

ECONOMY & CULTURE SCRUTINY COMMITTEE

13 FEBRUARY 2018

Present: Councillor Howells (Chairperson)
Councillors Ebrahim, Gordon, Gavin Hill-John, Robson and Sattar

50 : APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Parkhill and Stubbs.

51 : DECLARATIONS OF INTEREST

There were no declarations of interest for this meeting.

52 : PRE-DECISION SCRUTINY: MULTI- PURPOSE INDOOR ARENA

The Committee received the report of the Director of Economic Development to Cabinet 15 February 2018 on the delivery of a new multi-purpose arena for pre-decision scrutiny. The Committee would consider the results of a site options appraisals, the rationale for the identified preferred location recommended to Cabinet, whether and what are the risks (if any) to the Council, the timeline for delivery of a detailed strategy for the indoor arena, including the financial implications and consideration of any recommendation to acquire land not currently in the Council's ownership. At the end of the meeting the committee would consider its observations and recommendations to Cabinet.

The Committee on [5 October 2017](#) undertook a policy development scrutiny of the ambition for Cardiff to have a multi-purpose Indoor Arena. The Committee had been supportive of the proposals, recognising the benefits that could accrue to the city region from increased footfall and enhanced infrastructure and recommended that Officers explore the range of funding options; provide details of potential sites and site assessment and prepare a business case that clearly details the economic assessment and the impact the arena would have on other venues in the city region

The Committee noted that Appendices 1, 3 and 4 contained exempt information and would be considered in closed session as part 2 of the meeting.

The Chairperson welcomed Cabinet Member - Investment and Development, Councillor Russell Goodway and Director of Economic Development, Neil Hanratty and received a presentation of the site options and appraisals for the delivery of a Super Hybrid Bowl, 15,000 capacity arena based on a 4.5 acres footprint site with additional 1.5 acres area. Seven sites had been identified by the Council and partners. Consultants ARUP and HOK, (assisted by CBRE Real estate specialists) were appointed to undertake the site appraisals. All sites had been assessed on five key criteria: -

City Strategy – considers the extent to which the location of the site supports the Council's ambition for the city; its connectivity with other important economic drivers and how it fits with the delivery of other important city infrastructure.

Scale – considers the available space to accommodate an arena and the residual land available to add value through ancillary development.

Location – considers accessibility, connectivity and context, and most importantly the potential for the arena to anchor a substantial leisure destination.

Technical – considers constraints and issues such as environmental impact; noise and inclusive access that could add costs to the design and delivery of project;

Deliverability – the need to consider the Council’s current level of control of the site and/or future potential to gain control of the site and any major impediments that may affect the delivery timescale of the project.

The Director identified the seven sites and provided a brief overview on the potential of each site to deliver an arena against the criteria.

- A. Cardiff Arms Park - 7.4 acres. Although a city centre location, the accessibility of the site is constrained in respect of development potential and land ownership, with limited potential meet the City Strategy and anchor a major leisure destination, with concerns regarding deliverability and timescales.
- B. Motorpoint Arena - 4.1 acres. A city centre location, the site is the smallest but benefits from a mature existing leisure setting. It has limited ancillary development potential compared to other sites and limited contribution towards the City Strategy and key infrastructure aspirations. To allow for redevelopment the site would have to close for approximately two years with the loss of an important economic asset that draws visitors to the city.
- C. Callaghan Square - 9.1 acres. Has significant access advantages to public transport. However the shape and scale of the site constrains it’s potential to accommodate a hybrid time arena and would have reduced ancillary development potential in terms of developing into a leisure destination. The site would require highway adjustments around Callaghan Square.
- D. Dumballs Road - 9.7 acres. The site meets most of the criteria and has waterfront access and is within walking distance of bus and rail links. The land has been identified as a policy priority for residential-led development which aims to support the Council’s Social Housing ambitions. The site would deliver some contribution towards the City Strategy, mainly in terms of encouraging development south of the railway line.
- E. County Hall - 12 acres. The site was considered both as a stand-alone site and a combined site with the Red Dragon Centre (Option G). The site has ample scale and some potential for ancillary development, and a limited potential to establish a vibrant leisure ‘destination’ in its own right. This proposal would require the relocation of current administrative offices; demolition of existing building and a new build which could take at least 3 - 4 years before any start on site could be made.
- F. Red Dragon Centre - 12.7 acres. The site is very similar in scale and location to the County Hall site. It is considered to have good existing connectivity, particularly by road. Good separation from residential properties and better connected to the existing leisure destination at Mermaid Quay. Deliver would include retaining elements of the current facility and the development of a multi storey car park. The site would strongly support the City Strategy. The land is in private ownership and currently operates as a good income generating going concern.

