

ECONOMY & CULTURE SCRUTINY COMMITTEE

31 MAY 2023

Present: Councillor Wong (Chairperson)
Councillors Berman, Brown-Reckless, Henshaw and
Lloyd Jones

1 : APOLOGIES FOR ABSENCE

Apologies had been received from Cllrs Jenkins, Shimmin and Thomson.

2 : DECLARATIONS OF INTEREST

Cllrs. Berman, Brown-Reckless and Henshaw declared personal interests as they had attended events at St David's Hall and applied for tickets to Cardiff Singer of the World.

3 : MINUTES

The minutes of the meeting held on 25th April 2023 were agreed as a correct record and signed by the Chairperson.

4 : ST DAVIDS HALL - NEXT STEPS

Members were advised that this item was to enable scrutiny of key documents relating to the proposed property transfer of St David's Hall, including the Voluntary Ex-Ante Transparency Notice (VEAT notice).

The Chairperson welcomed Cllr. Burke (Cabinet Member – Culture, Parks & Events), Kathryn Richards (Head of Marketing, Tourism and Events), Scott Couzens and Rebecca Pendlebury (Bevan Brittan LLP), who were attending remotely, and Neil Hanratty (Director of Economic Development), Ruth Cayford (Operational Manager – Creative Industries and Culture), Chris Barnett (OM Major Projects), Donna Jones (Assistant Director – County Estates) and Eirian Jones (Operational Manager – Estates) who were attending in person.

Cllr. Burke was invited to make a statement, after which Neil Hanratty gave his presentation. Members were asked for their comments, observations and questions.

Members heard that a soft marketing exercise had resulted in no bids. Potential bidders had six weeks to submit an expression of interest, which was a standard window. Feedback given to the independent surveyor indicated that the main reasons for the lack of bids were the liabilities associated with the building, along with, to a lesser extent, the commitment to preserving the classical programme without a subsidy.

Members noted that the previous marketing exercise in 2017 had resulted in at least two bidders who wanted a council subsidy as part of negotiations. Officers clarified that this exercise had coupled St. David's Hall with the New Theatre, with the interest focused on the latter.

Members advocated ensuring that the commitment to maintain the classical programme for either 80 or 90 days per year was highlighted in a press release accompanying the VEAT. Officers confirmed that the public experience of the venue's classical music offer should be just as good, if not better, and that the 80/90 day figure was the minimum.

Members queried the status of community events which took place in the hall and were separate to the classical programme. The way these would be handled would be covered in the Memorandum of Understanding, which would be attached to the future Cabinet report. The Arts Active team would stay within the council.

Discussing the proposed stakeholder advisory partnership board, Members were advised that the committee should be able to scrutinise this body. This was an opportunity to ensure St. David's Hall was improved rather than just preserved.

Members were provided with information about when the relevant documents would enter the public domain, and heard that the VEAT notice would go out for 28 days rather than the legal minimum of 10. Organisations interested in challenging the VEAT would be able to seek disclosure of further information, although some parts of it could be redacted.

Officers clarified that the possible transaction regarding St. David's Hall was entirely separate to the delivery of the new Cardiff arena. AMG was partly owned by Live Nation, which is the preferred bidder for the arena, but there had been an open and transparent procurement process and there is no commercial connection between the two transactions.

Members heard about the provisions of the lease agreement in the event of a breach. If the building concerns were not addressed, then the 'keep open' clause could force the operator to carry out the necessary works. The condition of the building would be proactively monitored on an annual basis.

Members were informed that while the lease agreement would ensure the provision of the classical programme, it would not cover things like ticket prices, which Live Nation would set. It was a lease rather than a service delivery document.

Members heard that the Competition and Markets Authority had not indicated to the Council any intention to review this transaction.

The Chairperson noted that Appendices 2-5 contained confidential information, so the committee moved into exempt session to discuss them.

AGREED: that the Chairperson, on behalf of the Committee, writes to the Cabinet Member conveying the observations of the Committee when discussing the way forward.

5 : URGENT ITEMS (IF ANY)

There were none.

6 : DATE OF NEXT MEETING

Tuesday 20th June, 4:30pm.

Angela Holt added that she would contact Members before that meeting to discuss the work programme, as this is a newly constituted committee following Annual Council.

The meeting terminated at 5.30 pm

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