

To/ Councillor Rob Stewart Cabinet Member for Economy and Strategy Please ask for: Gofynnwch am:

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Overview & Scrutiny

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8th April 2019

BY EMAIL

Summary: This is a letter from the Development and Regeneration Scrutiny Performance Panel to the Cabinet Member for Economy and Strategy following the meeting of the Panel on 19th March 2019 with the Head of Planning and City Regeneration and various officers from the service. The meeting concerned the Dashboard Update and some discussions on Phase 1 (The Arena).

Dear Councillor Stewart,

We are grateful to officers for attending the meeting on 19th March 2019. The Panel received in depth updates and asked questions which the officers responded to.

We had the usual monitoring update in relation to the Dashboard Report and also received a more in depth look at Phase 1 (The Arena).

We are pleased by the progress and updates on these projects overall but do have some observations we would like to share with you.

Dashboard Update Report

We heard how detailed designs are being worked up as part of Phase 1 and that right to light issues are still being negotiated with residents. We are pleased that hotel bids have now been shortlisted and there are plans to have a 4* hotel with approximately 150 beds adjacent to the arena.

We were told that the residential aspect of the project is progressing with Pobl and options are being explored for a 5G test bed. The Panel feel that 5G will be essential to the success of the venture and we hope this develops.

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It is encouraging that the bridge will now have cycling access across it as this fits in with various other aims and objectives around health and well-being and sustainable transport.

We note that the 'red' status on resources relates to staffing and we were told that job adverts were live, we hope that this will lead to successful recruitment.

We look forward to hearing about progress on the 5 Case Business Model as this has taken some time and we will anticipate the Cabinet Report due in late summer which should outline more detail on costs.

Regarding the Kingsway, we were told that a new contractor will be employed to continue work. We heard that Council staff were making the site safe and although there were some issues to work through with the new contractor there was confidence going forward. We asked about up to date due diligence on the new contractor and were assured that this has been done and that officers had worked very hard to deal with all of the associated issues.

We were told that the Digital Village project will be looking for planning consent and contractors with designs anticipated later in the year. We were told that 50% of the building needs to be let before the build could commence and there was already interest from potential tenants. It was also established that we would have to undertake core elements of the fit out and the extent of this would need to be established and expectations managed.

We are happy to hear that a meeting to sign off the business case for the City Deal was scheduled for late March and are keen to hear the outcome of this. We have requested that details of the meeting and the business case itself come to the next Panel meeting. The Panel are aware of the independent report from Actica Consulting and would be interested to know if you have developed a response? We would also like to know if you have any formal response to the Swansea Bay City Deal Internal Review of Governance.

Regarding the 5 Case Business Model, it was highlighted that details of risk and benefits analysis were not evident, and the Panel would welcome the up to date information available. Subject to the successful authorisation of the Business Case, the panel would also welcome the Terms and Conditions that would apply.

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Again it is encouraging to hear that strategic sites such as Castle Square, Felindre, Mariner Street, Phase 2, Swansea Vale and Swansea Bay regeneration are all moving forward. We ask going forward, whether the work being undertaken on Wind Street could be added to the Dashboard report as part of your regeneration monitoring, progress can then be shared with the Panel.

We were updated on the Tawe Corridor work and told about the ongoing discussions between Welsh Government and Skyline which continue to be very encouraging. We were told that permission to start work on the Powerhouse Redevelopment in Hafod have been granted and this is very positive.

Following on from the success of the Powerhouse Redevelopment we would like to congratulate Paul Relf the Economic Development and External Funding Manager and his team for the hard work they have put into gaining additional monies for projects like this.

Phase 1 (The Arena)

We had a more in depth update on Phase 1 and an overview of some of the procurement procedures and processes. We understand that the procurement procedure which is in place is the one widely used for regeneration projects however we do have some concerns about the price and we hope that the price developed at the end of the design phase is close to the original anticipated amount. Are you confident that this will be the case and the cost of the project will not increase significantly from the original sum?

We would welcome any thoughts you may have on this letter but would specifically welcome responses to the following;

- 1. We wonder going forward, whether the work being undertaken on Wind St could be added to the Dashboard report as part of your regeneration monitoring and so progress can be shared with the Panel.
- 2. The Panel are aware of the independent report from Actica Consulting and would be interested to know if you have developed a response? We would also like to know if you have any formal response to the Swansea Bay City Deal Internal Review of Governance.

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3. We understand that the procurement procedure which is in place is the one widely used for regeneration projects however we do have some concerns about the price and we hope that the price developed at the end of the design phase is close to the original anticipated amount. Are you confident that this will be the case and the cost of the project will not increase significantly from the original amount?

We would we grateful if you could respond to this letter by 1st May 2019.

Yours sincerely,

Councillor Jeff Jones

Convener, Development and Regeneration Performance Panel

⊠ <u>cllr.jeff.jones@swansea.gov.uk</u>

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