



City and County of Swansea

Minutes of the **Scrutiny Performance Panel – Development & Regeneration**

Remotely via Microsoft Teams

Tuesday, 2 March 2021 at 10.00 am

Present: Councillor J W Jones (Chair) Presided

Councillor(s)

P M Black
W G Thomas
C A Holley
M H Jones
T M White

Councillor(s)

P Downing
S J Gallagher
P R Hood-Williams
P K Jones

Councillor(s)

E W Fitzgerald
D W Helliwell
L James
S M Jones

Cabinet Members

Robert Francis-Davies
Rob Stewart

Cabinet Member - Investment, Regeneration & Tourism
Cabinet Member - Economy, Finance & Strategy (Leader)

Other(s)

Huw Mowbray
Phil Holmes
Ben Smith
Emily Davies
Martin Nicholls
Stuart Beeby
Claire Dixon

Property Development Manager
Head of Planning & City Regeneration
Chief Finance Officer
Scrutiny Officer
Director of Place
Group Operations Director, ATG
UK Business Manager, ATG

Apologies:

Councillor(s):
T.J. Hennegan

1 Disclosure of Personal and Prejudicial Interests.

No interests were disclosed

2 Prohibition of Whipped Votes and Declaration of Party Whips

No declarations were made

3 Minutes of previous meeting(s)

The Panel considered minutes from previous meetings and agreed the minutes of the meeting on 12th January 2021 as an accurate record of that meeting.

4 Public Questions

No questions were submitted by members of the public.

5 Presentation: The Ambassador Theatre Group (ATG)

Stuart Beeby, ATG Group Operations Director, and Claire Dixon, ATG UK Business Manager, attended to present on behalf of The Ambassador Theatre Group (ATG). It was heard that:

- ATG is a vertically integrated business; operating venues, producing shows and selling tickets.
- ATG has 46 sites in 3 countries, welcoming over 13 million people in all.
- Iconic venues such as the Savoy Theatre in London, The Colonial in Boston, and the Smart Financial Centre in Houston. The Lyric Theatre on Broadway has recently undergone a £36M refurbishment to house the new season of Harry Potter.
- Content – working with some of the best producers and talent. Our ATG productions team and producing partners, Sonia Friedman Productions, have between them won 60 Tony and Olivier awards collectively.
- High profile partners such as Disney - deliver products and shows, for example the Lion King.
- Ticketing Team – in house and also sold by other agencies. Our ATG platform sells over 12 million tickets for a variety of events. We also have a specialist organisation for dealing with groups.
- Arena – design team and contractors to deliver a fully functioning unit for handover to Claire to create a commercial business unit.
- Buckingham doing a good job to progress alongside Covid protocols.
- Construction on track, despite challenges, anticipate taking over in Q4 2021.
- Focus now on fitting theatre technical equipment such as sound and lighting, IT infrastructure etc. Working with our partners and also Vodafone.
- Preparing and aligning suppliers ready for commissioning of systems.
- We recently ran a local supplier call, closed end of February. Over 100 notifications received, mainly direct to our site. Sifting and questionnaire process now part of progression and due diligence.
- We expect to appoint building services such as security and food/beverage suppliers through this exercise.
- Highlights of our ATG/Swansea journey since appointed in 2017– we appointed a specialist marketing company to work on PR, events and social media. Not only regional coverage, but also National impact. Sundae Communications has achieved that, for example the announcement of the appointment of our new General Manager, Lisa Mart.
- We maintain a close link with the Council-appointed PR agency for Copr Bay, working closely with them to plan and implement strategy around launching arena.

