



Council – 7 September 2023

Councillors' Questions

Part A – Supplementaries

1	<p>Councillors Peter May, Allan Jeffrey, Sandra Joy & Stuart Rice</p> <p>Please can the Cabinet Member explain in detail the ideas and plans that have been discussed for St Helens and the Recreation Ground.</p> <p>Response of the Cabinet Member for Investment, Regeneration & Tourism</p> <p>A full report on any proposals that the Council has received and an analysis of any proposals will be presented to Cabinet in the near future. However, our ambition is to secure agreement with partners to improve facilities at St Helens and link it into the broader plans for an international sports village.</p>
2	<p>Councillors Lyndon Jones, Will Thomas & Angela O'Connor</p> <p>We welcome the building of new council bungalows and houses in West Cross.</p> <p>Can you provide a cost breakdown of building these homes. What was the cost for each semi - detached bungalow and each semi - detached house.</p> <p>Does that price include the cost of the land per semi detached property and if not, what is the additional cost per semi detached property for the land.</p> <p>Response of the Cabinet Member for Service Transformation</p> <p>This is the latest scheme as part of the council's commitment to increase its stock by 1,000 more homes for the benefit of council tenants. The construction cost per semi-detached bungalow is £283,000, there are no semi-detached houses included in this development.</p> <p>This cost includes over £51,000 for the installation of the Mechanical Ventilation Heat recovery system, Ground source Heat Pumps, Solar PV with battery storage and the additional floor area required to house these items.</p> <p>The overall scheme cost is £2.18m, which also includes the cost of site preparation works, design fees, landscaping, renewable energy technology, SUDS, infrastructure and the construction of a large boundary wall made from materials re-used from other new housing development sites.</p> <p>Over half the scheme cost is being funded by Welsh Government grants, with the remainder being funded by the council through housing rents. None of the scheme is funded by council tax.</p>

	<p>Tenants at the new properties will benefit from high-quality, warm homes and a better standard of living, as well as from energy-saving technology in the properties that will help them save money on their energy bills as the energy and cost of living crisis continues.</p> <p>More schemes of this kind are planned to benefit even more local people in the future, with similar schemes having already been introduced in Blaenymaes, Birchgrove and Clase. Construction of these schemes also benefits the apprentices employed by our Building Services, who are learning first-hand the modern energy related construction methods.</p>
3	<p>Councillors Lyndon Jones & Francesca O'Brien</p> <p>In answer to one of my previous questions about the policy to stop people leaving wood at the Clyne tip for recycling, the Cabinet Member responsible said that there would be a review of this policy. Has this review now taken place?</p> <p>Having passed the motion on Climate Emergency at a Swansea Council Meeting, does the Cabinet Member agree with me that the policy of not allowing residents to deposit wood at Council Recycling sites, like Clyne, goes against that policy, because now people from right around Swansea, from the tip of Gower, Mumbles and residents in my Bishopston ward now all have to drive to Llansamlet to deposit the wood, which could amount to thousands of miles in a year.</p> <p>Response of the Cabinet Member for Environment & Infrastructure</p> <p>A formal review is still to be undertaken, although indications are that more rigorous requirements for the separation of certain wood products deemed hazardous, from other wood products, makes the consolidation of the receipt of waste wood at Llansamlet Recycling Centre even more important. These requirements are to be imposed on the Council by Regulation and would require additional skips. The re-introduction of numerous wood skips at Clyne Recycling Centre would therefore be to the detriment of the receipt of other waste streams due to space constraints.</p> <p>Whilst it does result in a longer trip for some having to take wood to the Llansamlet Recycling Centre, the booking system and Llansamlet provides an improved customer experience resulting in virtually no queueing.</p> <p>I will arrange for Officers to provide a more detailed response once the formal review has been undertaken.</p>
4	<p>Councillors Chris Holley, Wendy Fitzgerald & Mary Jones</p> <p>Will the Leader/Cabinet Member explain to Council why the true cost of a project cannot be disclosed before Cabinet makes any decision on approval of the project. We believe that the public have a right to know what Cabinet Members are spending public money on before the Cabinet agree to vote on it.</p> <p>Response of the Leader</p> <p>I'm surprised a previous leader and two previous cabinet members of the Lib Dem administration are unaware of the constitutional decision making process which has operated in this council for many years. They should know the constitution makes</p>

