



CABINET - 19TH APRIL 2023

SUBJECT: MULTI-FUNCTIONAL CADET AND SPORTS PAVILION AT MORGAN JONES PARK AND PARC PENALLTA VISITOR CENTRE

REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT

1. PURPOSE OF REPORT

- 1.1 To update Cabinet regarding the inability to progress previously approved proposals to build a multi-functional cadet / sports pavilion at Morgan Jones Park and a Visitor Centre at Parc Penallta and to seek Cabinet approval to implement alternative schemes at both locations and to release previously approved capital contributions back to the Authority's capital reserves.

2. SUMMARY

- 2.1 On 22nd July 2022 Cabinet agreed a financial contribution of £258,000 (including VAT) towards a joint project with the Ministry of Defence (MOD) to construct a multi-functional cadet and sports pavilion at Morgan Jones Park, Caerphilly. At its meeting of 9th March 2022 Cabinet approved the acceptance of a Substitution Grant of £903,000 from Welsh Government towards the funding of a multipurpose visitor centre at Parc Penallta and also agreed to allocate £1,268,000 of capital funding.
- 2.2 The costs of both projects have increased significantly such that the previously allocated funding is no longer sufficient and it is not possible for either project to progress as envisaged. The MOD are now pursuing the alternative option of developing a new facility (on the existing site) to replace the current cadet building within the curtilage of Morgan Jones Park. This would accommodate the RAF Air and Army Cadets, but not the Bowls Club, who would continue to use the existing bowls pavilion.
- 2.3 A new private tourism and educational facility is nearing completion on land on the A472 Caerphilly Road, Nelson with stepped access down to National Cycle Route (47) which runs through Parc Penallta. It is proposed that the Council allocates £321,000 to refurbish the existing steps to improve pedestrian and

cyclist access between the new facility and Parc Penallta.

3. RECOMMENDATIONS

- 3.1 That Cabinet note the updated situation regarding projects to build a multi-functional cadet / sports pavilion at Morgan Jones Park and a Visitor Centre at Parc Penallta and that previously approved funding will not now be drawn down from Corporate Capital budgets.
- 3.2 That Cabinet endorse the proposed use of land at Morgan Jones Park for a replacement RAF Air Cadets and Army Cadets facility which would be subject to the necessary approvals including, if required, consideration of any planning application by Planning Committee.
- 3.3 That Cabinet approve the virement of £5,600 plus VAT from the Corporate Capital Reserve to purchase and install a storage container for Morgan Jones Park Bowls Club
- 3.4 That Cabinet approve the virement of £321,000 from the Corporate Projects capital budget for the refurbishment of the steps down to National Cycle Route (47) from the new tourism and educational facility at Colliers Farm Park.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To update Cabinet regarding both projects and to enable alternative schemes at both locations to be implemented allowing previously approved capital contributions to be released back to the Authority's capital reserves.

5. THE REPORT

- 5.1 During 2022 Cabinet approved capital funding to support the development of 2 new buildings: a multi-functional cadet and sports pavilion at Morgan Jones Park, and a visitor centre at Parc Penallta. Construction costs in the United Kingdom have increased due to a variety of factors, including rising energy costs, increasing prices for building materials, supply chain disruptions, and a shortage of skilled workers driving up wages. Construction cost estimates for both projects have increased considerably since funding was allocated such that it is no longer possible for either to proceed as envisaged.

5.2 Multi-functional cadet and sports pavilion at Morgan Jones Park

On 22nd July 2022 Cabinet agreed a financial contribution of £258k (including VAT) towards a joint project with the Ministry of Defence (MOD) to construct a multi-functional cadet and sports pavilion at Morgan Jones Park, Caerphilly. The project involved the construction of new building at Morgan Jones Park to replace an existing bowls pavilion and a building used by the RAF Air Cadets in the Park. It was intended that the new building would accommodate the

Bowls Club and the RAF Air Cadets as well as the Army Cadets who currently use a building adjacent to the community centre in Penyrheol, which is not in Council ownership.

