



**To/  
Councillor Rob Stewart  
Cabinet Member for Economy &  
Strategy (Leader)**

**BY EMAIL**

cc: Cabinet Members

*Please ask for:  
Gofynnwch am:*

*Direct Line:  
Linell Uniongyrochol:*

*e-Mail  
e-Bost:*

*Our Ref  
Ein Cyf:*

*Your Ref  
Eich Cyf:*

*Date  
Dyddiad:*

Scrutiny

01792 637257

scrutiny@swansea.gov.uk

SPC/2019-20/15

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Summary: This is a letter from the Scrutiny Programme Committee to the Leader & Cabinet Member for Economy & Strategy following the meeting of the Committee on 24 April 2020. It is about a proposed cabinet decision on the Alteration and Conversion of Bay Studios, Fabian Way, Swansea into a 1000 Bed Surge Hospital.

Dear Councillor Stewart,

**Pre-decision Scrutiny of Cabinet Report:  
Financial Procedure Rule 19.1c and FPR7. Authorisation for Alteration  
and Conversion of Bay Studios, Fabian Way, Swansea into an 1000 Bed  
Surge Hospital on Behalf of the Swansea Bay University Health Board.**

The Scrutiny Programme Committee held a special meeting on 24 April to consider the report that you intend to present to the special meeting of Cabinet on 27 April, and give our view on the proposed decision. Thank you for your attendance at our meeting and engagement with the Committee.

This was the first remote scrutiny meeting of this Council as we are all needing to adapt to different ways of working because of the COVID-19 pandemic. We were glad to be able to meet in this way, and ensure the continuation of scrutiny at this time of national crisis. Special thanks to Huw Evans, our Head of Democratic Services, for his role in making our meeting possible and ensuring the smooth running of proceedings. Thanks also to Tracey Meredith, Monitoring Officer & Chief Legal Officer, for her support.

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Along with you, we thank Phil Roberts - Chief Executive, Martin Nicholls - Director of Place, and Ben Smith - Section 151 Officer & Chief Finance Officer, for being present to explain the rationale for the report, the actions taken, and the proposed decision that Cabinet is expected to take on Monday.

We understood why the creation of a surge hospital was necessary and urgent – with a clear emphasis on action that this Council could take, in collaboration with others, to save lives given the pressure on our health service.

Although the finances behind the project, in your view, were secondary the report provided detail about the implications on the Council, and the focus on protecting the Council's interests, which we explored at the meeting.

### **Committee Feedback**

The first thing we must do in our feedback to you and Cabinet is to place on record the Committee's thanks to all those involved in the project for what is quite a remarkable achievement. We must applaud the ability to design, procure and develop an operational facility from an empty shell of a building in three weeks, and shows tremendous project management and delivery capability within the Council. Credit to our staff and the contractors involved working around the clock, and our health partners who we note have been fully engaged in the process. We understand that the first phase of around 400 beds will be handed over next week and will be ready to be utilised shortly after. A number of the councillors on the Committee had the benefit of seeing the facility earlier today and all praised the quality of work and remarked at the scale of the undertaking.

The Committee unanimously gave its endorsement to the proposed recommendations in your report, however wish to highlight the following associated issues that Cabinet should consider both ahead of and, perhaps more significantly, after the Cabinet meeting as the project is completed and fully handed over to Swansea Bay University Health Board.

### **Cabinet should:**

- 1. Be satisfied around the complete reimbursement of Council costs from Swansea Bay University Health Board and Welsh Government, and clarify the process for cost recovery by the Council and timescale, and possible impact on capital and revenue budgets.**

The Committee was concerned about the absence of any guarantee around repayment, of what may be around £10-15 million pounds. Whilst we heard that it was highly improbable that the Health Board would not do so, it is nevertheless important to consider possible costs that the Council could incur should payment not be forthcoming in the way we may be expecting. We would expect the publication of final figure for project

expenditure, as soon it is possible to do so, and further information reported to the Committee on the financial implications once the position is clearer.

**2. Ensure that discussion is held with the Health Board / Welsh Government about the possible permanence of the facility, beyond the current emergency, as necessary additional health capacity.**

This is particularly relevant given the fact that there will now be a backlog of surgery and other treatments that have been placed on hold because of the health crisis. We heard that the build lends itself to more permanence than other surge hospitals created around Wales, as it was a disused site, and the nature of the build meant that it could be partitioned according to future needs, however large or small.

We noted there would be potential to extend the use of the site beyond the 12 month period of permitted development but would be a matter for the Health Board, Welsh Government, and leaseholders of the site to negotiate. It is, of course, unknown whether there will be further peaks in coronavirus cases that will influence thinking on this.

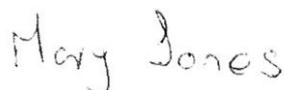
The Committee would expect the Council to exert some influence on future decision-making, and health care provision, and hoped to see long-term benefits from this investment of public funds. Given the pressure on social care and need for better integration with health there may be further potential in the site. There should be communication with all Councillors about the future use of the site.

Cabinet should consider the views of the Committee, as contained in this letter, before making its decision, and provide explanation for any rejection of views expressed.

**Your Response**

We hope that you find the contents of this letter useful and would ask you to write back by 15 May to confirm the decision of Cabinet and respond to our views. Our correspondence will be published in the next available Committee agenda, which we will also follow up in due course.

Yours sincerely,



**COUNCILLOR MARY JONES**

Chair, Scrutiny Programme Committee

✉ [cllr.mary.jones@swansea.gov.uk](mailto:cllr.mary.jones@swansea.gov.uk)