

ECONOMY & CULTURE SCRUTINY COMMITTEE

21 NOVEMBER 2023

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

44 : APOLOGIES FOR ABSENCE

Apologies had been received from Cllr Shimmin.

45 : DECLARATIONS OF INTEREST

None

46 : MINUTES

The minutes of the meeting held on 24 October 2023 were agreed as a correct record and signed by the Chairperson.

47 : CITY CENTRE MANAGEMENT

The Chairperson advised that this item enabled Members to receive an update on progress in implementing the Corporate Plan 2023-26 commitment to introduce new city centre management arrangements and, critically, to hear how these are assisting the economic well-being of Cardiff city centre.

For this item, the Chairperson welcomed Cllr Thomas – Leader; Jon Day – Operational Manager, Tourism and Investment; Richard Hyett – City Centre Manager and Carolyn Brownell – Interim Executive Director – FOR Cardiff.

The Leader was invited to make an opening statement after which Members were provided with a presentation from Officers.

The Chairperson invited questions and comments from Members.

Members noted that Wardens wear bodycams and asked questions around the use. Officers agreed that protocols governing their use will be shared with Members.

Officers advised that new wardens collaborate with police, other wardens, and security guards to prevent and respond to incidents, such as Anti-Social Behaviour and Shoplifting. Wardens also liaise with the Council's outreach team and work on bike seizures.

Members discussed Amplified Busking and Preaching. Officers explained that there is a voluntary agreement on busking and that further busking controls, including volume and a potential 9pm cut-off, are being explored.

A question was asked around Promoters being charged more for clean-up costs after events etc. Members were advised that Activation Sites funding may cover event

management and post-event cleanup and that the use of the proposed Tourism Levy for event costs may be considered in the future.

Members expressed concern about the absence of Equality Impact Assessments (EIAs) and emphasised the importance of completing and sharing EIAs with scrutiny committees, aligning with the agreed Motion to Full Council in March 2023.

Discussing the future of the city centre, Members were advised that Surveys and intelligence-gathering inform future work in the city centre and there was a recognition of the benefits of Shared Prosperity Funding, including a commitment to work with partners if funding ends post-2025.

Members asked about enforcement and were advised that exploration of issuing Fixed Penalty Notices is underway.

A Member noted that on a recent visit to Bath, Wardens were dressed as Christmas Elves and Christmas Angels, and considered this may be suggestion for Cardiff.

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.

48 : CITY CENTRE RECOVERY

The Chairperson advised that this item enabled Members to receive an update on progress in implementing the City Centre Recovery Action Plan.

For this item, the Chairperson welcomed Cllr Thomas – Leader; Jon Day – Operational Manager, Tourism and Investment; Richard Hyett – City Centre Manager; Carolyn Brownell – Interim Executive Director – FOR Cardiff and Andrew Gregory – Director, Planning, Transport and Environment.

The Leader was invited to make an opening statement after which Members were provided with a presentation from Officers.

The Chairperson invited questions and comments from Members.

Members asked for an update on the progress of transport projects that are underway. Members acknowledged that Welsh Government and Transport for Wales are responsible for the new bus interchange, and the Council is in communication with them on this matter.

With reference to Sophia Gardens and National Coaches, Members were advised that there is no decision yet on where coaches will start/terminate, as stakeholders await decisions on projects like the bus interchange and Central Station facilities.

Officers advised that there has been good progress made on other transport projects outlined in the City Centre Recovery Action Plan.

Members considered there was a need for improvements to the current coach park in Sophia Gardens to enhance protection from the elements and improve linkage with buses. They appreciated the acknowledgment of this and welcomed the commitment to exploring the feasibility of short-term improvements.

Members discussed the public realm and were advised that work is ongoing to enhance pavements around St John's Church and Golate. Members were advised that due to limited resources, the Council is unable to address all city centre paving in a single scheme. However, efforts are underway to schedule improvements where resources allow.

Members were further advised that the responsibility for the public realm adjacent to the St David's II centre lies with them, and officers have engaged with them concerning the need for paving improvements.

Members expressed concern about the Council's approach to the increasing use of tarmac instead of paving and requested additional information on how the Council is addressing this issue.

Members appreciated the commitment to reinstating the paving slab with a plaque, commemorating the work of installation artist Mr. Jean-Bernard Metais and Mr. Peter Finch, in front of the Alliance public art sculpture in front of the Central Library.

Members acknowledged and appreciated FOR Cardiff's efforts in enhancing access to events and spaces for all residents of Cardiff. Members also noted the challenges posed by current high inflation and interest rates, impacting both existing capital projects and future developments related to city centre recovery work.

