

To: Councillor Rob Stewart Cabinet Member for Economy, Finance and Strategy Please ask for: Gofynnwch am: Direct Line: Llinell Uniongyrochol: e-Mail e-Bost:

Date Dyddiad: Overview & Scrutiny 01792 637314 scrutiny@swansea.gov.uk

19th November 2020

BY EMAIL

Summary: This is a letter from the Development and Regeneration Scrutiny Performance Panel to the Cabinet Member for Economy, Finance and Strategy following the meeting of the Panel on 3rd November 2020. It covers the Project Update Report.

Dear Councillor Stewart,

We would like to thank you, Councillor Francis-Davies, Phil Holmes and Huw Mowbray for attending to present this item and respond to the Panel's questions. We appreciate your engagement and input.

We are writing to you to reflect on what we learnt from the discussion, share the views of the Panel, and, where necessary, raise any issues or recommendations for your consideration and response.

Dashboard Report

We received the usual monitoring update on the regeneration projects in Swansea. We are pleased by the progress on these projects overall but we do have some observations we would like to share with you.

Swansea Central Phase 1

We were informed that there had been confirmed cases of Covid-19 on the Arena site, however work was continuing to progress well in the circumstances. We understand that contractors are sent home to self-isolate for fourteen days as per

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national guidance. It was also explained to the Panel how teams are organised in shift patterns as a precautionary measure against Covid-19 and to ensure continuity in the development process. It was pleasing to hear that work has been managed well amid the pandemic; the Arena roof is now complete and the external cladding had also been completed meaning the Arena is now watertight.

The Panel queried how many contractors were local or from further afield. Officers undertook to provide further detailed figures on this point, however, we did hear that there will be applicable fluctuations in these figures depending on the type of work, for example, early steelworks required specialised contractors from outside the region. We understand that specific dates would enable a snap shot of such figures, reflective of specific work types and packages at that time.

Having previously asked if a visit could be arranged to the Arena site we now understand this may be able to take place in the early part of next year depending on circumstances at that time. In the meantime, we look forward to viewing drone footage of the development.

We heard that the Wellington Street works are progressing well, and also the Church Hall development is set to commence during November. It was interesting to hear the plans for the 'Pause Point' area and the anticipated digital furniture being installed shortly, including digital goggles to view the developments and information about the history of the area.

We expressed some concerns over the Wellington Street developments in terms of tree planting and consultation with the Swansea Tree Forum. Officers agreed to provide the Panel with exact information on the number of trees, and species, being planted here. We were informed that there had been sufficient consultation with all appropriate bodies in terms of tree planting.

We heard that the residential block is now complete in terms of its height, and that agreements with Pobl are also complete. The fitting out of this structure will now take place in accordance with development plans.

We queried the reporting, under Risks, of the increased funding need in relation to the Hotel due to Covid-19. We heard that this was not necessarily to change any of the design, but rather an unavoidable consequence of the pandemic in that private funding sources will not currently fund the development of hotels. It was explained that you are in discussions with Welsh Government and Visit Wales to overcome these funding issues.

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We were concerned that ATG venues around the world were currently closed due to Covid-19 and what possible impact this could have on the Swansea development. We heard that ATG had laid off some staff, (mostly on furlough), across their company. However, officers confirmed that they have protected the core business and received equity investments, and there are no concerns about ATG's Swansea project at this time. It was also explained that ATG are currently looking to recruit a manager for the Swansea Arena.

We expressed concern over the 'capital equalisation reserve' position and were informed repayment would be covered adequately over the next term of Council. Further clarity may be sought at some point regarding the plans to replenish the reserve through income streams.

Swansea Central North

We heard that discussions are ongoing in terms of potential occupiers. Officers explained that appropriate delivery model options are being explored, including the possibility of the Shaping Swansea strategic partner being involved.

We queried any impact of Covid-19 on the interest of prospective tenants. We heard that there had been limited impact in this case and that discussions were ongoing.

The Panel requested further information in the form of schematics to better inform people about the Swansea North development in relation to other developments in the area. It was agreed a short presentation on these images would be provided at the next meeting in January 2021.

<u>Kingsway</u>

We queried whether pavement design in the Kingsway conformed to the Active Travel Design Guide (Welsh Government 2014) in order to properly segregate cyclists and pedestrians. We expressed concerns about possible collisions and conflict between cyclists and pedestrians using this area of pavement. Officers explained that extensive consultation had taken place with cycle groups and mobility groups, leading to a balanced design that took account of a range of features, however, a more detailed response could be sought from the Highways & Transport Department. We will therefore be sending a separate letter to Cabinet Member Mark Thomas to request more detailed information on this.

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We asked whether bus stops along the Kingsway were being closed or relocated in order to avoid traffic build-ups when a bus was stationary at a designated stop. We heard that works were currently being undertaken to remedy any defects whilst traffic flow was at its lowest, however, bus stop locations remained unchanged.

We asked for an update on the plans for the 'Picton Yard' area, especially in relation to prospective footfall. We heard that works had been completed to link lower Oxford Street with this area, however, construction works continue and this area therefore remains closed. Officers outlined hopes for an historic link to be re-established here to encourage flow into the Kingsway. Officers explained that an East-West link is also an aspiration and delivery of this project is being explored, although no concrete funding as yet.

