

Swansea Council report big underspend on capital projects

The leader of Swansea Council said plans to regenerate the city would remain ambitious despite a £36m underspend on projects last year.

The council expected to plough through £157m on capital schemes in 2022-23, such as the new office building at the former Oceana nightclub site on The Kingsway and the overhaul of the Palace Theatre, High Street. The capital programme also includes school and council housing upgrades.

The actual expenditure was £121m, due to various challenges such as the complexity of some of the projects and procurement delays. Unspent capital money is carried over into the current financial year.

Labour leader, Robert Stewart, told a cabinet meeting that there had been some project “slippage”, but that the programme was still one of the largest in Wales. “I think it’s absolutely right that we continue with that ambition, even if we undershoot a little bit in what we deliver,” he said.

A report before cabinet listed around 50 projects with expenditure of more than £500,000 last year, including:

- New council houses: £10.9m.
- The Kingsway office building: £10.1m.
- Active travel (cycling and walking) routes: £6.2m.
- Road and pavement resurfacing: £4.2m.
- Palace Theatre refurbishment: £3.6m.
- Bishopston Comprehensive School upgrade: £3.6m.
- Copperworks Powerhouse renovation: £3m.
- Acquisition of Debenhams store: £2.7m.

- New Mumbles seawall: £1.5m

The report also had a list of projects which had underspends of more than £500,000. These included a new all-weather sports pitch at Olchfa School, Sketty, due to a later than expected sale of land.

Active travel spending was also less than planned because of issues relating to an approved new route across Fairwood Common, linking Bishopston with Mayals.

And £7.2m less than planned was paid to the contractor behind the £135m city centre Copr Bay development scheme because of unfinished work and snagging issues. The contractor, Buckingham Group, stopped trading in August and has since gone into administration. Council chiefs in Swansea have said they have protected the authority's financial position and that they did not anticipate the company's situation leading to extra costs.

Funding for capital schemes comes from central government grants and borrowing by the council, among other things.

Mr Stewart said: "It's very clear that what we are delivering is what we promised the people of Swansea."

The Labour administration had hoped to secure a new tenant at the vacant Debenhams store by autumn last year but it remains empty. The council went on to acquire the Quadrant Shopping Centre building with Welsh Government funding.

Asked what the latest position was regarding the former Debenhams store, a council spokesman said: "We very much recognise the importance of the former Debenhams unit to the city centre, which is why we purchased the building earlier this year.

"Active discussions aimed at bringing the building back into retail use and securing new tenants are progressing, and we

hope to be able to make further announcements in due course.