.

9.4 Nothing in this clause shall operate to prevent or make difficult the sharing of good practice between the Partner Authorities.

10. FREEDOM OF INFORMATION

10.1 The Partner Authorities agree that they will co-operate with one another to enable any Partner Authority receiving a request for information under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004 to respond to that request promptly and within statutory timescales. This co-operation shall include, but not be limited to, finding, retrieving and supplying information held and directing requests to other Partner Authorities as appropriate and responding to any requests by a Partner Authority receiving a request for comments or other assistance.

11. WAIVER

11.1 Failure by a Partner Authority to enforce any of the provisions of this Agreement or to require the performance of any of the Partner Authorities of any of the provisions of this Agreement shall not constitute a waiver of any such provision and shall not affect the validity of the Agreement or any part thereof or of the right of a Partner Authority to enforce any provision in accordance with its terms.

12. COMMUNICATION IN WRITING

12.1 Any communication required to be in writing under the terms of this Agreement shall be sent to the addresses indicated at the beginning of this Agreement and marked for the attention of the Partner Representative. Each party shall use reasonable endeavours to communicate in accordance with the Agreement.

13. THIRD PARTY RIGHTS

13.1 The parties to this Agreement confirm and agree that they do not intend any provision of it to be enforceable by any other person pursuant to the Contract (Rights of Third Parties) Act 1999 save as set out in this Agreement.

14. NO PARTNERSHIP

14.1 The Partner Authorities are independent from each other and save as set out in this Agreement nothing in this Agreement shall be construed as implying that there is any relationship between the Partner Authorities of partnership or of principal/agent or of employer/employee.

15. COUNTERPART

15.1 This Agreement may be executed in any number of counterparts and by the parties to it on separate counterparts each of which when executed and delivered shall be an original but all the counterparts shall together constitute one and the same instrument.

16. JURISDICTION

16.1 This Agreement shall be governed and construed in accordance with English and Welsh law as applied in Wales and the parties submit to the jurisdiction of the English and Welsh courts

IN WITNESS WHEREOF the parties have executed this Agreement as a Deed and have hereunder affixed their Common Seals the day and year first before written.

The Common Seal of **BLAENAU GWENT**
COUNTY BOROUGH COUNCIL

was affixed hereto in the
presence of:

THE COMMON SEAL of **BRIDGEND**
COUNTY BOROUGH COUNCIL was

hereunto affixed in the presence of:-

.....

Mayor/Leader

.....