- We have undertaken initial work to look at naming rights. This is ongoing work, impacted upon by the pandemic. We expect more interest as the industry recovers.
- Last month we called out for local suppliers and business partners. The next part of process is to go back with questionnaires and meet with individuals.
- Security and food /beverage suppliers are first focus.
- Appointment of Lisa Mart, General Manager (GM), was a significant moment in project and next steps. Lisa will now pick up on initial relationships and drive forward.
- Recruitment – number of key positions to recruit over the coming months. We are keen to utilise local talent pools. We anticipate 20 full time staff as well as 100 estimated casual staff, aim of 70% recruited locally.
- Marketing team are working on computer-generated imagery (CGI) – a modelling project enabling us to see the venue in a virtual reality (VR) mode, focusing on flexibility of auditorium. This will allow customers/producers to step inside the building whilst still under construction. Key engagement tool ahead of launch.
- Appointment of Swansea based Kneath Associates design agency to undertake branding of the Arena (also branded Copr Bay last year).
- Establishing the Arena as a destination for conferencing and events is an important plan – we believe key tools to enable us to start selling spaces.
- Conference and Events Manager is one of the next key positions to recruit.
- Soft launch programme – content and programming remains at forefront.
- Community programme wrapped around entertainment programmes, allowing integration in local community. GM will develop this, such as taster events, tours, workshops, enabling local community to engage ahead of official launch.
- Driving forward business tourism.
- The panel queried aspirations regarding events and conferencing. ATG explained, as set out per business plan, expected a mix across two areas. Between 100-125 scheduled entertainment performances, and circa 60 conferencing events. One diary to be run, managing events and performances.
- Members queried what local demand has been identified. ATG explained they work with agencies to bring international bookings to UK. Many bookings expected at local level initially. At the tender stage research was done, conversations with University etc, demand for venue size with the flexibility and operable wall for plenary session of 750 or fully seated 2,200. No comparable venue currently to fulfil that.
- We are keen for the new Conference and Events Manager to research this area and how quickly this part of the business will recover from the pandemic.
- Flexible space is a selling point, not just conferencing and trade shows, also e-gaming, comic-con on the increase.
- Competition – the panel raised queries over whether ATG will fit into gap in market or take over existing market. ATG believe they will co-exist. Lots of UK venues are similar, often carving out different niche area for each venue. We work happily with other cultural organisations. Opportunity to programme slightly different events. In nobody's interest to schedule clashing events. We will carve out a niche, some co-ordination with other venues in Swansea.

- Millennium Centre Cardiff comparable venue – this competition aspect comes down to programming from producer's point of view.
- Employment – ATG are looking at using local avenues to recruit key positions. Committed to using local talent pools where possible.
- Unique to Swansea – very flexible venue on doorstep, different layouts and design of seating, rather than fixed. Many different facilities mean programming not confined to 1-2 particular genres. Producers are excited about this venue. This will help keep people local.
- Lots of design on venue from a logistics point of view to get in/out of, ability for teams/roadies to access venue efficiently.

6 Project Update Report

Huw Mowbray, Property Development Manager, updated the Panel on the regeneration projects in Swansea. The Cabinet Member for Economy, Finance and Strategy (Leader), and the Cabinet Member for Investment Regeneration and Tourism, also attended for this item. It was heard that:

Copr Bay

- Construction element going well, subject to slight delays due to Pandemic. Completion expected late August/early September.
- Arena now watertight, cladding in, gold cladding set to go on in preparation for LEDs.
- Bridge – set to go in this weekend, a major step forward. It will be a very positive addition to Swansea, a great element of the scheme.
- Temporary uses on north side prior to Swansea Central North completion.
- Hotel – Council remain in discussions with Welsh Government funding team.
- Residential cladding / tiling complete. Show flat created by Buckingham praised by Pobl and gives a clear indication of space.
- Positive responses to marketing of small units around arena – still confidential, but in legal discussions with a number of operators. The leasing strategy was based on local occupiers.
- Culture Team looking at how best to programme LED elements of Arena.
- The panel queried the City Deal funding amounts and whether second tranche has been received. The Leader assured this was flowing through, and anticipates positive impact on funding profile.
- Chief Finance Officer confirms sums not physically received, due by end of the year.
- Members query if £1.3M per £18m has been confirmed. Likely to be more significant, funded at a pace reflecting project spending. Swansea Council is continuing with building and construction projects; officers expect it to be significantly more than £1.3M.
- Target in terms of letting strategy (small units) was local business.
- Members queried how was tender put out? Not through Sell 2 Wales as not suited to purpose. Council put forward a letting website to generate interest, PR campaign and speaking directly with local occupiers. More interest than number of units.
- Pobl occupancy expected in September 2021.

- The Leader clarified use of units not being 'pop up' but fully in-built units, targeted at local traders. Larger units a mixture of local and national traders.

