

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

28th SEPTEMBER 2017

TAFF VALE REDEVELOPMENT

REPORT OF THE DIRECTOR OF REGENERATION AND PLANNING IN DISCUSSION WITH THE CABINET MEMBER FOR ENTERPRISE DEVELOPMENT AND HOUSING, COUNCILLOR R BEVAN

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1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide an update on the considerable progress that continues to be made with the redevelopment of the former Taff Vale precinct site.

2. RECOMMENDATIONS

It is recommended that:

- 2.1 Progress to date is noted and the next stages of the redevelopment are endorsed.

3. REASON FOR RECOMMENDATION

- 3.1 The Taff Vale redevelopment project has continued to make significant progress, with a number of further milestones achieved since Cabinet last considered the scheme in March 2017.

4. BACKGROUND

- 4.1 From the mid 1960's a commercial development containing offices, shops and car park occupied the site of the former Taff Vale precinct site. In 2009, planning permission was secured for redevelopment of the site with 70,000sq ft of commercial use. However following demolition of the office block and retail units, development halted in 2012 when the developer went into receivership.

- 4.2 Development of the site was subsequently held up by complex tenure arrangements and notwithstanding the Council actively engaging with prospective investors, all failed to make meaningful progress. The site subsequently remained untouched and served as a major detractor at the northern gateway to the town, and a disincentive to significant future investment in Pontypridd.

5. PROGRESS TO DATE

- 5.1 In March 2015, with the support of Welsh Government funding from the Vibrant and Viable Places Regeneration Framework (VVP), the Council acquired the Receiver's long leasehold interest. This was a major step in removing a significant barrier to the future development of the site. The total project cost is currently being developed to include fit out costs, fees and to allow for risks and contingencies common with all large capital projects.
- 5.2 Funding of £1.5 million was approved by Council in October 2015 to progress the successful development of the site with a further £2 million approved by Council in November 2016.
- 5.3 The importance of securing the right development is paramount and following advice received from specialist commercial advisors, Cabinet authorised the submission of an outline planning application, with all matters reserved, for an office led development in July 2016. The planning application was approved by the Council's Development Control Committee on 20th October.
- 5.4 Cabinet agreed for the procurement of external support for the next stages of surveys, design, project and cost management to be undertaken in November 2016 in line with the requirements of the National Procurement Service Framework.
- 5.5 Rhomco Consulting were subsequently appointed as Project/Cost Managers, Darnton B3 were appointed to lead the Multi Disciplinary Design Team (MDDT) and Walters UK Limited appointed to undertake the demolition of the remaining site structure.
- 5.6 Demolition was successfully undertaken between the period January to March 2017 with minimal disruption to the town centre and in accordance with the original programme dates.
- 5.7 A two day public exhibition hosted by the Council was undertaken in March 2017, providing an opportunity for local residents and businesses to view the latest plans and meet the project team.

- 5.8 The redevelopment plans were also presented to the Design Commission for Wales Review Panel in September 2016 and again in March 2017. The Panel fully supported the Council's approach, noting that "this is a positive and confident approach to an important scheme for the town centre, and its ambition is welcomed by the Commission".
- 5.9 In March 2017, Cabinet endorsed the next stages of the programmes development commencing with early contractor engagement. An Invitation to Tender was issued in accordance with the SEWSCAP framework to appoint a Main Contractor to work alongside the MDDT to build up the proposal from RIBA Stage 3 (Developed Design) up to and including RIBA Stage 4 (Technical Design) with the Main Building Contract being awarded at second stage.
- 5.10 Tenders were received from 4 contractors and following the evaluation and interview process, Willmott Dixon was appointed to work with the project team in June 2017. Since appointment, the project has continued to progress well with RIBA Stage 3 finalised and Stage 4 underway.
- 5.11 In March 2017, Welsh Government announced that the new headquarters for Transport for Wales, the next rail franchise and the Metro Operator would be at the redeveloped Taff Vale site. Since then a number of meetings have been held with representatives of Welsh Government and Transport for Wales to develop Heads of Terms.
- 5.12 Since outline consent was granted in October 2016, the proposed floor area of the redevelopment exceeds the upper limit of 12,675sq.m anticipated at that time. Therefore, in May 2017, a pre-application consultation process was undertaken in advance of the submission of a full planning application which was subsequently submitted on 17th July.
- 5.13 The planning application seeks approval for the creation of 14,693sq.m of new floorspace across 3 landmark buildings, comprising of:
- 8,488sq.m of office accommodation;
 - 1,064sq.m of new/relocated library and customer contact/access point;
 - 1,038sq.m of new leisure/fitness and gym facilities;
 - 568sq.m of new food/drink establishments; and
 - 3,535sq.m of other (basement/circulation/plant/servicing etc).
- 5.14 The opportunity to include a new footbridge from the Taff Vale redevelopment over the River Taff to Ynyshangharad War Memorial Park to encourage pedestrian movement around the whole town centre is being explored. Concept designs are currently being prepared and a series of surveys and ground investigation works have been

