

My Ref: T: Scrutiny/Correspondence/Cllr NH

Date: 9 November 2018

Public Letter:

Councillor Russell Goodway
Cabinet Members
Cardiff Council
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Cardiff
CF10 4UW



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Neuadd y Sir
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Dear Councillor Goodway,

Economy & Culture Scrutiny Committee: 8 November 2018

Members have asked I pass on their thanks to you and Neil Hanratty for attending our meeting for pre-decision scrutiny of the report to Cabinet titled '*Indoor Arena – Next Steps*'. Members have asked that I pass on the following comments and observations from their discussion at the Way Forward; I have written to you separately regarding confidential elements.

Members welcome the proposals set out for the indoor arena at the Red Dragon Centre site and the ancillary regeneration in the surrounding area. We agree that this will help create a sense of place in Cardiff Bay and boost residents' and visitors' experiences. We have set out previously our belief that an indoor arena will benefit the city region, with the increased footfall and enhanced infrastructure that a 15,000-capacity super- hybrid bowl multi-purpose indoor arena will bring

Members are pleased to hear that Live Nation has approached the Council seeking to expand their existing capacity in the city. We recognise that this means the Motorpoint Arena site would become available for redevelopment and we wish to be kept abreast of proposals for this site.

Members are reassured to hear that independent consultants have undertaken verification checks of the developer's proposals and that officers are able to use their findings in on-going negotiations. It is essential that the Council has robust, independent advice to ensure that the Council remains legally compliant and achieves value for money in a development as complex as the indoor arena.

With this in mind, Members believe the costs cited, for design and pre-development work and for independent consultants to undertake due diligence checks on these, are both necessary and appropriate. Members note that there is a possibility that

some of these costs become abortive if the development does not proceed but, on balance, support the expenditure given the need to ensure legal compliance and test value for money.

Overall, Members support the recommendations to Cabinet and look forward to undertaking detailed pre-decision scrutiny, which we will schedule for March 2019.

At the pre-decision scrutiny meeting, Members would like to receive evidence of market testing to demonstrate the indoor arena development is able to hold its own against competitors. Members will also be asking for relevant finance and legal council officers to attend this meeting to provide advice to the Committee. We are also interested in inviting the independent consultants procured to undertake due diligence, subject to your views on this.

Finally, in the Way Forward, members discussed the traffic and transportation implications of the arena and asked that I re-emphasise our earlier comments of the need for high quality, reliable and affordable public transport to encourage the additional visitors to Cardiff to use sustainable transport and to avoid adding to the congestion in Cardiff.

I trust that the above comments are helpful and wish you well with this important project. This letter requires a response regarding your views on the independent consultant attending the pre-decision scrutiny.

Yours sincerely,

A handwritten signature in black ink that reads "Nigel Howells". The signature is fluid and cursive, with a long horizontal stroke at the end.

COUNCILLOR NIGEL HOWELLS
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE

cc Members of the Economy & Culture Scrutiny Committee
Neil Hanratty Clair James Cabinet Support Office