- 5.3 Since the allocation of funding by Cabinet the MOD have reviewed and revised their estimates for the proposed building. The MOD have now approached the Council with revised project costs of £1.7 million and requested an increased contribution of £680k (including VAT); a 164% increase.
- 5.4 In view of the significant shortfall in available funding the project can no longer proceed. The MOD are now exploring the option of a new building to replace the existing cadet building in Morgan Jones Park that would accommodate the RAF Air and Army Cadets, but not the Bowls Club who would continue to use the existing bowls pavilion. Any new building would be subject to the necessary approvals including, if required, consideration of any planning application by Planning Committee.
- 5.5 The Bowls Club has insufficient storage space as a result of the number of teams using the pavilion and the proposed joint use building would have addressed these issues. It is therefore proposed to allocate £5,600 plus VAT from the Corporate Capital Reserve to purchase and install a storage container for the Bowls Club.
- 5.6 The Morgan Jones Park Bowls Pavilion is a timber framed/timber clad single storey building under a pitched artificial slate roof. The roof and windows were renewed in 2021 at a cost of approximately £30,000. The timber cladding is generally in a poor condition and it is proposed that this is replaced during the course of 2023. The timber frame would be thoroughly inspected during cladding renewal and any necessary replacement of timbers also undertaken. The estimated cost of these works is £35,000 which can be funded from the Property Services capital budget.

5.7 **Parc Penallta Visitor Centre**

In 2019-20 Caerphilly CBC secured £900,000 of funding from Welsh Government under the Valleys Regional Park Discovery Gateway Capital Grant to develop and construct a new visitor centre at Parc Penallta, Ystrad Mynach. With a further contribution from Welsh Government of £100,000 awarded in the 2020-21 financial to assist with increasing costs bringing the total grant award up to £1 million. It was originally envisaged that the estimated total project cost of £1.2 million would be met with the inclusion of some other grant funding as well a contribution from the Countryside capital budget. In a tender exercise completed in October 2021 responses received were significantly over the available budget with £2,426,921 the lowest price submitted.

- 5.8 A value engineering exercise was undertaken to drive down significant cost savings on the submitted tender prices resulting in a revised total project cost including highways improvements of £2,137,000. At its meeting of 9th March 2022 Cabinet approved the acceptance of a Substitution Grant of £903,000 from Welsh Government towards the funding of a multipurpose visitor centre at

Parc Penallta. Cabinet also agreed to set aside £1,268,000 from the Corporate Projects capital budget in order to ensure delivery of the project.

- 5.9 In a second tender exercise completed in August 2022 two returns were received with the lowest being £2,892,732. An increase in the estimated cost of highway works resulted in a revised project cost of £3,416,269. As this results in a revised funding shortfall of £883,000 the project can no longer move forward.
- 5.10 A private development is nearing completion on land on the A472 Caerphilly Road, Nelson. Colliers Farm Park is a new tourism and educational facility which includes an indoor and outdoor pet farm area, indoor and outdoor play areas, a café, and classrooms. The external play area and external routes have sweeping curves and geometry to allow for access to all and especially people with disabilities and parents/guardians pushing buggies. A dedicated cycle storage area is being provided that would take advantage of the opportunity to encourage sustainable access by cycles along the National Cycle Route (47).
- 5.11 The new tourism and educational facility also has pedestrian access over the railway line and down to National Cycle Route (47) which runs through Parc Penallta. The existing steps down to the National Cycle Route are in need of refurbishment. In response to the proposal to refurbish the steps local Ward Members asked that the steps be made Disability Discrimination Act (DDA) compliant. Survey works have been undertaken and a proposed scheme developed which would provide a straight grade (1:9 with no landings). The scheme also allows for the width of the proposed ramp to be increased to accommodate hand railing of both sides. The cost of this proposed scheme is estimated at £321,000. A fully DDA compliant scheme is not achievable without significant additional design input, land take, and construction costs. It is proposed that £321,000 is vired from the Corporate Projects capital budget to implement the scheme to improve access for both pedestrians and cyclists between the new facility and Parc Penallta.