undertaken. This does not currently form part of the Taff Vale redevelopment and will be subject to a separate report.

- 5.15 A detailed cost plan for the Taff Vale redevelopment has been produced by Rhomco Consulting and Willmott Dixon with a projected construction value of circa £36.8 million. The total project cost is currently being developed to include the previous costs incurred, fit out costs, fees and to allow for risks and contingencies common with all large capital projects. The individual work packages will then be subject to market testing to finalise the total cost and to produce a total budget requirement for the scheme.
- 5.16 The funding package for the project is being developed and to date a contribution of £300k has been received from Welsh Government Museums and Libraries Division and £10million applied for from the Welsh Government EU funded initiative called “Building for the Future”.
- 5.17 The planning application was considered by the Planning and Development Committee at its meeting on 7th September 2017 and full planning permission was granted.

6. NEXT STEPS

- 6.1 The proposed funding package will be finalised and a report presented to Council in late Autumn 2017. All opportunities to secure additional sources of external funding will continue to be explored.
- 6.2 The target date to reach financial close and agree a fixed construction price with Willmott Dixon is December 2017. This will enable the Council to enter into a JCT Design and Build Contract with Willmott Dixon with effect from January 2018.
- 6.3 With the start of construction proposed for January 2018, the projected completion date is July 2019.
- 6.4 Regular meetings have been scheduled with representatives of Welsh Government and Transport for Wales to secure, as a minimum, the occupation of the largest office building. Discussions with other significant potential occupiers will also continue to ensure full occupation of the two office buildings.

7. EQUALITY AND DIVERSITY IMPLICATIONS

- 7.1 An Equality Impact Assessment screening form has been prepared for the purpose of this report. It has been found that a full report is not

required at this time. The screening form can be accessed by contacting the author of the report or the Cabinet Business Officer.

8. CONSULTATION

- 8.1 Consultation about the potential uses of the site was undertaken in January 2016 and a public exhibition held in March 2017. Further consultation has also been undertaken in accordance with the pre-application consultation process during May/June 2017 and as part of the Statutory Planning process in 2016 and 2017.

9. FINANCIAL IMPLICATIONS

- 9.1 The projected construction value is circa £36.8 million and the proposed funding package comprises a combination of Council resources, external funding, capital receipts and prudential borrowing. When the total project cost and budget requirement is finalised, a report will be presented to Cabinet outlining the business case for prudential borrowing and a subsequent report to Council to seek approval for the borrowing before financial close and construction contracts are finalised.

10. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 10.1 The site is wholly controlled by the Council in terms of freehold and leasehold. The detailed legal issues which arise in the delivery of capital projects will be considered and progressed in accordance with relevant legislation, within the usual project management arrangements.

11. LINKS TO THE COUNCILS CORPORATE PLAN/OTHER CORPORATE PRIORITIES

- 11.1 The development opportunities outlined in this report will make a positive contribution towards the Corporate Priorities “Economy – Building a Stronger Economy” and “A Prosperous Wales”.

12. CONCLUSION

- 12.1 The Taff Vale redevelopment will result in transformational change for Pontypridd and its pivotal position in the Cardiff City Region. It will create a vibrant new quarter at the northern gateway to the town providing more than 14,000sq.m of new modern floorspace in three landmark buildings.

- 12.2 The redevelopment will result in significant outcomes including over 1,000 jobs in the town, increased footfall and spend in the town centre and improved modern public services. It will act as a catalyst for further investment and will further boost confidence in the town's future growth.
- 12.3 Significant progress has been made since the development was last considered by Cabinet in March 2017. It is important that this momentum is maintained to ensure successful delivery of this ambitious scheme in line with the proposed programme dates.

Other Information:-

Relevant Scrutiny Committee –

Public Service Delivery, Communities & Prosperity

Background Papers – None

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