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CORRESPONDENCE FOLLOWING THE COMMITTEE MEETING

Committee ECONOMY & CULTURE SCRUTINY COMMITTEE

Date and Time of Meeting TUESDAY, 21 JUNE 2022, 4.30 PM

Please find below correspondence send by the Committee Chair following the meeting, together with any responses received.

For any further details, please contact scrutinyviewpoints@cardiff.gov.uk

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My Ref: T: E&C Library/Correspondence/June 21/ Neil H

Date: 23 June 2022

Neil Hanratty
Director of Economic Development

By Email



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Dear Neil,

Economy & Culture Scrutiny Committee 21 June 2022

On behalf of all the Committee Members, thank you to you, Jon Day, Jon Maidment, Ken Poole, and Kathryn Richards for attending committee to provide an overview of those areas of your Directorate that fall within our terms of reference.

Members found the overview helpful, particularly given how many Members are new to this Committee; it certainly gave Members a flavour of the breadth and depth of the work your team undertakes.

Members were particularly interested to understand more about the work to assist the city centre recover post-covid and were pleased to hear there is a City Centre Recovery Action Plan; this has since been circulated to all committee members by our scrutiny officer. Members note that discussions are ongoing with the St David's partnership regarding repurposing of some of its space and improving connectivity with the rest of the city centre. Members also note that you are hoping to be able to grow the city centre management team and take a more active role in the city centre and local centres.

Members highlighted concerns regarding the look and feel of the public realm in Central Square and note that, whilst investors, businesses and site users are attracted to the space and its location, it is recognised that work needs to take place to animate the space and soften it but that this is dependent on work to the rear of Central Station being completed to provide additional space to safely manage crowds

pre and post major events. Regarding the fence barriers, Members note that these should be removed once events are completed.

Members also sought to understand how your Directorate assists with broadband coverage and note that your teams liaise with and support the Council's digital team, helping to facilitate discussions and bring in broadband infrastructure providers, but are not solely responsible for this area of work.

Members highlighted that some of the performance indicators in the presentation may not be as applicable post-covid and that there may be a need to reflect on what indicators would be more appropriate, for example is Grade A office space still the best indicator to use to measure the performance of the city centre? Members note the Administration is launching its new vision for a Stronger, Fairer, Greener Cardiff and that the Corporate Plan and Key Performance Indicators will be reviewed in light of this and that officers are supportive of the need to ensure performance indicators are robust and appropriate to the new challenges and outcomes sought and are happy to work with this Committee to achieve this.

In our work programming discussion later in the meeting, Members agreed to contact all relevant Cabinet Members and Directors to offer the opportunity to contribute topics for consideration as part of our work programme for 2022-23. Members note you highlighted the following as perhaps of particular interest to the committee to consider in its work programming discussions:

- Music Signature Event
- Play Areas/ Playgrounds
- Leisure Centre Contract sustainability
- New Tourism Strategy
- Events Strategy
- Roath Park Dam
- St David's Partnership Strategy.

Members would welcome any further pointers, including an indication of planned reports to Cabinet, with anticipated timings, so we can plan agendas appropriately.

Finally, during our way forward discussions, several new Members raised that they do not feel they have sufficient information to enable them to make appropriate choices of where best to focus their attention regarding the major projects. Members

would like you to give an informal briefing providing a high-level overview of the finances of the bigger projects, including, but not limited to, the Indoor Arena, Red Dragon Centre, and International Sports Village. Members wish to be clear on the amount the Council is putting into these projects, how much the Council is borrowing, the monies secured from other routes, such as investors, grants, etc., and the monies still to be secured. For all of these, the Members wish to understand the routes involved. Overall, Members want the informal briefing to provide them with an overview of the risks to the Council and how these are being managed. Members are due to attend Local Government Finance training (*23 June 2022 and 4 July 2022*) and ask that the informal briefing be arranged after this has taken place. Please liaise with Angela Holt, our scrutiny officer, who will coordinate arrangements for the briefing.

Once again, thank you to all for attending and engaging with the new committee and Members look forward to meeting with you and fellow officers during the year ahead.

Yours sincerely,



COUNCILLOR PETER WONG
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE

cc Members of the Economy & Culture Scrutiny Committee
 Cllr Jennifer Burke-Davies Cllr Russell Goodway Cllr Thomas
 Jon Day Jon Maidment Ken Poole Kathryn Richards
 Clair James
 Cabinet Office

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Date: 23 June 2022

Councillor Thomas
Leader
Cardiff Council
County Hall
Cardiff
CF10 4UW

Public Letter

Dear Councillor Thomas,

SHARED PROSPERITY FUND (SPF)

Thank you for attending the Economy & Culture Scrutiny Committee on 21 June 2022, along with Paul Orders and Jon Day, to discuss the proposed approach for accessing Shared Prosperity Fund (SPF) monies for Cardiff. This letter captures the comments and observations from Members.

