



**To/
Councillor Rob Stewart
Cabinet Member for Economy,
Finance & Strategy (Leader)**

BY EMAIL

cc: Cabinet Members

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Scrutiny

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SPC/2021-22/13

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Summary: This is a letter from the Scrutiny Programme Committee to the Cabinet Member following the meeting of the Committee on 18 January 2022. It is about Brexit and the wider 'Levelling Up' Agenda, the City Centre, Delivering the Swansea Bay City Deal - Supporting Innovation and Low Carbon Growth Programme, Swansea Bay and West Wales Metro Programme, and Housing. A formal written response is not required.

Dear Councillor Stewart,

Cabinet Member Question Session – 18 January

Thank you for attending the Scrutiny Programme Committee on 18 January 2022 and answering questions on your work as Leader and Cabinet Member for Economy, Finance & Strategy.

The Q & A session gave us an opportunity to explore priorities and achievements in relation to your areas of responsibility. We appreciate you providing a written paper in support of your appearance at the meeting, which focused on issues of interest and concern to the Committee. Your report covered the following matters: COVID-19 response and Recovery Planning, Brexit and New Economic Relationships, the wider 'Levelling Up' agenda, Delivering the Swansea Bay City Deal and other regeneration programmes and projects across Swansea, Budget, Swansea Bay and West Wales Metro Programme, and Partnership Working.

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This letter reflects on what we learnt from the discussion, shares the views of the Committee, and highlights any outstanding issues / actions for your response - main issues summarised below.

Brexit and the wider 'Levelling Up' Agenda

Your report provided some information on EU Replacement Funding and the wider 'Levelling Up' agenda. There is some debate around whether funding from the Shared Prosperity Fund (or equivalent) will achieve the levels provided under EU Structural Funds. We asked about previous levels of EU funding that benefitted Swansea, and whether you have received any assurances around Swansea not facing any shortfall. The Committee was concerned about the implications for Swansea and potential loss if future funding is considerably less.

You talked about the danger of Brexit having an even greater impact than the Covid pandemic, and concern that Wales will lose out, with negative impact on our economy. Had the UK remained in the EU, Wales would have been receiving around £375m of EU funding annually. To date Wales's share of post-EU funds (Community Renewal Fund) is just over £40m for 2021/22. Of this Swansea successfully bid for CRF funding totalling £2,471,029 for eight projects, including support for developing the Blue Eden project, the successor to Dragon Energy Island, and funds for projects in areas ranging from education and training opportunities for vulnerable groups to green community transport and regeneration schemes. You reported that detail on the Shared Prosperity Fund and the UK Government's 'Levelling Up' funding programme was still awaited, but there were fears of a £100m shortfall.

We noted that, through the WLGA, you are seeking assurance from the Secretary of State for Wales that Wales will receive the previous level of EU funding it received prior to the UK's departure from the EU and clarification around replacement capital funding, the prioritisation of bids and the flexibility of approaches based on local circumstances, and will continue to lobby the UK Government to ensure that Wales receives its fair share of funding from the UK Government.

City Centre

Despite regeneration plans and activity around the City Centre, the Committee was concerned about the growing number of empty shops / units, and impact on Swansea as a shopping centre. We asked about the future of the Debenhams unit in the Quadrant, and wider plans to improve Swansea as a shopping centre.

The Committee heard that all City Centres have been hit by the pandemic, with several national companies failing, however you stressed that Swansea had weathered a significant amount of that and stated that the numerous investments ongoing around the city, including Copr Bay, the Arena, Wind

Street, Castle Gardens, were helping to make Swansea an attractive place to invest. You argued that this was not a picture of a declining City Centre, but one that would be multifaceted destination not solely dependent on retail. You clarified that there were 7 vacant stores in the Quadrant, 4 of which have now been re-let and discussions were ongoing in respect of Debenhams. You stated that the investment and regeneration programme, which includes increasing the number of people living and working in the City Centre, should increase footfall in the City Centre, which in turn will attract new shops and businesses, and lead to a vibrant 24-hour city economy, that will have regular events attracting local people and visitors.

