

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

9 MARCH 2020

REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

COSY CORNER TOURISM ATTRACTOR DESTINATION FUNDING

1. Purpose of report

- 1.1 The purpose of this report is to update Cabinet on the progress of securing funding through the Tourism Attractor Destination Programme to take forward a project on Cosy Corner, Porthcawl and to seek authority to commence the process of appointing architects to further develop the project detail.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015:-**
 1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
 2. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 2.1 In October 2020 Bridgend County Borough Council (BCBC) were informed that CREDU Charity Ltd had filed notice of intention to appoint administrators and had been informed by Welsh Government of the withdrawal of funding for what was known as The Maritime Centre project, funded through the Visit Wales Tourism Attractor Destination Programme (TAD). As a result of this BCBC terminated the agreement for the lease relating to the Maritime Centre at the Cosy Corner site.
- 2.2 Following discussion with Welsh Government, officers undertook an outline appraisal of the short to medium term options available to BCBC to seek to access possible funds through the TAD programme for Cosy Corner.
- 2.3 In December 2020 the following were proposed to and agreed by Cabinet as a set of guiding principles for the way forward, based on the current understanding of the situation:

- Desire to ensure funding allocated for Cosy Corner is retained for Cosy Corner. There is potentially funding still available through the TAD programme for Cosy Corner
- Adopting a partnership approach with key stakeholders
- Taking action in a suitable timeframe
- Minimising the period of time that Cosy Corner remains in its current condition
- Minimising the on-going maintenance requirements and costs for BCBC
- Enhancing the tourism offer of Porthcawl

2.4 Should funding be available through the TAD programme the following were proposed as potential outcomes, depending on resources available:

- Improvements for use by community organisations, in particular the Sea Cadets
- Improvements to the local economy and tourism offer, in particular small retail / start up spaces
- Improvements for Marina users, in particular storage and changing facilities
- Improvements for use by the wider community, in particular a Changing Places facility, children's free play area, public seating, public realm/landscaping and an outdoor event space

These options were based on information known at the time and are therefore subject to change and are by no means definitive.

3. Current situation/proposal

- 3.1 In December 2020 Cabinet authorised the Corporate Director, Communities, to develop and submit a proposal to access possible resources for improvements to Cosy Corner through the TAD programme.
- 3.2 Cabinet also agreed to receive a further report relating to the detail of any funding offer if successful and, should it be required, recommend to Council an update to the Capital programme.
- 3.3 An agreed proposal was submitted to Visit Wales and the Welsh European Funding Office (WEFO) in January 2021 based on the principles outlined in section 3.3 and the potential outcomes outlined in section 3.4.
- 3.4 In February 2021 BCBC received confirmation from Welsh Government that WEFO had completed the assessment of six of the nine criteria for assessment of operations /projects and requested that further information be supplied in order to complete the remaining assessment stages, which are cross cutting themes, delivery and financial and compliance.
- 3.5 In addition WEFO and Welsh Government have requested confirmation of match funding and confirmation of State Aid cover.
- 3.6 Three criteria remain to be assessed by WEFO because BCBC has not yet undertaken the procurement/tender exercise for architects to reach the required RIBA stage that would deliver the information needed. This work has not been progressed to date due to a desire to avoid incurring any costs for the process without first seeking a level of assurance from WEFO that, subject to value for money considerations being assessed, the project will be supported via the European Union structural funds.

3.7 Therefore, based on the assessment undertaken to date, and in order to provide the final information required, it is now proposed to undertake a procurement exercise to appoint architects and required consultancy support to progress the scheme from the outline options appraisal to RIBA stage 3. Doing so will provide greater cost certainty, confirmation of the level of match funding required, confirm deliverables for which State Aid cover would need to be considered and a forecast delivery profile.

3.8 If agreed it is proposed that a further report be provided to Cabinet once WEFO and Welsh Government have completed their assessment of all nine criteria stages and a potential funding offered is secured.

5. Effect upon policy framework and procedure rules

5.1 There is no direct impact on the Council's policy framework and procedure rules.

6. Equality Impact Assessment

6.1 An initial assessment has identified that there are no equality issues related to this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The Well-being of Future Generations (Wales) Act 2015 Assessment Template has been completed and a summary of the implications from the assessment relating to the five ways of working is below:

- Long-term: By seeking to secure funds for future improvement of Cosy Corner, BCBC is seeking to improve the area beyond its current condition for use and access in the long-term.
- Prevention: Seeking resources to undertake improvements to Cosy Corner will ensure that the condition of the site does not deteriorate further.
- Integration: The proposal will achieve this way of working by recognising the approaches that are proposed for support are those that have been identified by internal and external stakeholders and the proposal itself will integrate with other existing activity in the area.
- Collaboration: Future action on Cosy Corner as outlined above will take place in collaboration with partners through the Harbour Operational Group and the Harbour Board.
- Involvement: Proposals relating to the future of Cosy Corner will be developed and delivered in close partnership with key stakeholders. Discussions and development with key BCBC officers will be undertaken.

8. Financial implications

8.1 A proposal was submitted to WEFO and Welsh Government based on a total project value of £1,538,461. This was made up of a £1m grant request and a proposed match funding contribution from BCBC of £538,461. The match funding was

proposed to combine £153,846 land value match and £384,615 direct match funding. Cabinet agreed that the £384,615 would be provided via the Communities Directorate public realm budget although officers would continue to seek alternative sources of funding. The costings for this proposal were based on an outline options appraisal and as further detailed proposals are developed these costs may change.

- 8.2 To proceed as outlined in section 4.7 would require an agreement to utilise the direct match funding contribution from the public realm budget to deliver the final information required by WEFO and Welsh Government for consideration and a potential final award letter. This expenditure may be considered as 'at risk' however it is necessary in order to provide the detail required. Without that detail the potential £1m grant cannot be secured.
- 8.3 Incurring expenditure in this way will be considered 'at risk' until such a time as all assessment stages outlined in section 4.4 have been completed. Any preliminary costs incurred in providing the requested documentation or any retrospective expenditure will be tested against the WEFO Eligibility rules and conditions for support from the European Structural Funds 2014-2020. Any cost deemed to be an eligible cost for support will be eligible for reimbursement by WEFO. However, such costs cannot be paid until a formal letter to proceed has been issued by WEFO.

9. Recommendations

9.1 Cabinet is recommended to:-

Authorise the Corporate Director Communities to proceed at risk with the development of the remaining information required by WEFO and Welsh Government presented in section 4.4 and to utilise the currently agreed direct match funding of £384,615 to do so in order to secure a potential £1m grant; and,

To receive a further report once WEFO and Welsh Government have completed assessment of all nine criteria stages for accessing potential funding before progressing further.

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Background documents:

