



County Hall  
Cardiff  
CF10 4UW  
Tel: (029) 2087 2000

Neuadd y Sir  
Caerdydd  
CF10 4UW  
Ffôn: (029) 2087 2000

## GOHEBIAETH YN DILYN CYFARFOD Y PWYLLGOR

**Pwyllgor** PWYLLGOR CRAFFU'R ECONOMI A DIWYLLIANT

**Dyddiad ac amser y cyfarfod** DYDD GWENER, 11 TACHWEDD 2016, 4.45 PM

Gweler isod gohebiaeth anfon gan Gadeirydd y Pwyllgor ar ôl y cyfarfod , ynghyd ag unrhyw ymatebion a gafwyd

Am unrhyw fanylion pellach, cysylltwch â [scrutinyviewpoints@cardiff.gov.uk](mailto:scrutinyviewpoints@cardiff.gov.uk)

8 **Correspondence Following Meeting** (*Tudalennau 1 - 8*)

Mae'r dudalen hon yn wag yn fwriadol

Fy Nghyf / My Ref: NRS/RM/PBr/11.11.16

Dyddiad / Date: 24 November 2016



Councillor Peter Bradbury  
 Cabinet Member: Community Development, Co-operatives & Social Enterprise  
 City of Cardiff Council  
 County Hall  
 Cardiff  
 CF10 4UW

Dear Councillor Bradbury

### **ECONOMY AND CULTURE SCRUTINY COMMITTEE – 11 NOVEMBER 2016**

Thank you for attending the November meeting of the Economy and Culture Scrutiny Committee, where we considered items on the Welsh Public Library Standards Annual Report and the Summer Reading Challenge 2016. I appreciate that a Friday evening isn't the ideal timing for a rearranged Committee meeting and welcome the flexibility shown by both yourself and officers in accommodating this. I will be grateful if you could also pass on the thanks of the Committee to Isabelle Bignall and Nicola Richards for their presentation and for addressing the questions that arose during the meeting. The Committee had a few comments and observations following the meeting, which are set out below.

#### **Welsh Public Library Standards**

Members of the Committee were pleased to be informed that Cardiff continues to perform well against the Welsh Public Library Standards 5<sup>th</sup> Framework. In considering this item last year we wrote to comment that we felt some of the measures used within the Framework could be considered less than appropriate. This clearly is presenting itself again this year, with Cardiff Council being penalised for overspending against the target for children's literature (WPLSQI 9). We accept the explanation given in the presentation, and feel it is acceptable to be spending 24% of the material budget on children's literature given that 32% of issues are on children's stock. Similarly with regard purchases of Welsh Language materials, we were informed at the meeting that Cardiff Council purchases all stock that becomes available, and are still judged to have missed the target within the WPLS Framework. We feel such Indicators should be amended so that authorities are not marked down for exceeding required expenditure and give strong support to you making such representations to the appropriate Minister and Welsh Government officials.

Discussion took place around WPLSQI 12 – Supply of Requests, where we were informed that performance is low due to a glitch in the electronic systems, meaning books were being delivered to the wrong branch libraries. Members of the Committee were surprised that this glitch was not picked up quickly and was able to distort

figures to such an extent that saw Cardiff ranked as one of the lowest performing authorities against this indicator. We were assured at the meeting that there will be significant improvements for next year and this is something we will look to evaluate in 12 months time.

Members were informed during the meeting that stocks at Central and branch libraries are analysed based on information collected by the Electronic Data Interchange systems in place, allowing libraries to keep up with customer demand and provide users with the materials they want. We agree with this approach to a point, but would urge caution that we don't solely rely on market data and become demand led in terms of the books Cardiff libraries provide. It is important that our libraries provide a variety of books, rather than stripping them of the classics and other materials that aren't regularly read, and that this range enables people to try something different and serves to spark imagination.

### **Summer Reading Challenge 2016**

With regard to results from the Summer Reading Challenge 2016, Members of the Committee wish to congratulate you and the Libraries Service for another successful year, where participation and completion rates have increased. We wish to encourage you for next year and hope that Cardiff will reach the 70% completion rate that has been targeted for a number of years. We also wish to congratulate you and officers on securing sponsorship from Joe's Ice Cream, we recognise that this creates a good incentive for children undertaking the Challenge and are pleased to hear that this sponsorship will continue for 2017.

I would be grateful if you would consider the above comments, observations and recommendations, and look forward to receiving your feedback.

Regards,



**Councillor Rod McKerlich**  
**Chairperson, Economy and Culture Scrutiny Committee**

cc Sarah McGill – Director, Communities, Housing and Customer Services  
Isabelle Bignall – Assistant Director  
Cabinet Support Office  
Members of the Economy and Culture Scrutiny Committee

Fy Nghyf / My Ref: NRS/RM/PB/11.11.16

Dyddiad / Date: 16 November 2016



Councillor Phil Bale  
Leader, City of Cardiff Council  
County Hall  
Cardiff  
CF10 4UW

Dear Councillor Bale

## **ECONOMY AND CULTURE SCRUTINY COMMITTEE – 11 NOVEMBER 2016**

### **Dumballs Road Regeneration**

Thank you for attending the November meeting of the Economy and Culture Scrutiny Committee, where we considered an item on Dumballs Road Regeneration. I appreciate that a Friday evening isn't the ideal timing for a rearranged Committee meeting and welcome the flexibility shown by both yourself and officers in accommodating this. I will be grateful if you could also pass on the thanks of the Committee to Neil Hanratty for his presentation and for addressing the questions that arose during the meeting. The Committee had a few comments and observations following the meeting, which are set out below.

Members of the Economy and Culture Scrutiny Committee support the proposals described at the meeting, namely to work in partnership with Vastint on the regeneration of this section of Dumballs Road. We accept that the location of this land, proposed other developments and transport improvements to the south of Cardiff Central station, coupled with the reputation of Vastint makes this an attractive proposition.

During the meeting discussion took place around the source of funds the Council will draw on to purchase its allocation of the site. We understand that this money has been secured through an Enterprise Zone Capital Allocation borrowed against a revenue budget that was allocated a number of years ago. Members are keen to stress that there should be a limit to the amount of money this Council borrows, given our increasing dependence on borrowed finances. That said, we can see that in this case there is potential for the value of this land to increase and anticipate there could be opportunities for the Council to make money in the long run through this transaction.

The Committee understands that there is an important role for the Council to play in pulling together and coordinating development opportunities in Cardiff, but we perceive the Council's role as a catalyst, or an enabler for other organisations, rather

than taking on financial commitments and risk as a lead developer ourselves. In this situation we appreciate that the Dumballs Road site is larger than Vastint is willing to purchase alone, requiring the Council to make a significant land acquisition to secure Vastint's investment. We would, however, prefer that the Council were not so heavily involved in every development opportunity in the city, and in the future should ideally look to facilitate such developments without taking on financial risks.

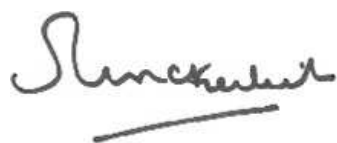
Discussion also took place during the meeting with regard to the Council's exit strategy on this matter, in that they have purchased approximately 12 acres of land near the City Centre. We were informed that there are a number of options currently being considered, with housing high on the agenda, and that details will become clearer through the site masterplan developed with Vastint. Members of the Committee would wish this master planning to be undertaken with a clear vision in mind from the Council, a clear idea of what the land will be used for and how the Council will recoup its expenditure. Members wish to request that details of the masterplan and the Council's exit from this land ownership are shared with us as soon as possible.

Members understand that there is a very short timeline between seeking Cabinet approval for these proposals and the final deadline for purchase on 16 December 2016. This proposal might under normal circumstances seem therefore to have been hastily assembled, but given the deadline set by previous options agreements and the potential difficulties in reaching similar agreement in the future, we acknowledge that the Council cannot afford to let these options agreements expire, and we endorse this swift course of action.

In summary, and in relation to the contents of the Cabinet Report, Members of the Committee endorse the report and recognise why the recommendations have been framed, namely; to work in partnership with Vastint on proposals for Dumballs Road; to purchase approximately 12 acres of land; and to dispose of the former Depot Building at Bessemer Close. We would support a decision for authority on these grounds to be granted by the Cabinet.

I will be grateful if you would consider the above comments, observations and recommendations, and look forward to receiving your feedback.