We noted that the Cairn Group have been identified as the preferred bidder for a planned four-star 150 room hotel adjacent to the Arena site. The importance of sufficient hotel provision was discussed. We referred to speculation in the media about the Dragon Hotel which has been closed. You stated that misinformation about the situation on social media has been rife, including that it would be used to house refugees and asylum seekers, but the Council has had assurance from the Home Office that this was not the case. You felt strongly that use of hotels for such purposes would not be in the best interests of refugees – there were better housing options that would offer community support for such groups of people. You stated that the re-opening of the Dragon Hotel was a matter for the owners. We have seen in recent local press that the hotel was shut for refurbishment and will re-open in the coming months and note plans for improvement to the facades of the hotel with the implementation of green walls, contributing to the overall plans for greening the central Swansea area.

You also referred to the appointment of Urban Splash as the Council's preferred development partner to lead a £750m redevelopment of several sites, including the Civic Centre, Swansea Central North on the former St David's Shopping Centre site, and a plot of land along the riverside in St Thomas. This would be substantially funded by the private sector, who you felt have confidence in the city, in part due to the City Deal projects being delivered.

You also mentioned the improvements to the public realm such as the work already taking place along Wind Street and planned for Castle Square / Gardens that will also add to Swansea's offering. On the re-imaging of Wind Street, we noted the progress made in relation to this £3 million public realm improvement scheme, which aimed to expand the appeal of the area and provide a safer, more accessible, and attractive environment. This has included a redesign of the road, new street furniture and lighting, enabling expansion into the outdoor space for businesses on the street. You told us that the Council has worked closely with businesses, and they have been positive about the improvements.

Delivering the Swansea Bay City Deal - Supporting Innovation and Low Carbon Growth Programme

You mentioned some of the key milestones marking the delivery of the Swansea Bay City Deal during 2021, including reference to the Supporting Innovation and Low Carbon Growth programme. This programme includes decarbonisation projects to establish a regional approach to decarbonise journeys in the region, including a low emission vehicle charging network, as well as air quality monitoring and a hydrogen stimulus project. We noted the installation of 70 air quality monitoring sensors which will use digital technology to monitor and understand air quality. That is very good news given the seriousness of air pollution. We know there are severe consequences from air pollution on our health and biodiversity. It is important that the data from these sensors, and those elsewhere around Swansea, informs policymaking, future transport planning, and decision-making on green infrastructure. We were keen to see local air quality data being accessible to the public, and you told us that would be intended.

Swansea Bay and West Wales Metro Programme

You reported that work is ongoing in relation to the development of the Swansea Bay and West Wales Metro programme – a regional project, being delivered in partnership with the Welsh Government and Transport for Wales, aiming to develop an integrated public transport system which will include a variety of modes such as heavy rail, tram-train, light rail, and bus, all of which can be accessible by walking and cycling.

The Committee welcomed the ambition and potential benefits to the city and wider area. We noted that discussions have been ongoing with a wide range of stakeholders, and a twelve-week public consultation was carried out by the Welsh Government during 2021. The next steps will include the development of a full business case. You stated that the project will be taken forward by the new South West Wales Corporate Joint Committee, which has now begun to meet, and is responsible for regional transport planning, and further statements would be made on progress in due course.

Housing

Whilst not specifically within your portfolio, we took the opportunity to ask about progress in relation to the future of the council housing estates on Heol Emrys and Tudno Place in Penlan and masterplan. We understood that a Steering Group had recently been set up and Committee members were interested to know more. Councillor Andrea Lewis was present and was able to advise on the current position. She stated that several consultation events had taken place to feed into the masterplan, but the pandemic had delayed progress. We heard that work will re-commence as soon as possible during 2022, including tenant participation with individuals and groups.

Your Response

We hope that you find the contents of this letter useful and would welcome any comments on any of the issues raised within; however, we do not expect you to provide a formal response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Black', written in a cursive style.

COUNCILLOR PETER BLACK

Chair, Scrutiny Programme Committee

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