Members expressed concern about the absence of Equality Impact Assessments (EIAs) and emphasised the importance of completing and sharing EIAs with scrutiny committees, aligning with the agreed Motion to Full Council in March 2023.

Discussing empty units, Members acknowledged that residential use is acceptable in the city centre when it aligns with the primary role of the city centre, contributes to economic viability, and does not undermine existing employment use.

Members were advised that there is an emphasis on the potential use of spaces by charities, community groups, or to provide quiet spaces in the city centre, especially for individuals with neurodiverse conditions. Members were pleased to learn about ongoing efforts with partners to facilitate meanwhile use and more permanent creative partnerships and other uses. Additionally, Members noted the existence of quiet spaces in the St David's II Centre.

Members were pleased to hear that FOR Cardiff has taken the lead in implementing the 'Ask Angela' scheme in city centre premises. Members asked for more information about the scheme and how it will be publicised.

Members expressed their appreciation for the efforts to aid city centre recovery and sought assurance that other areas of the city will not be neglected. They welcomed the response indicating specific plans to support district centres across Cardiff.

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.

49 : CITY DEAL/ WESTERN GATEWAY UPDATE

The Chairperson advised that this item enabled Members to receive an update on these important partnerships and discuss these with the Leader.

For this item, the Chairperson welcomed Cllr Thomas – Leader; Gareth Newell – Head of Partnerships and Performance and Jon Day – Operational Manager Tourism and Investment.

The Leader was invited to make an opening statement after which the Chairperson invited questions and comments from Members.

Discussing concerns over the Scrutiny of the Capital City Region City Deal, Members were pleased to hear the support for the need to establish appropriate scrutiny arrangements. This was seen as essential to ensure accountability of the City Deal and Corporate Joint Committee to Members. Members also acknowledged the response around the collective focus needed to ensure the right scrutiny arrangements are implemented.

Members acknowledged that trust and understanding among the ten local authorities in the Capital City Region City Deal have steadily grown over the 6 years of its operation and that there is an increasing recognition that investment in any part of the region benefits the whole region.

Discussing how the Western Gateway operates as a collective compared to the Corporate Joint Committee (CJC), Members noted that the Western Gateway is a voluntary partnership involving diverse bodies. This structure has facilitated greater challenge and thorough testing of ideas, resulting in successful leveraging of UK Government funding.

Members heard that the Western Gateway plans to establish an Expert Commission to further develop proposals for energy generation for consideration by the UK and Welsh Government for funding. Green Energy Wales has been engaged in the work on these proposals.

Members stressed the importance of stakeholder engagement, including youth consultation. Members were pleased to hear that this was recognised, and it is planned to take place as part of the Expert Commission's work at the appropriate time.

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.

50 : INDOOR ARENA FUNDING STRATEGY

The Chairperson advised that this item enabled Members to undertake pre-decision scrutiny of the report to Cabinet. Members had the opportunity to explore the proposed funding strategy, how it is composed, and how key risks are being mitigated. Members could also explore the reporting and monitoring systems that can be used to ensure the funding strategy is on track and that its impacts on the Council's wider financial strategies are being addressed.

Members were reminded that Appendices 1 and 2 are confidential and were asked not to refer to these until Committee goes into closed session.

For this item, the Chairperson welcomed Cllr Thomas – Leader; Cllr Weaver – Cabinet Member – Finance, Modernisation & Performance; Chris Lee – Corporate Director – Resources; Kyle Godfrey – Project Accountant and Chris Barnett – Operational Manager, Major Projects.

The Chairperson also welcomed Cllr Joel Williams, who was attending in his capacity as Chair of the Policy Review and Performance Scrutiny Committee, which has responsibility for scrutinising the Council’s Capital Strategy and Treasury Management Strategy. As the proposed Funding Strategy may impact these, Cllr Williams had been invited to attend to ask questions on these aspects.

The Leader and Cabinet Member were invited to make opening statements after which Members were provided with a presentation from Officers.

The Chairperson invited questions and comments from Members.

Members discussed various aspects of the proposed Funding Strategy for the Indoor Arena, including borrowing arrangements, use of reserves, and risks.

Members were advised that the funding strategy provides flexibility for the Council to choose the most suitable time for a long-term borrowing arrangement. This could happen within the proposed temporary borrowing timeframe or afterwards, depending on favourable interest rates.

Members noted that the Central Enterprise Zone reserves and Treasury Management reserves are being utilised within the strategy. These reserves are considered substantial, with a significant portion set aside to mitigate interest rate volatility.

Members were advised that Capital receipts will cover approximately 50% of the proposed £27.3M Council capital contribution. Members requested information on which capital receipts are earmarked for this purpose.