71/72 The Kingsway

We heard that the tender submissions are currently being evaluated in terms of the development at 71/72 The Kingsway. It was pleasing to hear that new hoardings graphics are due to be erected this week, following delays due to inclement weather.

We expressed concern surrounding the return to offices and commercial units following the Covid-19 pandemic. We queried what the minimum percentage of occupancy should be in order to justify the expenditure on this development. Officers informed us that discussions with potential operators have indicated a good demand from, in particular, 'Tech' businesses who value a collaborative and flexible office space. We heard that workshops were undertaken to analyse the impact of Covid - 19 on the use of this structure, the outcome of which included positive evaluations surrounding the use of dual staircases, aluminium and anti-viral materials, natural ventilation and outside space. Officers undertook to provide further information on the budget of this development, and the impacts of Covid-19 on that budget, once these figures were duly available.

We asked about the success rate of the Zone Residential Grants (in the context of the Kingsway). Officers explained that this had been an exceptionally successful programme and there remained a backlog of other projects awaiting funding if and when this can be secured from Welsh Government. Officers undertook to provide a further report on these figures at the next meeting.

We heard that there remains a demand for sufficient quality office space within the City Centre, which will lead to increased footfall and therefore increased demand for retail businesses.

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Wind Street

We were informed that work is progressing here. We heard that minimal tree removal has been undertaken, following consultation groups. New pea-lighting is scheduled to be installed in November. Drop-in sessions are planned to be scheduled as the design progresses.

We queried why trees are felled at all in Wind Street. Officers explained that the condition of some is not good, but more so because of operational limitations along the street. Two of three trees marked for felling now remain. We expressed concern over the general tree felling policy across the City. We were assured that as many mature trees as possible are protected.

We heard that across the County the figures are net positive in terms of tree planting, the aim always to be planting more trees than removed. We also heard that the bypass of the Enterprise Zone is one of the largest urban forests in the UK. We heard that there are exceptions made, especially within the City Centre, to accommodate a functional city centre design.

We raised concerns over the impact of Covid-19 on Wind Street as both a night time and day time economy, and plans to help support recovery of business in this area. We were assured that there are a number of different schemes in place helping to support hospitality and associated businesses across Wales. We were informed that the Council have provided grants in excess of £1m to businesses to enable them to expand into areas of open space.

City Centre Marketing of Strategic Sites

We asked how many bids were received and how soon we would have results on this. Officers outlined the huge response to this process in terms of the marketing launch, having over 2000 views nationally. We heard that there has been a substantial number of bids of high quality; the process is ongoing and the shortlisting has been signed off to notify parties. Officers commented on the high quality of submissions and how this reflects on the level of work happening in Swansea. Officers confirmed that further information is currently confidential but the quality of the shortlist is exceptionally high.

We queried whether private investors would be more prevalent in these marketing schemes.

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Strategic Sites and Project Overview

Skyline - We raised concerns over the Skyline project, as the time frame for this is set as 2026, and whether the operations team were likely to withdraw from this project. Officers reassured us that a number of conference calls with Skyline in New Zealand had taken place recently. Furthermore, a grant of £10 million from Visit Wales was still under discussion, and they were therefore optimistic about this project continuing.

Castle Square – Officers explained that the professional team appointed here are at the stage of completing feasibility studies with a view to presenting a detailed scheme to move forward. We understand we should have images in due course, although this is not yet at the point of a final design and the Council has therefore not yet committed capital to be allocated to funding. We are keen to see final plans for this project to ensure the objective is met for a greener area.

Transportation & Highways

We asked questions about the intention to extend the cycle track to the Copper Works site and Swansea Lower Valley. We also questioned whether plans are being pushed forward under the metro scheme for Landore; in particular, to accommodate access to Morfa retail park, the Stadium and the newly developed distillery. The Panel was told that Swansea has more miles of cycle path than any other area in Wales and that the Metro system is still being worked on as an idea.

Fabian Way Innovation Corridor – We raised questions over the progress of the land negotiations and how far the link road has progressed with WG support. We were informed that this area of land development is dealt with by the Corporate Properties Department. The Panel will be requesting further information from Corporate Properties on this point.

Active Travel Programme – We raised concerns over the research and evidence that justified some new cycle tracks, and whether demand was high enough to warrant the costs. We discussed the Mayals Road cycle track that is scheduled for construction soon and queried whether this had gone to tender. The Panel was informed that further information should be sought from the Head of Highways, and we will include this in the separate letter to Cabinet Member Mark Thomas.

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Your response:

We hope you find this letter useful and informative. We would welcome your comments on any of the issues raised, but in this instance, please provide a formal written response by 10th December 2020 to the following:

- Figures for the number of contractors employed on the Arena site (local separately to external) during the start of the contract and also at this current time. Please also indicate (separately) the number of Apprentices involved in this development.
- Schematics / images of Swansea Central North as previously requested (*now received following this meeting*).
- Information on the number of trees, and species, being displaced under the Wellington Street developments.
- 71/72 The Kingsway: further information requested on the budget of this development, and the impacts of Covid-19 on that budget.
- Zone Residential Grants: Officers undertook to provide a further report on these figures at the next meeting.

Yours sincerely,

Councillor Jeff Jones Convener, Development and Regeneration Performance Panel Convener, Development and Regeneration Performance Panel

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