



## **COUNCIL – 8<sup>TH</sup> APRIL 2025**

**SUBJECT: WELSH GOVERNMENT TRANSFORMING TOWNS LOAN**

**REPORT BY: EXECUTIVE DIRECTOR – CORPORATE AND REGENERATION**

--

### **1. PURPOSE OF REPORT**

- 1.1 To update Council on a recent urgent decision taken to accept a Welsh Government Regeneration Department Transforming Towns Loan for property acquisitions in Bargoed and Blackwood.

### **2. SUMMARY**

- 2.1 The Council are nearing the finalisation of the placemaking plans for the towns of Bargoed and Blackwood. It is expected that these plans will be approved by Cabinet in late summer 2025.
- 2.2 Both plans identify key opportunity areas for intervention and a number of underutilised or empty properties are identified in these areas in both towns. Discussions with Welsh Government Regeneration Department have been ongoing around the opportunity for CCBC to benefit from a loan to the value of £4.5m to establish a property acquisition fund for both towns.
- 2.3 In order to meet Welsh Government end of year financial deadlines, it has been necessary to use delegated powers of the Chief Executive in the scheme of delegation and the Council Procedure Rules to accept the loan.

### **3. RECOMMENDATIONS**

- 3.1 This report is for information purposes. Council is asked to note:
- 3.1.1 The use of emergency delegated powers bestowed upon the Chief Executive to accept the Welsh Government loan in order to comply with financial deadlines within the loan offer.
- 3.1.2 That any interest receivable accrued from the loan balance will be ringfenced and used to offset the interest payable on the loan.
- 3.1.3 That any drawdowns from the property acquisition fund, created by the

WG Loan, will be subject to business cases that will be authorised by the Head of Financial Services and S151 Officer and the Executive Director Corporate and Regeneration in conjunction with the relevant Cabinet member.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 To ensure that the Council can fully benefit from the offer of financial assistance from Welsh Government.

#### **5. THE REPORT**

- 5.1 In order to benefit from the Welsh Government Regeneration Department's Transforming Towns financial assistance (in the form of both grants and loans) local authorities are required to develop placemaking plans for their main towns. The Council is currently benefitting from financial assistance for a range of projects in Caerphilly where the implementation of the Caerphilly 2035 Placemaking plan has benefitted enormously from Transforming Towns grant and loan funding.
- 5.2 Extensive work has been undertaken by the CCBC Regeneration Department to develop placemaking plans for both Bargoed and Blackwood so that both towns can duly benefit from the financial support that has been received by Caerphilly.
- 5.3 Through extensive consultation and stakeholder engagement, both plans are now nearing completion, and it is intended that they will be approved by Cabinet in late summer. A final round of consultation on these draft placemaking plans is currently taking place to ensure this timeline can be adhered to.
- 5.4 These plans have evolved in close dialogue with Welsh Government's Regeneration Department and so they are acutely aware of the key opportunity areas identified in each town. More pertinently, they are also aware of a number of empty or underutilised properties in each town that have been identified for intervention.
- 5.5 In order to assist the Council in tackling the issues associated with this property stock in each town, Welsh Government have recently invited the council to seek funding assistance to establish a property acquisition fund for the towns. Through discussions, a loan of £4.5m has been offered to the Council. This mirrors the approach taken for Caerphilly where a property acquisition fund of over £5m has been established using a mix of WG loan funding and CCBC monies. These monies would be used to intervene and acquire properties at the most opportune time.
- 5.6 In order to meet their year-end financial deadlines, Welsh Government required the loan approval documentation to be returned to them in a very

short period of time and by no later than Friday 21<sup>st</sup> March 2025. In order to meet this deadline and secure the funding, it has been necessary to utilise emergency powers delegated to the Chief Executive, or a Director in his absence, where he can determine any urgent matter in the purview of the Council, the Cabinet or any committee of these where it is impractical to convene a meeting of that body to consider the matter.

- 5.7 This is permitted by the scheme of delegation and Council Procedure Rules in the Council's constitution. In these instances where these urgent powers are used, it is good practice for an Information Only report to be presented to the next full meeting of the Council. A copy of the signed approval letter can be found at Appendix 1.

## **6. ASSUMPTIONS**

- 6.1 This report assumes that the loan funding will be targeted bringing back into beneficial use the underutilised and empty stock in each town
- 6.2 This report assumes that the full £4.5m will not be split 50/50 but will be called on when necessary to facilitate property acquisitions in either town.

## **7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 This report does not require an IIA

## **8. FINANCIAL IMPLICATIONS**

- 8.1 The loan agreement is for the sum of £4.5m.
- 8.2 The loan will be provided at an interest rate of 2.15%. Any interest receivable accrued from the loan balance will be ringfenced and used to offset the interest payable on the loan.
- 8.3 The Council will match the loan with approximately £900k of reserve funding that has already been approved and allocated through the place shaping programme towards 'place shaping' activity and supporting the delivery of the wider objectives within the Bargoed and Blackwood Placemaking Plans.
- 8.4 Drawdown of the funding from the property acquisition fund, created by the WG Loan, will be subject to business cases, authorised by the Head of Financial Services and S151 officer and the Executive Director Corporate & Regeneration, in conjunction with the relevant Cabinet member, to ensure that all financial implications, including loan payback are accounted for

## **9. PERSONNEL IMPLICATIONS**

- 9.1 There are no personnel implications associated with this report.

## **10. CONSULTATIONS**

10.1 All consultation responses are reflected in the report.

## **11. STATUTORY POWER**

11.1 *Local Government Acts 1972 and 2000, Local Government (Wales) Measure 2011 and the Local Government and Elections (Wales) Act 2021*

Author: Allan Dallimore, Regeneration Services Manager

Consultees: Cllr Sean Morgan, Leader of Council  
Cllr James Pritchard, Deputy Leader and Cabinet Member for  
Prosperity, Regeneration and Climate Change  
Ed Edmunds, Chief Executive  
Mark S. Williams, Executive Director – Corporate and Regeneration  
Stephen Harris, Director of Financial Services and Section 151 Officer  
Leanne Sykes, Deputy Director of Financial Services and Section 151  
Officer  
Robert Tranter, Director of Legal, Democratic Services and Monitoring  
Officer  
Paul Hudson, Business Enterprise and Renewal Manager

Appendix 1 Copy of Signed Loan Approval Letter