Discussing Risks and in particular Interest Rates Forecasting, Members were advised that external experts provided interest rate forecasts, and the strategy has flexibility to cope with unexpected shocks.

Members discussed the potential impacts of the Autumn Budget Statement. Officers advised that they consider the strategy is flexible enough to withstand changes arising from the Autumn Budget Statement.

A discussion took place around the Multi-Storey Car Park (MSCP). Members questioned the need for an MSCP, considering the Council’s commitment to reduce car use. Officers explained that the provision of a MSCP is a contractual commitment, and that income from the MSCP is included in the Outline Business Case, with mitigations for potential income risks.

Concerns were raised about Live Nation being a monopoly in the live music industry. Officers highlighted that any concerns in this area would fall under the Competitions and Market Authority, recognising Live Nation as a major player providing strong backing for the proposed arena.

A discussion took place around Equality Impact Assessment (EIA). Members noted the absence of an EIA in the report and requested that future reports to Cabinet should include an EIA, aligning with the Motion agreed at Council in March 2023.

Members expressed concerns about the number of confidential papers, limiting public engagement. A request was made for information on the process for determining which papers are confidential and how the decision to move scrutiny into confidential session is made.

Minority Views

Cllr Berman and Cllr Brown-Reckless expressed serious concerns about the affordability of the Indoor Arena and the impact of the £27.3M Council Capital Contribution on future funding for other services. They wished to have it noted that they did not support the proposed funding strategy.

Cllr Berman and Cllr Brown-Reckless raised concerns about the number of confidential papers and the frequency and extent to which this scrutiny meeting was taken into private session, limiting public engagement. They requested a review of the process to minimise the number of confidential papers and scrutiny in confidential sessions.

Cllr Brown-Reckless questioned the rationale given and referred to the concerns she had raised about this happening with previous ECSC scrutiny of the Arena in March 2023, and her concern that this was happening again, and read out from her email of 21st March 2023 to the Committee recording some of these concerns including that she did not think this was open or transparent government, and noted the words from the Slough Borough Council Best Value Commissioners about a major project entered into by that council "The Cabinet report ... which approved the purchase, detailed prospective economic benefits in the public paper but the financial implications were only reported in the confidential part of the agenda. Examination of these papers provides no support for the information contained to be exempt and the project was not properly costed ... there was no detailed estimate of the total project costs in the confidential papers ... There was no assessment of risk ... In other words, SBC agreed to purchase a site and embark on a project which would have committed the Council to a further £250m expenditure without any proper report of how it would be paid for. Had SBC committed to this project borrowing would have risen to over £1bn and there would be no way back to financial stability. Five months later, the newly appointed s.151 officer issued a s.114 notice starting the process which resulted in intervention".

RESOLVED – That the public be excluded from the meeting at this point during consideration of this item as the Committee discussed exempt information of the description contained in paragraphs 14 and 16 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972. The public may be excluded from the meeting by resolution of the Committee pursuant to Section 100A(4) of the Local Government Act 1972 during discussion of this item.

Cllr Brown-Reckless wished to have it noted that she objected to the meeting not going back into open session with the witness panel after the closed session, to ask further questions. Cllr Brown-Reckless expressed the view that she should not be prohibited from asking questions in public session (when those questions themselves did not include confidential information) even if a decision was taken by others to answer those questions in private session, so that there could at least be a public record of the questions being asked. Cllr Brown-Reckless considered enabling scrutiny particularly important on the Arena project which involved such high value amounts. She also wanted it noted that she felt she had been denied enough time to

ask questions and that she had requested to speak (remotely) but had not been allowed back into the meeting.

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.

51 : WORK PROGRAMME - UPDATE

The Principal Scrutiny Officer took Members through the work programme and outlined the changes made since it had been issued, Members asked questions and indicated that they would like to visit the Cardiff Riding School, , the Bute Park Nursery and the Roath Park Conservatory. Members advised it would be sensible to delay scrutiny of the National Park City, as they were aware work on this was currently paused. Members highlighted they wished to scrutinise the Roath Park Dam proposals when these were available for scrutiny. Members agreed with the suggestion to move the planned Short Scrutiny of Employment Services to later in the year, March/ April, to free up time for pre-decision scrutinies that had slipped from earlier in the year.

With these changes, Members were content to agree the work programme and agree for the Forward Work Programme January- April 2024 to be published on the Council's website.

52 : CORRESPONDENCE

Noted.

53 : URGENT ITEMS (IF ANY)

None.

54 : DATE OF NEXT MEETING

12 December 2023 at 4.30pm.

The meeting terminated at 9.45 pm

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