

**COUNCIL: 26 NOVEMBER 2020**

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## **INVESTMENT & DEVELOPMENT STATEMENT**

### **AGENDA ITEM:**

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#### **Indoor Arena Preferred Bidder**

An extraordinary meeting of Cabinet will be held on 26 November 2020 to appoint its preferred bidder to take forward the Indoor Arena project. I intend to announce the name of the successful bidder when presenting this statement to Council later that day.

I know that Councillors will welcome the 2,000 jobs that the project will create during the three-year construction phase as well as the 1,000 direct jobs and 600 indirect jobs that it will create during its operational phase. The Council will work with its preferred bidder to ensure that as many of these jobs as possible are offered to local people, particularly those living in some of the poorest parts of the city.

The project will have a major impact on the future regeneration of the Cardiff Bay area as the city's premier visitor destination. It will have a similar impact on Cardiff Bay as the St David's 2 development had on the city centre. It will act as a catalyst for the next-phase regeneration of Cardiff Bay, delivering new jobs and opportunities where they are most needed. It will also help with the case to improve public transport links to Cardiff Bay and will provide the impetus for a complete re-design of the area surrounding the Red Dragon Centre area. Councillors will welcome this incredibly exciting opportunity for Cardiff, especially as we look to emerge from the economic damage of the pandemic.

I acknowledge the legitimate concerns of those who question the affordability of the project at this time. However, Councillors will note that this is a private sector-led initiative, which the Council is supporting. This means that the private sector will provide the bulk of the funding required to take the project forward. The Council is prepared to commit some 15% of the total project cost, but it is already working to help the successful bidder to access funding at much lower cost through the use of the Council's powerful financial covenant. This could mean that the Council's contribution will be significantly lower than 15% of the project cost.

The Arena will be located in close proximity to many of Cardiff's most disadvantaged communities. I will work hard to ensure that communities benefit from the job opportunities that the project will create. The Council has already secured commitments that jobs and training will be available for local people throughout the construction of the arena and when it is open for business. There will be a key focus on helping the unemployed into work and engaging school leavers through new entrant, apprenticeship and graduate employment opportunities. The Administration believes that it is important that local residents benefit from this project.

To reach this point the Council has been working with the two largest arena operators/promoters in the world. Despite the effect Covid-19 has had on live music and entertainment, both are extremely confident of the long-term resilience of the sector. The sector continues to show confidence for the future with new arena developments continuing to be announced and tickets still being sold for future events.

The Council's strategy is to establish the Cardiff Arena as a top tier UK arena and to make it the premier arena in the southwest region of England and Wales. Both bidders have been keen to progress the proposals at pace which means the new arena is aiming to be open by 2024. Both bidders are confident of a full return to live entertainment well in advance of this date.

Councillors will also be reassured that Sound Diplomacy – the internationally renowned advisors on the music industry – believe the arena will become a fundamental component of Cardiff's 'Music City' strategy. They have indicated that it will have a positive impact at all levels of the live music ecosystem from the grassroots venues to our major spaces and it will support the development of a home-grown industry.

The arena will also have a strong focus on sustainability and will aim to become one of the greenest venues of its type in the UK. Initially it will benefit from low-carbon heat produced through the planned District Heat Network and further work will be undertaken to achieve the aim of a net carbon-zero development across the wider Atlantic Wharf regeneration area.

### **Business Support**

The Investment & Development team continues to work to secure as much support as possible for local businesses and to get it to them as quickly as possible. Councillors will be aware that on 28 October 2020 applications opened on the Council's website for the Welsh Government's support for businesses impacted by the firebreak and the previous local lockdown. The Council has subsequently processed grant payments for well over 1,000 local businesses. The Administration has worked closely with Welsh Government to identify additional funding for the Creative Freelance Fund, and on 23 November 2020 launched a third phase of funding with a significantly increased allocation for Cardiff freelancers. The Administration continues to seek access to funding for those businesses and self-employed individuals such as taxi drivers, who have not been able to access the existing Government Business Support Schemes.

Whilst I am mindful that we are still in distressing times for businesses, and there is always more that we can do to support, by working with the Welsh Government we have sought to provide a broader package of support for businesses of all sizes and types than is available elsewhere in the UK.

### **Llanrumney Development Plans**

Last month my Council statement referred to my intention to take to Cabinet in November a report to give effect to the next stage of the Administration's East Cardiff Strategy, which will deliver the largest investment in the physical and social infrastructure in the Llanrumney electoral division since the estate was built in the 1950s. I am pleased to report that Cabinet approval was granted at its meeting on 19 November 2020, giving authority to proceed with the disposal of Council-owned land

adjacent to the A48, the proceeds of which will be applied to construct a new road bridge across the River Rumney linking to the interchange on the A48. In addition, Cabinet approved to ring-fence the surplus proceeds from the disposal of sites for residential development to be invested in improved community recreation facilities for local people. These decisions signal the Administration's commitment to address the challenges faced by people living in East Cardiff through continued investment.

### **Heritage Buildings**

Councillors will acknowledge the Administration's commitment to protect and preserve the city's listed buildings through a range of creative measures designed to restore and refurbish buildings and to bring them back into beneficial use. I am acutely aware of the criticism that the Council often receives when individuals or groups identify what they consider heritage buildings but that do not enjoy listed status, such that it is difficult to justify a Council intervention.

Councillors will, therefore, welcome the Cabinet decision to acquire the buildings known as Cory's Building and Merchant Place located at the junction of Bute Street and James Street in Cardiff Bay. Councillors will be aware that these buildings have been unoccupied for some time and represent a blight, rather than the jewel, on the Bute Street landscape.

Subject to the successful exchange and completion of contracts, the Council will seek further investment that will help restore the building and bring them back into beneficial use. The buildings will form an important element of the wider Bay development, linking Atlantic Wharf with the older heritage quarter of the bay, as well as into neighbouring communities.

**Councillor Russell Goodway**  
**Cabinet Member for Investment & Development**  
**19 November 2020**