6. CONCLUSION

- 6.1 In allocating significant funding the Council demonstrated its desire to see both projects delivered. Construction costs in the United Kingdom have increased due to a variety of factors such that the schemes cannot proceed as originally envisaged. The proposals contained within this report offer an alternative way forward to deliver improvements at Morgan Jones Park Bowls Pavilion, for the RAF and Army Cadets, and access improvements at Parc Penallta and reflect the most judicious approach in the circumstances.

7. ASSUMPTIONS

- 7.1 It is assumed that £321,000 will meet the cost of refurbishing the steps down to National Cycle Route (47) from the new tourism and educational facility at Colliers Farm Park.

8. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 8.1 A further Integrated Impact Assessment (IIA) has not been undertaken in relation to these projects as they are no longer proceeding.

9. FINANCIAL IMPLICATIONS

- 9.1 Cabinet agreed a financial contribution of £258,000 (including VAT) from the Corporate Capital Reserve towards a joint project with the Ministry of Defence (MOD) to construct a multi-functional cadet hut and sports pavilion at Morgan Jones Park, Caerphilly. The £258,000 will not be drawn down from the Corporate Capital Reserve.
- 9.2 The cost of the proposed replacement of the timber cladding at the Morgan Jones Park Bowls Pavilion is £35,000 which can be funded from the Property Services capital budget. It is proposed that £5,600 plus VAT is vired from the Corporate Capital Reserve to purchase and install a storage container for the Bowls Club.
- 9.3 Cabinet approved the acceptance of a Substitution Grant of £903,000 from Welsh Government towards the funding of a multipurpose visitor centre at Parc Penallta. Cabinet also agreed to set aside £1,268,000 from the Corporate Projects capital budget in order to ensure delivery of the project. The Substitution Grant has been returned to Welsh Government and the £1,268,000 allocation will not be drawn down from the Corporate Projects capital budget.
- 9.4 It is proposed that £321,000 is vired from the Corporate Projects capital budget for the refurbishment of the existing steps down to National Cycle Route (47) from the new tourism and educational facility at Colliers Farm Park.

10. PERSONNEL IMPLICATIONS

- 10.1 There are no direct personnel implications arising from this report.

11. CONSULTATIONS

- 11.1 The views of the listed consultees have been incorporated into this report.

12. STATUTORY POWER

- 12.1 The Local Government Act 1972.

Author: Rob Hartshorn, Head of Public Protection, Community and Leisure Services

Consultees:

Cllr Chris Morgan, Cabinet Member for Waste, Leisure and Green Spaces
Councillor D.T Davies, Chair of Environment and Sustainability Scrutiny Committee
Councillor Adrian Hussey, Vice Chair of Environment and Sustainability Scrutiny Committee
Cllr Sean Morgan, Nelson Ward Member and Leader of the Council
Cllr Brenda Miles, Nelson Ward Member
Cllr Anne Broughton-Pettit – Morgan Jones Ward Member
Cllr Shayne Cook – Morgan Jones Ward Member
Cllr James Pritchard - Morgan Jones Ward Member
Cllr Greg Ead, Penyrheol Ward Member
Cllr Jon Scriven, Penyrheol Ward Member
Cllr Steve Skivens, Penyrheol Ward Member
Cllr Lindsay Whittle, Penyrheol Ward Member
Christina Harray, Chief Executive
Mark S Williams, Corporate Director Economy and Environment
Marcus Lloyd, Head of Infrastructure
Steve Harris, Head of Financial Services and Section 151 Officer
Lynne Donovan, Head of People Services
Rob Tranter, Head of Legal Services and Monitoring Officer
Michael Headington, Green Spaces and Transport Services Manager
Philip Griffiths – Green Space Strategy and Cemeteries Manager
Jonathan Davies, Parks Operations Manager
Dewi Thomas, Countryside Planning Assistant
David Roberts, Finance Manager
Alun Ford, Facilities Manager, Corporate Property
Ben Winstanley, Head of Land and Property Services
Chris Adams, Highway Engineering Group Manager

Background Papers:

Cabinet Report 9th March 2022: Development of a multipurpose visitor centre at Parc

Cabinet Report 27th July 2022: Proposed construction of a multi-functional cadet facility and sports pavilion at Morgan Jones Park, Caerphilly.