

**To/
Councillor Rob Stewart
Cabinet Member for Economy and
Strategy**

*Please ask for:
Gofynnwch am:*

*Direct Line:
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*Date
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Overview & Scrutiny

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29th November 2018

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 28th November 2018. The letter concerns pre-decision scrutiny of the Swansea Central Phase 1 Update and FPR7.

Dear Councillor Stewart,

Thank you for attending the Panel meeting along with officers to discuss the Swansea Central Phase 1 Update and FPR7 Report. The Panel have some thoughts and would like to share them with you.

The Panel are in agreement that something needs to be done to improve Swansea's current situation and are unanimous that a busy and vibrant City Centre would be beneficial to both the economy and the residents of Swansea. The Panel are encouraged that the projects proposed intend to bring working and living back to the centre of Swansea and enhance the biodiversity of the City with green infrastructure projects.

The Panel also agree that in order to understand better the potential impact of the project we need to move to the next stage of approval to establish the full cost and implications on finances and make informed decisions.

Taking into account all of the above, after reading the report and hearing the responses to questions asked during the meeting, there are some comments which we would like to share with you;

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1. We appreciate that the Swansea Central Phase 1 Update and FPR7 will be continually updated however in its present position, we do not feel that the current proposal is affordable. We cannot consider any additional money or future income which is not included in this report and in its current form the project is too expensive. The panel also took into account the plans for other project borrowing that would result in further capital finance charges.
2. We have concerns that the business case has still not been signed off, despite this expecting to have been done some months ago. This delay is concerning considering work has been undertaken in anticipation of the business case being confirmed.
3. Following on from this, when the business case does come back from sign off, it should come through the proper scrutiny process for feedback so the Panel can comment on the in depth proposals and act as a critical friend to the project overall.
4. In relation to financial risk, can you clarify what risk assessments are being undertaken to assess the financial risk to the Council?
5. The Panel are concerned about the comment in the report that '*...sufficient headroom [must be] created in terms of revenue savings to pay for capital financing costs...*' this does imply an impact on the revenue budget – can you comment on this and explain what this impact is likely to be?
6. The issue of City Deal finances is a live one and each new phase should be highlighted and brought before the Panel for effective scrutiny.
7. Having to undertake pre-decision scrutiny on a complex report in such a short period of time is difficult. The short timescales can potentially impact the effectiveness of the scrutiny being undertaken.

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We will feed back to Cabinet verbally at the meeting on 29th November 2018. Please can you provide a written response to this letter by 20th December 2018.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'J. Jones', written over a light blue horizontal line.

Councillor Jeff Jones
Convener, Development and Regeneration Performance Panel
✉ cllr.jeff.jones@swansea.gov.uk

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