

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

19 OCTOBER 2021

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 accept an offer of funding and enter into required agreements.

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

- 3.1 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.
- 3.2 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.
- 3.3 In December 2020 the following were proposed to, and agreed by, Cabinet as a set of guiding principles for the way forward, based on information available at the time:
- 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

3.4 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.

4. Current situation/proposal

4.1 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.

4.2 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.

4.3 A 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.

4.4 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, value for money and financial and compliance.

4.5 In addition WEFO and Welsh Government have requested confirmation of match funding and confirmation of State Aid cover.

4.6 In March 2021 Cabinet authorised the Corporate Director Communities to proceed at risk with the development of the remaining information required by WEFO and Welsh Government and to utilise the already agreed direct match funding of £384,615 to do so in order to secure a potential £1m grant, resulting in a capital project budget of £1,384,615.

4.7 In May 2021 BCBC concluded a procurement exercise and appointed architects with the required consultancy support to progress the project. The architects began producing the remaining information required by WEFO and Welsh Government taking the project up to RIBA stage 3 with the intention of giving greater cost certainty,

confirmation of the level of match funding required, confirmation of deliverables for which State Aid cover would need to be considered and a forecast delivery profile.

- 4.8 At the end of 2020-21 a £500,000 earmarked reserve was established for the project, therefore increasing the available capital project budget to £1,884,615. This updated capital budget was approved by Council at its meeting in June 2021.
- 4.9 BCBC have now received an updated cost plan from the design team. The cost plan update for the building design has been based on prices in August 2021 and in order to ensure sufficient contingency to support mitigation measures that respond to price fluctuations £230,000 was identified in August 2021 from the Strategic Regeneration Fund (SRF). This funding is already within the capital programme and does not require separate Council approval.
- 4.10 The project must be completed by December 2022 which creates a tight timescale for delivery. Based on the project values above a delivery profile and confirmation of match funding was submitted to WEFO and WG in August 2021 to minimise the risk of losing the resources available through the TAD programme.
- 4.11 WEFO and Welsh Government have now confirmed an offer of £1,000,000 funding towards a total project cost of £2,114,615. The remaining funding of £1,114,615 will be provided from BCBC resources as outlined above. Authority is now sought to accept the offer of funding and to enter into required agreements to progress the project.

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 Act 2010 implications

- 6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

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 in August 2021 based on a capital programme budget of £2,114,615. It was proposed that this value included £1,000,000 grant and £1,114,615 match funding from BCBC. The match fund is made up of £384,615 via the Communities Directorate public realm budget, £500,000 from earmarked reserves and £230,000 from the SRF. An offer of funding on this basis has now been received by BCBC.
- 8.2 Should Cabinet not be minded to accept the offer of funding outlined in 8.1, then a further report will need to be presented to Cabinet that sets out what options may be available to take forward on Cosy Corner without the TAD funding. Any re-designed scheme would incur additional design costs and may result in a completion date later than December 2022. In addition, any costs incurred to date may be abortive costs and need to be met from the Council's budget.

9. Recommendations

- 9.1 It is recommended that Cabinet delegates authority to the Corporate Director Communities, in consultation with the Chief Officer – Legal and Regulatory Services, HR & Corporate Policy and the Interim Chief Officer, Finance, Performance and Change to accept the offer of funding to deliver the Cosy Corner project as part of the Visit Wales Tourism Attractor Destination Programme.

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Background documents:

Cosy Corner, Cabinet report, 9 March 2021

Cosy Corner, Cabinet report, 15 December 2020