



Not for publication by virtue of paragraph 14 of Part 4 of Schedule 12A to the Local Government Act 1972 (as amended). The Proper Office has determined in considering this report that paragraph 14 should apply. His view on the public interest test was that while he was mindful of the need to ensure the transparency and accountability of public authorities for decisions taken by them in relation to the spending of public money, the right of the authority or a third party to the privacy of their financial or business affairs outweighed the need for that information to be made public.

<b>REPORT TO:</b>	Economy, Business and Investment Scrutiny Committee
<b>REPORT NO:</b>	HAED/08/16S
<b>DATE:</b>	06 January 2016
<b>LEAD MEMBER:</b>	Councillor Hugh Jones (Place – Communities and Partnerships)
<b>CONTACT OFFICER:</b>	Rebecca Lowry (Tel: 292445)
<b>SUBJECT:</b>	Proposed redevelopment of Wrexham's People's Market/ Creation of new arts and cultural space <b>Business Plan</b>
<b>WARD:</b>	Smithfield

## 1. PURPOSE OF THE REPORT

To provide Members with the business plan prepared for the proposed redevelopment of the existing People's Market

## 2. EXECUTIVE SUMMARY

- 2.1 This report accompanies report (HAED/07/16S).
- 2.2 This report provides members with the detailed business plan prepared for the proposed redevelopment of the People's Market to assist in their considerations and decision in relation to report HAED/07/16S proposing to contribute funding to and support the progression of the proposed development at the People's Market as a new arts and cultural space and market. The business plan is attached as Appendix 1 of this report.

- 2.3 The total estimated cost of the this scheme is £4,563,500 to redevelop a total of 3,179 sq m on the ground and first floor of People’s Market building, including professional fees and exclusive of value added tax. A total of £700,000 is already secured from the WG’s Vibrant and Viable Places Programme, £2.3million is currently being sought from the Arts Council of Wales’ capital programme fund. The investment sought from the Council to deliver this project is £1,563,500.
- 2.4 The detailed business plan provided at Appendix 1 identifies income and expenditure. It suggests a net operating deficit in year 1 of £188,145, £126,752 in year 2 reducing to £78,926 in year 3 and a similar level thereafter. The Council’s 2015-16 cash limited budget is £134,823, which therefore creates a revenue funding shortfall of £53,322 in year 1, assuming no further budget reductions are made, to be funded through transformation. Year 2 onwards will see a reduction in the funding requirement from the Council.
- 2.5 The implementation of the proposed development would support the achievement of the Council’s vision of developing an Arts/ Cultural space at this location and contribute towards the delivery of the £24.8million 3-year Vibrant and Viable Places regeneration programme in the town centre.

### **3 RECOMMENDATIONS**

#### **3.1 That Members:**

- (i) **consider the detail contained within the business plan to assist in their consideration of recommendations 3(i) to 3 (iv) contained in a separate report HAED07/16S.**

### **REASONS FOR RECOMMENDATIONS**

To provide Members with further financial details associated with the running of the proposed new arts, cultural and market facility.

#### **4. BACKGROUND INFORMATION**

- 4.1 All background information is contained in the associated Part 1 report HAED07/16S.

#### **5. IMPLICATIONS**

- 5.1 **Policy Framework** – The redevelopment of the People’s Market building to create new arts and cultural facilities contributes towards the Council’s vision ‘for cultural and creative activity in the visual and applied arts in Wrexham County Borough’ and supports the development of new and existing businesses and creation of employment opportunities which are key objectives of the Council’s Economic Prosperity Strategy in addition to developing Wrexham as a place people want to visit and invest and businesses to prosper; in Wrexham’s Destination Management Plan, the town

centre is recognised as one of the County Borough’s four ‘tourism hubs’; and in the Council’s wider plan to develop Welsh Language and Culture.

**5.2 Budget** –The Council’s 2015-16 cash limited budget is £134,823, which therefore creates a revenue funding shortfall of £53,322 in year 1, assuming no further budget reductions are made, to be funded through transformation.

**5.3 Legal** – There are no direct legal implications as a result of this report. Subject to approvals and funding being secured for the implementation of this development, there will be a number of legal implications to consider including the development of an alternative delivery vehicle to manage the facility and services operating from within it as described in detailed designs and business plan documents for this project.

**5.4 Staffing** – There are no staffing implications associated with the recommendations of this report. Subject to this development being managed by an alternative delivery vehicle, new management arrangements will need to be determined and there will be a number of staffing implications to consider including the consideration of TUPE, if appropriate.

**5.5 Equality/Human Rights** – See Section 6 of report HAED/7/16.

**5.6 Risks** – See Section 6 of report HAED/07/16S.

## **6. CONSULTATION**

6.1 See Section 6 of report HAED07/16S.

## **7. EVALUATION OF OPTIONS**

7.1 The information regarding the options considered was fully detailed in the report in August 2014 (HAED/37/14).

<b>BACKGROUND PAPERS</b>	<b>LOCATION</b>	<b>WEBSITE INFO.</b>
HAED/37/14		
HAED/01/15		
People’s Market redevelopment Planning Application/ Change of use (reference number: P/2015/0917)		<a href="http://planning.wrexham.gov.uk/Planning/lg/GFPlanningWelcome.page">http://planning.wrexham.gov.uk/Planning/lg/GFPlanningWelcome.page</a>