Regards,

A handwritten signature in black ink, appearing to read 'Rod McKerlich', with a horizontal line underneath it.

**Councillor Rod McKerlich**  
**Chairperson, Economy and Culture Scrutiny Committee**

cc Economic Development Officers  
Andrew Cobden – Vastint  
Members of the Economy and Culture Scrutiny Committee  
Cabinet Support Office

Mae'r dudalen hon yn wag yn fwriadol



**SWYDDFA'R ARWEINYDD  
OFFICE OF THE LEADER**

**Phil Bale**  
Arweinydd Cyngor Dinas Caerdydd  
Leader of the City of Cardiff Council

Neuadd y Sir  
Caerdydd, CF10 4UW  
Ffon:(029)2087 2500  
E: Arweinydd@caerdydd.gov.uk



County Hall  
Cardiff, CF10 4UW  
Tel: (029)2087 2500  
E: leader@cardiff.gov.uk

[www.caerdydd.gov.uk](http://www.caerdydd.gov.uk)  
[www.cardiff.gov.uk](http://www.cardiff.gov.uk)



Fy Nghyf / My Ref: CM36272  
Eich Cyf / Your Ref: NRS/RM/PB/11.11.16  
Dyddiad / Date: 1st December 2016

Cllr Rod Mckerlich  
C/O Member Services  
County Hall  
Atlantic Wharf  
Cardiff  
CF10 4UW

Annwyl / Dear Cllr Mckerlich,

Cllr McKerlich

**ECONOMY AND CULTURE SCRUTINY COMMITTEE – 11 NOVEMBER 2016**

**Dumballs Road Regeneration**

Thank you for your letter and for inviting myself, officers and representatives of Vastint to the Scrutiny meeting of 11<sup>th</sup> November. I would also like to thank you for allowing the issue to be discussed in a way that protected the commercially sensitive nature of the information.

With regards to the issues you raise in your letter, I have provided a response to each item below. As ever I will endeavour to keep the Economy and Culture Scrutiny Committee updated and engaged on all appropriate matters as the project moves forwards.

You asked if the acquisition of the land at Dumballs Road will add to the Council's borrowing. Paragraph 22 of the reports outlines that the cost of acquiring the land will be met from the £15 million capital allocation in respect of the Cardiff Enterprise Zone. Paragraph 23 outlines that the cost of this borrowing will be fully met from Cardiff Enterprise Zone Revenue Budget. The latter is a budgeted revenue allocation that has been built into the council's base revenue budget to meet the capital financing costs (principal and interest) associated with the £15 million capital allocation. Therefore, this transaction will add to the Council's borrowing, but the increase is fully budgeted and therefore does not give rise to any new unbudgeted costs. You should also bear in mind that the acquired land will become an asset that

could be used to reduce or pay off (subject to future valuation) the borrowing if the Council decided on taking that course of action sometime in the future.

The Council's primary role in regeneration is to facilitate development. The Council only invests when it is absolutely necessary to attract investment or if the Council has a specific interest. In this instance a Council's investment will unlock a major private sector investment both in terms of the 25 acres of land that Vastint will acquire and the future investment that will be required to bring forward a substantial development project. The scale of the project will make a significant contribution to the Cardiff economy and will create jobs both during construction and longer term.

Vastint has committed to re-masterplan the area in partnership with the Council and will submit a new planning application in due course. As an adjacent land owner, the Council will benefit from a greater level of control than would normally be the case. To that end I will ensure that the Committee, and Members more generally, will have an opportunity to engage in the master-planning process before the scheme is finalised and submitted for planning.

You mentioned tight timescales. You have acknowledged that there is a one off opportunity to take advantage of existing option agreements to enable a comprehensive redevelopment. I can assure you much work has taken place over the last 6 months or so both by Vastint and the Council to get to a position where we can utilise the options before they expire at the end of December. Work needed to be concluded before the proposal could be brought forward for consideration by Cabinet and Scrutiny. I hope you appreciate and understand that the tight timescales were due to the short time space between starting the detailed due diligence work and the expiry date of options.

Thank you again for your support.

Yn gywir,  
Yours sincerely,



**CYNGHORYDD / COUNCILLOR PHIL BALE  
ARWEINYDD, CYNGOR DINAS CAERDYDD  
LEADER, THE CITY OF CARDIFF COUNCIL**