Members note the regional approach being taken in Wales, with Cardiff working with the other Cardiff Capital Region City Deal local authority partners to input into the Regional Investment Plan, due to be submitted to UK Government by 1 August 2022. Members note that this Plan will be high level and broad, initially, and that detail will evolve by discussion with the UK Government, with funding available from October 2022 once the Plan is approved. Members note the regional allocation of funding is £278million, of which £41.8m is indicatively allocated to Cardiff, including £7m hypothecated to the Adult Numeracy '*Multiply*' programme.

At the meeting, Members explored the following five areas: nature of funding; focus of funding; flexibility of funding; constraints; and governance arrangements. The sections below note the discussion at the meeting and Members comments and observations.

Funding Type

Members note the guidance indicates projects funded by the SPF should be '*revenue in spirit*', whilst the Levelling Up Fund (LUF) provides capital funding to successful bid

projects. Members asked whether the SPF could be used for any transport schemes and note the response that it could be used for schemes to enable communities to have access to better transport, as opposed to larger infrastructure schemes, such as the Metro, which would look to the LUF for support.

Members sought to understand the longevity of funding – would funding be provided for 18 months or 3 years, for example, and what would happen at the end of this time? Members note your response that you expect the UK Government to keep to its promises that levelling up funding will match or exceed EU funding for regeneration but that the current SPF runs 2022-2025 and there is a lack of clarity regarding what happens next. Members note that this a concern – funding may end up as one-off expenditure, with projects ceasing at the end of the funding.

Focus of funding

Members note the SPF objectives and possible interventions and were interested to receive headline details of the proposed projects that Cardiff is putting forward as well as the three regional propositions. Members note the focus is post-covid recovery, aligning to the Administration's strategic priorities, specifically looking at supporting the city centre, high streets, district and local centres, promoting the region, and building skills in the local population to boost employability.

Members note that the SPF expects there to be a focus on local needs and were pleased to hear your assurances that bids, including the regional propositions, will meet the needs of the diverse communities in Cardiff. This is much needed, as the recent work of the Race Equality Task Force emphasised.

Members sought clarification as to whether SPF can be used to build a sense of community on new estates and are delighted to note officers' views that this is possible and would fit with the SPF criteria; Members are aware this is much needed.

Flexibilities of SPF

Members note that a benefit of the SPF approach is that there is a degree of flexibility that is not always available with top-level regeneration funding. Whilst Members agree that this can bring benefits, Members were interested to understand the consequences were there to be underspends, for example in grant funded

projects; would this money be lost? Members note the response that there will be robust commissioning processes to ensure deliverability of projects.

Members were also interested to understand how the Council will ensure SPF projects do not duplicate existing work and note that there will be engagement with communities of interest to utilise local expertise to ensure this does not happen. Members recognise that, understandably, these are preliminary responses in an evolving area and expect that these issues will need to be revisited to ensure appropriate systems are in place to maximise and target spend appropriately.

Constraints on delivery

Members were interested to hear that there are concerns that it may prove difficult to spend the £7m hypothecated to the Adult Numeracy '*Multiply*' programme due to a shortage of appropriately qualified tutors. Members sought views on other constraints that are causing concern and note the following: recruitment of suitable individuals across the range of projects; and inflation costs.

Governance

Members note there will be a lead authority for the region that will develop the plan, receive and distribute funding, monitor the programme and undertake strategic engagement. Members note it is likely to be one of the local authorities that has staff experienced in undertaking this role with EU funding.

Members were interested to understand the governance model for SPF regionally and note that the aim is to ensure an enabling model of governance is developed to capitalise on the flexibility of the SPF model. Members were pleased to hear your recognition of the need for scrutiny to be an integral part of this model. Members note a report is being taken to July cabinet and we propose to undertake pre-decision scrutiny of this, for completeness, but recognise that more details will be available in October/ November, when it should be possible to scrutinise how individual schemes will be delivered and implemented – we shall bear this in mind when prioritising items for our work programme.

Once again, thank you to you and officers for attending our first scrutiny committee meeting of this Administration and for engaging constructively with Scrutiny Members. Members recognise that all are working to tight timescales, with a lack of

clarity on key areas of the SPF. We appreciate the work being undertaken in Cardiff and the region to ensure our local populations do not lose funding and that existing programmes funded by EU monies will be continued where needed and added to where possible with new schemes. We look forward to receiving more details on successful bids in the future.

This letter does not contain any requests or recommendations and so does not require a response.

Yours sincerely,

P Wang

COUNCILLOR PETER WONG
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE

cc Members of the Economy & Culture Scrutiny Committee
Group Leaders - Cllr Robson, Cllr Taylor
David Hugh Thomas – Chair, Governance & Audit Committee
Paul Orders Jon Day
Rhian Jones Cabinet Support Office
Chris Pyke Tim Gordon Jeremy Rhys