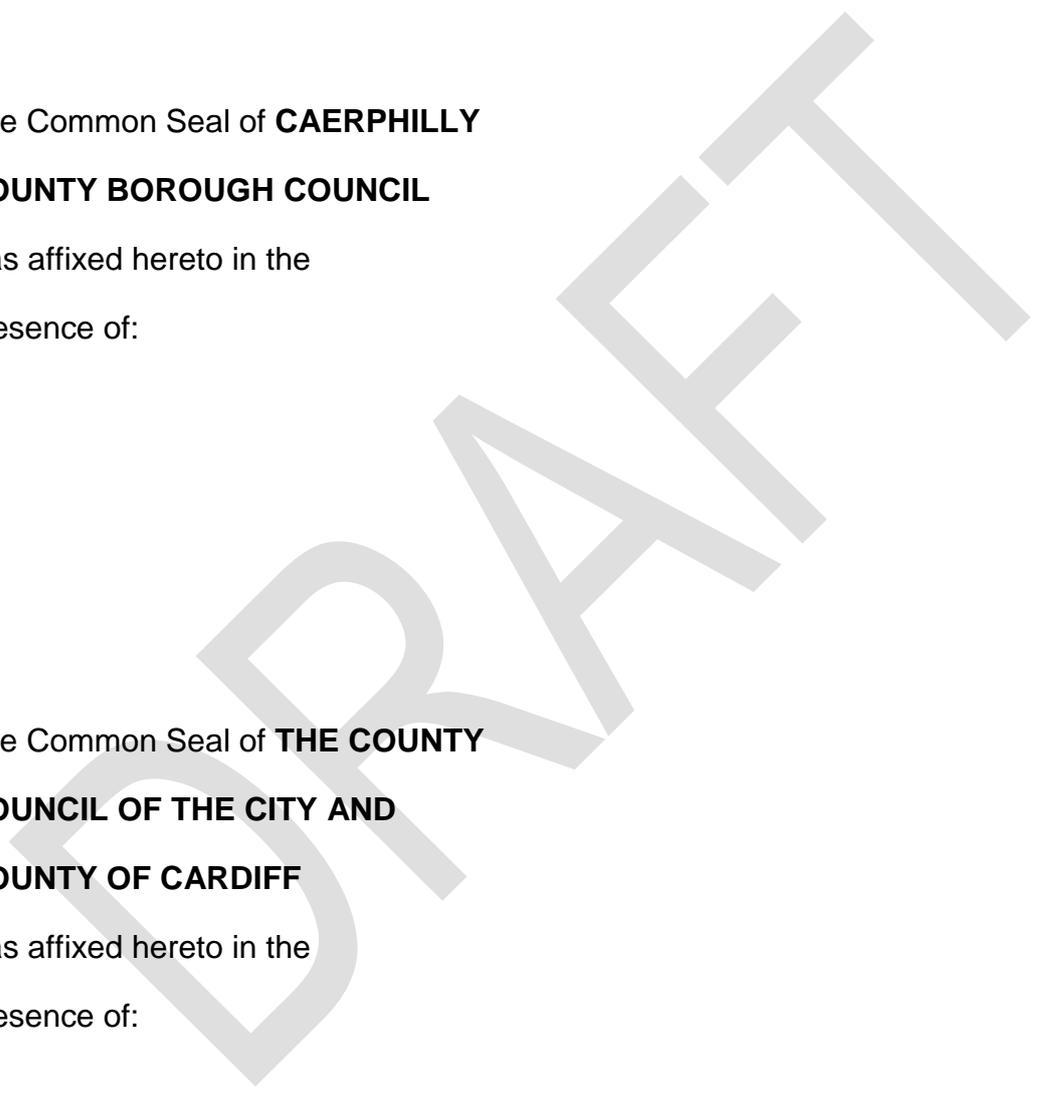
Authorised Signatory

The Common Seal of **CAERPHILLY
COUNTY BOROUGH COUNCIL**

was affixed hereto in the
presence of:

The Common Seal of **THE COUNTY
COUNCIL OF THE CITY AND
COUNTY OF CARDIFF**

was affixed hereto in the
presence of:



The Common Seal of **MERTHYR**
TYDFIL COUNTY BOROUGH COUNCIL

was affixed hereto in the
presence of:

The Common Seal of **MONMOUTHSHIRE**
COUNTY COUNCIL

was affixed hereto in the
presence of:

The Common Seal of **NEWPORT**
CITY COUNCIL

was affixed hereto in the
presence of:

The Common Seal of **TORFAEN**
COUNTY BOROUGH COUNCIL

was affixed hereto in the

presence of:

The Common Seal of **VALE OF
GLAMORGAN COUNTY BOROUGH**

COUNCIL was affixed hereto in the
presence of:

the Common Seal of **RHONDDA
CYNON TAFF COUNTY BOROUGH**

COUNCIL was affixed hereto in the
presence of:

SCHEDULE 1
OFFER LETTER

DRAFT

SCHEDULE 2
FINANCIAL CONDITIONS

DRAFT

SCHEDULE 3
GENERAL CONDITIONS

DRAFT

SCHEDULE 4
PAYMENT SUPPORT INFORMATION

DRAFT

SCHEDULE 5
PROJECT BOARD

DRAFT

SCHEDULE 6
PROJECTED EXPENDITURE

DRAFT

SCHEDULE 7
TRI APPLICATION GUIDANCE

DRAFT

SCHEDULE 8
STATE AID INFORMATION

DRAFT

SCHEDULE 9

**URBAN CENTRE PROPERTY ENHANCEMENT FUND/URBAN LIVING CENTRE
GRANT FORMS AND INFORMATION**

DRAFT