G. Atlantic Wharf (Combined E & F) - 30 acres – retaining the current County Hall and parts of the Red Dragon Centre would provide an integrated site accessible from eastern and western road links and support infrastructure to improve connectivity between the city centre and the bay. It would provide maximum opportunity to develop a new destination place in the Bay; has the greatest potential for ancillary development which will minimise the Council's contribution. As part of the site is in public ownership and potential interest from the current land owner this option has the greatest deliverability potential, and was recommended to Cabinet as the preferred location for the project.

The Chair invited questions, any clarifications and comments on the information received as Part 1 of this pre-decision scrutiny, and the following matters were discussed: -

- How each of the preferred sites measured against the key criteria. In particular Members considered the contribution each option would provide to the overall City Strategy and more importantly the wider infrastructure requirements and factors.
- The need for high quality, reliable and affordable public transport to attract additional visitors to Cardiff and to use sustainable transport when coming to the arena.
- Concerns were raised around effectiveness and capacity of current transport infrastructure around the city and into the city region.
- The Committee noted the Cabinet Members statement with regard to the importance of working with Welsh Government on the completion of the Eastern Bay link as part of ensuring good road connections and reducing congestion into the region and the impact of the removal of the Severn Bridge tolls.
- The disadvantage of the closure of the Motorpoint Arena site was discussed and that economic impact to the city of being without an indoor arena venue for approximately 2 years whilst the new arena was being built, and that whilst its redevelopment would refresh the site it would require a comprehensive rebuild to accommodate a 15,000-capacity arena on the site.
- The scope for ancillary development was viewed as an important criteria in minimising the Council's contribution by providing income sources to offset costs. It was noted that the preferred location of Atlantic Wharf had the greatest potential for ancillary development and would complement the ambition to stimulate the next phase of development of Cardiff Bay as a leisure destination.
- Overall at this stage the Committee supported the assumptions made in the Cabinet report on the preferred location and reaffirm its previous support for the benefits and increased offer that a 15,000-capacity super-hybrid bowl, multi-purpose indoor arena will bring to the city and the city region.
- The Committee recognised the need for the Cabinet to decide on a preferred location so that more detailed discussions and negotiations to take place, ensuring we expedite delivery of the arena and thus maximise the benefits to Cardiff and the city region.
- The Committee also recognised that for County Hall to be relocated there would need to be a sound business case linked to a rationalisation of estate which would require a detailed assessment on deliverability and timescales.
- The Committee indicated it would wish to undertake further pre-decision scrutiny of the delivery strategy for the indoor arena, including the detailed financial envelope and Business Case including the acquisition of land not currently in Council ownership; and plans to deliver sustainable transport links and infrastructure.

- The Committee welcomed that the preferred location of Atlantic Wharf would not, in itself, hamper the proposed development of the Museum of Military Medicine which was due to be established in Cardiff Bay.

The Chairperson thanked the Cabinet Member, and Director for their presentation and responding to questions. The way forward would be considered at the end of the meeting.

53 : EXCLUSION OF THE PUBLIC

RESOLVED – That the public be excluded from the meeting for consideration of Appendices 1, 3 and 4 of the report as they contained exempt information as detailed in paragraphs 14 and 21 of Schedule 12a of the Local Government Act 1972.

54 : PRE-DECISION SCRUTINY: MULTI- PURPOSE INDOOR ARENA EXEMPT INFORMATION

As Part 2 of this pre-decision scrutiny, the Chair invited the Cabinet Member - Investment and Development, Councillor Russell Goodway and Director of Economic Development, Neil Hanratty to report on deliverability and financial matters and particular constraints or issues relating to each of the site option appraisals. The Committee also considered financial privileged advice. Members were invited to seek any clarification on matters discussed before agreeing the way forward.

55 : WAY FORWARD

The Committee considered the way forward for this item in two parts considering all the information received and responses to queries raised during the meeting.

RESOLVED – That

1. the Chair on behalf of the Committee write to the Cabinet Member detailing its key observations and comments from this pre-decision scrutiny. The letter would be in two parts to include Members confidential comments on Appendices 1, 3 and 4 which contained exempt information, and these letters to be considered at Cabinet on 15 February 2018.
2. the Principal Scrutiny Officer in consultation with the Director of Economic Development schedule as part of the future work programme pre-scrutiny of the delivery strategy for the indoor arena, including the detailed financial implications and business case including any planned land acquisitions and sustainable infrastructure and transport plans.

56 : DATE OF NEXT MEETING

It was noted that the date of the next meeting was Thursday 8 March 2018.

The meeting terminated at 6.45 pm

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg