

Impact on the organisation's income and expenditure account

The capital cost for the scheme over the intended lifespan of the project is as follows:

Table 15: summary of financial appraisals

The revised financial appraisal of the Digital Square proposal is set out below followed by the original estimates.

1. Actual Digital Square & Arena position as at June 2020:

Digital Square & Arena:	Updated figures based on final Digital Square scheme							Total
	Year 0 2017/ 18 £m	Year 1 2018/ 19 £m	Year 2 2019/ 20 £m	Year 3 2020/ 21 £m	Year 4 2021/ 22 £m	Year 5 2022/ 23 £m	Year 6 2023/ 24 £m	
Preferred choice:								
Capital	2.55	2.90	12.94	34.39	16.92	13.54	11.80	95.05
Revenue	-	-	-	-	-	-	-	-
Total	2.55	2.90	12.94	34.39	16.92	13.54	11.80	95.05
Capital Funded by:								
Public - Swansea Council (committed)	2.55	- 0.91	9.14	30.56	10.86	- 2.26	- 3.81	46.13
Private Sector				0.02	2.25	12.00	11.80	26.07
City deal (Proposed)	-	3.81	3.81	3.81	3.81	3.81	3.81	22.85
Total	2.55	2.90	12.94	34.39	16.92	13.54	11.80	95.05
Digital Square & Arena:	Previously reported 2017							Total
	Year 0 2017/ 18 £m	Year 1 2018/ 19 £m	Year 2 2019/ 20 £m	Year 3 2020/ 21 £m	Year 4 2021/ 22 £m	Year 5 2022/ 23 £m	Year 6 2023/ 24 £m	
Preferred choice:								
Capital	3.44	15.60	41.76	33.57	-	-	-	94.36
Revenue	-	-	-	-	-	-	-	-
Total	3.44	15.60	41.76	33.57	-	-	-	94.36
Capital Funded by:								
Public - Swansea Council (committed)	2.28	8.89	19.79	14.48	-	-	-	45.44
Private Sector	0.02	2.25	12.00	11.80	-	-	-	26.07
City deal (Proposed)	1.14	4.46	9.96	7.29	-	-	-	22.85
Total	3.44	15.60	41.76	33.57	-	-	-	94.36

The costs include:

- Proportional amount (c 80%) of the PCSA and enabling works costs ie revetment wall)
- Arena
- 'Public Realm' – 35% of the total figure (
- Proportionally c 81% of all fees or full fees where applicable eg, arena legals and IPW.

The costs exclude:

- North Block (MSCP, Resi, A3)
- South Car Park

- Coastal Park
- Balance of Public Realm
- Bridge
- Balance of fees
- Balance of unrelated fees.
- Historic fees relating to Central / North Areas Outline planning permission.
- Contingency

The Swansea Council match funding contribution has been approved by Cabinet in October 2019 and now is formally included in the Council's capital programme and the councils contribution to the project will be met through borrowing.

Private sector investment is comprised of:

- £1m investment in fit out of Digital Arena by ATG, the arena operator. This is legally committed through the ATG legal agreement.
- £25,071,000 for development of hotel adjacent to Digital Arena: to be provided by private sector developer the Cairns Group.