	<p>provision for reporting on scenarios where to make all information available in the public domain would be prejudicial to the Council.</p> <p>The decision to take an item into closed session is made following clear advice from the monitoring officer or deputy monitoring officer and in accordance with Schedule 12A of the Local Government Act 1972 as amended by the Local Government Act (Access to Information) Variation Order 2006 and the Council's constitution.</p> <p>In this particular case it would cover commercial situations which are being reported for decision and therefore at the final stage of negotiation and still subject to contract. A closed pre-decision scrutiny process is in place to enable robust debate and challenge prior to any decision being made.</p> <p>This legislation and constitutional provision was in place during their time in office and they followed the chief legal officer's advice on every occasion, just as the current cabinet have done.</p>
	<p>Part B – No Supplementaries</p>
<p>5</p>	<p>Councillor Chris Evans</p> <p>We know that Westminster is not willing to properly fund the necessary transition to net zero, so as a way of reducing cost of replacement vehicles and pressure on the grid when charging, is the council actively exploring the possible use of e-bikes and in particular e-cargo bikes to replace some of the existing fleet? Evidence also increasingly shows that this could also have a positive effect on the physical and mental health of our employees.</p> <p>Response of the Cabinet Member for Service Transformation</p> <p>I can confirm the Travel strategy is in its final stages and all/any potential alternatives are being included as part of the overall Ultra Low Emission Vehicle (ULEV) strategy considerations.</p>
<p>6</p>	<p>Councillors Peter May, Allan Jeffrey, Sandra Joy & Stuart Rice</p> <p>Please can the Cabinet Member give Council an update on Skyline (including the total of Council funds that have been spent and allocated on the project).</p> <p>Response of the Cabinet Member for Investment, Regeneration & Tourism</p> <p>Skyline has developed an updated business case which includes its latest designs and financial modelling. This was presented to the Skyline Board of Directors in July and, as such, Skyline will be imminently submitting their planning application to Swansea Council for consideration.</p> <p>Skyline has also continued to conduct various surveys on Kilvey Hill with the Environmental Dimension Partnership (EDP) to ensure a net-positive impact on biodiversity at the proposed site.</p>

	<p>Skyline says their proposal continues to demonstrate value to be added to the local economy through the creation of over 80 new, permanent jobs in the year of opening and the contribution of £84million to the economy over the next 15 years.</p> <p>No council funding has been directly awarded to Skyline to date. While Cabinet has approved funding in principle, there is no binding commitment as yet on the council's part and funding would need to meet certain conditions before any money is potentially paid out. If it goes ahead, the proposed investment by the council would be repaid in full as part of an agreement with Skyline. A notional £430,000 was allocated as a budget to assist the council with fees associated with land assembly and site investigation works in 2022/2023. About £149k of that allocation has been spent.</p>
7	<p>Councillors Peter May, Allan Jeffrey, Sandra Joy & Stuart Rice</p> <p>Please can the Cabinet Member explain what the funds allocated to the Slip Bridge Project have been and are to be spent on.</p> <p>Response of the Leader</p> <p>There is a capital funding allocation of £139k which has been earmarked for the Slip Bridge site.</p> <p>Funding opportunities are being explored in conjunction with the Friends of the Slip Bridge in attempt to restore this important piece of Swansea's heritage removed by the previous Lib Dem independent administration, and not put back.</p> <p>This was despite consultation showing a majority of public wanting the slip bridge to be restored and returned to its original location.</p>
8	<p>Councillors Mary Jones, Jeff Jones & Peter Black</p> <p>Given that we as a council are reducing the amount of office space and the availability of desks for staff to work from the Guildhall and city centre, are we to assume that the office space which is under construction in the city centre is not going to be filled by our own staff. There are currently three site under construction Princess Way opposite St Mary's Church, the Acer building on Oxford Street, the council funded 71/72 The Kingsway and there is also the refurbishing of the old BHS building for the council hub.</p> <p>Is there the external demand to fill these buildings and what is the commitment already in place to take up this space. What space if any is going to be taken up by our staff, Nationally the picture is patchy with some cities increasing the usage of office space but with others having an excess against a backdrop of home working.</p> <p>Will the Leader give an update on Swansea's perspective.</p> <p>Response of the Leader</p> <p>The "Biophilic Living" building on Oxford Street ("Acer"/Hacer Developments) and "Princess Quarter" at 18-20 Princess Way (Kartay Holdings) are private sector developments that will not accommodate Council staff or services. As these are private sector projects, the Council is not involved in the commercially sensitive</p>

leasing agreements. Due to standard private sector development and financing practices, these developments are unlikely to proceed without sufficient demand.

The development at 71/72 The Kingsway is being undertaken by Swansea Council to provide high-quality office accommodation and serve as an incubator for innovative technology, digital, and creative sector businesses. According to the original brief and Swansea Bay City Deal funding conditions for the development, it is intended to be occupied by technology-focused businesses, and consequently, will not be occupied by Council staff. Positive leasing discussions are currently ongoing, and the expectation is that Heads of Terms will be finalised shortly with several occupiers.

The new City Centre Community Hub, located in the former BHS store as approved in the Cabinet Report from December 2021, will house the following front-line Council services:

- Swansea Library
- Contact Centre
- Local Studies and Family History
- Revenue & Benefits
- West Glamorgan Archive Service
- Housing Options
- Life-long Learning
- Employability
- Welfare Rights

The Community Hub will be largely service user facing; however, it does possess some office space. Engagement on leasing continues to be positive, with partners recognising the advantages of co-locating with Council citizen-led services and other external parties. Heads of Terms negotiations look to conclude shortly with several public bodies relocating to the community hub.

