
CENTRAL SQUARE REGENERATION SCHEME

Appendices 2, 3, 4 and 5 to Appendix A of this report are exempt from publication because they contain information of the kind described in paragraphs 14 and 21 of parts 4 and 5 of Schedule 12A to the Local Government Act 1972. It is viewed that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Purpose of report

1. To prepare Members for the pre-decision scrutiny of a report to be taken to Cabinet on 16 March 2017.

Background

2. The Central Square Regeneration Scheme aims to deliver a brand new high quality mixed use urban gateway to the capital city and a modernised central transport hub. As indicated within the Draft Cabinet Report attached at **Appendix A**, the Central Square regeneration scheme is well on-track to deliver over 1 million sq ft of high quality office-led mixed use development, with the potential to accommodate up to 10,000 jobs.
3. **Paragraphs 6 – 14 of Appendix A** indicate that Central Square Regeneration Scheme is close to being fully committed, providing details of each building and the proposed use for them.

Land North of Wood Street – Her Majesty’s Revenue and Customs (HMRC)

4. The draft Cabinet report indicates that proposals have come forward for the development of Council owned land north of Wood Street, within the Central Square Regeneration Scheme. The Government Property Unit has announced that Cardiff Central Square is the preferred site for the relocation of HMRC regional headquarters. Details of this can be found in **paragraphs 14-21 of Appendix A.**
5. Members may wish to refer to **Appendix 1 of Appendix A** – a site plan of the Central Square Regeneration Scheme – which identifies the sections of land in question.
6. The following confidential appendices are referred to within the Draft Cabinet Report and are available for Members consideration:
 - Confidential Appendix 2 – Heads of Terms GPU
 - Confidential Appendix 3 – Independent Valuation: GPU
 - Confidential Appendix 4 – Projected overall receipts for the Central Sq scheme
 - Confidential Appendix 5 – Proposed GPU Scheme
7. The following recommendations are made as part of the draft Cabinet Report:

The Cabinet is recommended to:

- (1) Note progress of the Central Square regeneration scheme;
- (2) Agree to the lease of land to deliver the HMRC headquarters building in accordance with the Heads of Terms attached at Appendix 2 of this report; and delegate authority to the Director of Economic Development, in consultation with the Leader of the Council, the Cabinet Member for Corporate Services and Performance, the Section 151 Officer and the Director of Governance and Legal Services to finalise any detailed

arrangements and to conclude the lease in accordance with external valuation advice so as to ensure value for money.

Way Forward

8. Council Leader Councillor Phil Bale has been invited to attend the meeting and may wish to give a statement. Neil Hanratty (Director of Economic Development) will also be in attendance to present on the Central Square Regeneration Scheme and to answer Members' questions.

Legal Implications

9. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

10. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications

at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/ Council will set out any financial implications arising from those recommendations.

Recommendations

11. The Committee is recommended to give consideration to the information attached to this report and received at this meeting and to submit any recommendations, observations or comments to the Cabinet Member.

Davina Fiore

Director of Governance and Legal Services

8 March 2017