Swansea Central North

- Public sector hub discussions continue. New developments being looked at by Government operators, announcements expected in due course.
- Potential pop-up temporary units whilst awaiting scheme delivery. In discussions with Culture Team in terms of temporary events.
- Within realm of housing 1000 people, variety of sites available, holding a substantial amount of people. Potential phase 2 or 3 of this project. Potential for additional private sector occupiers is another positive aspect.
- Significant interest from UK Government departments and Welsh Government departments.
- Aim is clustering of well-paid employment and long term jobs.

Kingsway

- Defects being finalised.
- Some drainage channels badly fitted by previous contractor, putting right now whilst not heavy traffic flow. Defective work covered by bond from previous contractor, hopeful this will cover majority of work.

71-72 Kingsway

- Clarifications were needed on tender. Being analysed by team.
- Potential Cabinet report in due course, in terms of costs aspects of tender.
- Panel request a breakdown for all project funding sources.

Wind Street

- Stakeholder meetings not particularly well attended. Some individual discussions with current occupiers.
- Hospitality aspect outside buildings – discussion with operators led to clear requirement for it to be next to building. Discussions held with access groups, tactile pavement put into design also.
- Police have been part of consultation process, and also the Welsh Extremism and Counter Terrorism Unit (WECTU), happy with Wind St proposals.
- Counter terrorism aspects also taken into account in design of either end of the street.
- Members queried whether counter terrorism is now a standard consultee in all schemes? Yes – on Arena, Kingsway etc, minimising terror threat. Input critical. Engagement of team at early stages to ensure involvement – to design seating etc to protect, various ways of mitigating risk.

Shaping Swansea

- Dialogue sessions – in discussions on delivery and commerciality.
- Follow up meetings with other council colleagues; wide council involvement.
- Quality of bidders resulting from good PR messages on Arena. We are in competition with many other cities. Swansea's major projects are key aspects of why we've had the high quality bids we have.
- The Arena is catalyst for further schemes and will generate further investment.

Repurposing Swansea

- Difficult economic position across UK. Many retail failures, and more likely to come.
- Looking at the core areas of city, what are key interventions to move City Centre forward?
- Need to create anchorage in Quadrant.
- Masterplan will identify key projects. Still in early stages, BDP appointed as designers (2-3 months before plans released).
- Largely funded by Welsh Government.
- Officer groups initially to work with the team appointed, leading to strategy in revised masterplan and a new action plan looking to deliver objectives.
- Important piece of work to ensure Swansea is moving forward and we can put right interventions in place to help recovery.
- Officers will report in more detail when possible.
- Panel queried opportunities for member input – would like involvement in this important work.
- Workshops likely during this process, although this is time limited and needs to be finished by end of financial year.

Palace Theatre

- Making good progress, June 2022 completion.
- Listed building status application in. Planning approval received.
- In discussions with potential tenant.
- Contractor appointment and main tender out end of February.

Powerhouse

- Regular meetings with Heritage Lottery Fund (HLF), main funder.
- Contractors have requested extensions of time due to Covid issues. Council granted part extension.
- Huge amount of archaeology in ground has been an issue to deal with. There are complications here, although now known, team can now plan ahead.
- Issues with project bank accounts (PBA), now a council requirement.
- No banks are setting up PBAs at the moment, due to pandemic.
- Council will work with contractors in absence of PBA to move forward.
- Hopeful to build on this with Skyline, to create major leisure destination.
- Panel queried PBA issues – Officers explained this is a fairly new process and the Council can deal with this in traditional way to ensure sub-contractors paid on time. Continue to monitor.
- Members queried issues on lack of budget to complete scheme – ongoing discussion with HLF. Allowed to release some contingency funding.
- 3 listed buildings, 11 in total on the site. Quality of work is excellent. Archaeology work has held things up, but great potential to add to the destination. Acknowledged officers hard work.
- Panel queried the Tawe Riverside – ongoing discussions with land owners and possible practical solution to create pathway cantilever walk way is an expensive solution. WG discussion continues as to funding. Schemes outside core city centres are not funded at present.

- Members queried update on Pontoons – funding bids have been made, looking to connect City Centre up to Hafod and Stadium beyond Bascule Bridge.

Actions:

1. The panel requested a breakdown of information in relation to funding sources for each project.
2. The panel would like further information about the new plans for Repurposing Swansea, including information on how/when members can be involved in this process.

7 Work Plan 2020-21

Received and considered by the Panel

8 Letters

Letters received and considered by the Panel.

The meeting ended at 12.08 pm