As the Councillor Question recognises, the UK is experiencing an evolution in office sector demand. During and shortly after pandemic restrictions, there was a contraction in the office market, partly due to the rise in flexible and remote working. As both public and private organisations establish new working practices, there is renewed interest and demand. There is an emphasis on high-quality, sustainable, and flexible buildings that can accommodate the new requirements for collaborative spaces to facilitate the benefits of hybrid working. While Covid-19 did lead to a shift towards remote work, the need for teams to come together for collaboration, knowledge transfer, and social interaction remains.

Swansea has a shortage of office accommodation meeting these needs. Cities with an excess of office space often offer poor quality spaces that do not meet these post-Covid occupier requirements. The Local Development Plan Growth Assessment (under the City Deal Growth Scenario) indicates a need for approximately 516,668 sq. ft/48,000 sqm of office floor space. A report by Cushman & Wakefield stated, "there is currently no Grade A offices available in the City centre," and "due to the lack of availability in the City centre and SA1, current activity in Swansea is more focused on the out-of-town market rather than the City centre, which is unlike the majority of UK markets where the city centre dominates". The scarcity of large, high-quality spaces is further emphasised by speculative inquiries received by the Council, such as one for around 25,000 sq. ft of Grade A office space, which cannot be accommodated.

Council officers maintain regular communication with market experts and occupiers to assess and forecast demand levels. Flexibility and adaptability are core design principles of the proposed office developments, allowing the buildings to respond to shifting market demands. Attracting people to live and work in the city centre is pivotal to Swansea's sustainability as a vibrant and diverse destination. The delivery of office space that fulfils occupiers' needs is fundamental in drawing businesses to Swansea and retaining existing businesses and talent.

9 **Councillors Chris Holley, Jeff Jones & Peter Black**

Will the Leader tell Council what the total amount of borrowing has been since 2016 until 2023 and what has been the cost to the Revenue account in interest payments. Going forward what length of time will these borrowings be a cost to the Council.

Response of the Leader

I'm very happy to layout the borrowing under this administration and compare it to the cost of previous borrowing taken out by previous administrations. Borrowing since 2016 amounts to £270m at an average cost of 2.19% and an annual cost of interest of £5.9m Borrowing before 2016 was just over £290M at an average cost of 5.18% and an annual cost of just over £15M. Borrowing was taken at rates as high as 8.38% before 2016 versus as low as 1.91% post 2016! The before and after 2016 principal sums are very similar but one can't help but notice the difference in annual interest servicing costs. The borrowing since 2016 costs are just 40% of the previous cost for broadly similar sums really amply demonstrating how prescient that borrowing, especially in 2021 was, at the lowest ever sub 2% rates achieved by this Council. Had we have waited as some opposition members suggested then we would now be facing borrowing at around 6% following the disastrous Truss - Kwarteng budget. The money borrowed will be used to support regeneration projects, new schools and other projects over the coming years. The Council holds £98m of market loans. There has been no new borrowing activity in the market since 2008, with Public Works Loan Board (PWLB) offering clearly better value and options. The Council currently holds a total of £561m of PWLB maturity debt with a simple weighted interest rate of 3.74% on this total debt. There has been no new PWLB borrowing since October 2021 and as this was for periods up to 50 years it will have all fully matured by 2071. These are all PWLB maturity loans, repayable fully at maturity only, with suitable minimum revenue provision (MRP) being made before then. Before the new Treasury Strategy it was predominantly at the traditional 4% reducing balance. It is now predominantly asset life based at an average of 40 years and thus 2.5% per annum. MRP is not shown as the question was only about actual interest paid annually though of course reduced early years MRP rates have reduced the overall pro rata cost further. Prudently this administration has followed the advice of its S151 officer to the letter and set aside the short term savings in the Capital Equalisation Reserve to make sure the longer term costs are covered when the flat rate MRP exceeds the reducing balance rate. The attached schedule shows the PWLB rates and loans. As requested the cost has been split between pre and post April 2016, although for reference it also shows the position since 2018 when the new treasury management strategy was being utilised

	<p>and where clearly the bulk of the pro rata materially reduced costs and interest rates has been achieved through new borrowing at low rates.</p> <p>Of course, any new borrowing will be done at rates created and currently embedded by the Truss/Kwarteng then Sunak/Hunt economic mismanagement of the UK economy so will regrettably cost in excess of 5% if done today. We can but live in hope there may be a change of luck, and more importantly a change of government, which can help sort this mess out, reduce the cost of future borrowing and allowing us ALL to get back to growing and investing in the economy, prudently, at sensible affordable rates.</p>
10	<p>Councillors Kevin Griffiths, Mark Tribe & Chris Holley</p> <p>Will the Leader/ Cabinet Member inform council what the current workforce numbers are breaking down full and part time jobs (excluding schools) in which departments they are based and how the numbers have changed since 2016.</p> <p>Response of the Corporate Services & Performance</p> <p>Please see attached appendix 1.</p>