

Meeting of:	CABINET
Date of Meeting:	21 NOVEMBER 2023
Report Title:	PORTHCAWL GRAND PAVILION PROJECT PROCUREMENT UPDATE
Report Owner / Corporate Director:	CORPORATE DIRECTOR COMMUNITIES
Responsible Officer:	DELYTH WEBB GROUP MANAGER STRATEGIC REGENERATION
Policy Framework and Procedure Rules:	All works referenced within the report will be procured in line with the authority's CPRs
Executive Summary:	The purpose of the report is to seek agreement from Cabinet to progress with the procurement process for the main construction works for the Porthcawl Grand Pavilion project.

1. Purpose of Report

- 1.1 The purpose of the report is to seek agreement from Cabinet to progress the tender for construction works for the Grand Pavilion Porthcawl following the completion of the design and planning process. The report also provides a brief update on the design and associated works for this project relevant to progressing the tender process and project delivery.

2. Background

- 2.1 In January 2023, the Council were informed that a bid to the UK Government's Levelling Up Fund (LUF) for the Bridgend Constituency was successful and that the Council would be awarded £17,998,316 towards the redevelopment of the Grand Pavilion Porthcawl.
- 2.2 It was not until May 2023 when the Council was in receipt of the official Memorandum of Understanding (MoU) that the terms and conditions of the grant award from UKG were known.

- 2.3 The approved bid for the redevelopment of the Grade II Listed Grand Pavilion in Porthcawl is to address the existing issues of risk to the building fabric whilst also meeting the needs and aspirations of local people for extended and improve arts, heritage and library services.
- 2.4 The new facilities proposed within the funding bid include:
- New function spaces at first floor (Esplanade) level;
 - New rooftop function & cafe spaces offering elevated sea-views;
 - New Studio theatre and ancillary facilities;
 - Improved first floor auditorium;
 - Improved lower ground floor multi-use area;
 - Increased and improved welfare facilities including new changing places facility;
 - Business incubation or workshop spaces to street level;
 - New office facilities.
- 2.5 It is worth noting that there have been multiple delays to progressing the project, which include delays in the initial decision making process by UK Government from October 2022 until January 2023, and subsequently in the receipt of monitoring guidance from UK Government until May 2023. It is also the case that the required documentation for submission changed between rounds one and two, in addition to a change in the statutory regime on subsidy control. All of these have meant that it has been very difficult to progress project work as it would have been at risk to the Council.
- 2.6 Current terms of the grant award set out that the project will be completed by Spring of 2025. However several conversations have now taken place with the LUF Monitoring team where the project team have raised concerns with this date and informal agreement has now been given by the LUF team to reprofile the delivery and finance up to March 2026. It is now imperative that the project progresses at pace, that the detailed design stage is completed, planning permission approved, and that the procurement of a professional services team and main contractor is in place to enable works on the building itself to commence in the Spring of 2024.

3. Current situation / proposal

- 3.1 A report was taken to Cabinet in October 2023 to set out next steps in the project and seek agreement to procure and complete the necessary detailed design work which will inform the tender process for the main construction work for the project.
- 3.2 Since the October report was approved a cost consultant has been appointed by the authority to work alongside the design team and support the drafting of the tender documentation and process.
- 3.3 RIBA Stage 4 detailed design work is well underway, and the project is working towards a design freeze in early December to evaluate and review the design,

programme and costs associated with progressing to tender, and how progress to date impacts the remainder of the design programme.

- 3.4 An external project manager has been appointed to oversee the RIBA stage 4 design, with design team meetings taking place every week in order to inform the tender process.
- 3.5 The project board oversees the project progress and will agree the procurement process, however a procurement sub-group which includes programme board members and procurement officers, has been set up to consider the most appropriate procurement route in accordance with the authority's Contract Procedure Rules. The sub-group is taking advice from both internal and external legal advisors in addition to the authority's procurement manager and officers from the project team.
- 3.6 As with any major capital project, the tender process will have to be completed in order to confirm information on cost and programme, and to inform the decision by Cabinet to award a contract. A future cabinet report would present the conclusion of the tender process and would set out the financial and contractual implications to the authority of awarding a contract for the construction works for the Grand Pavilion.
- 3.7 In order to progress the project in line with the timescales set out by the LUF programme and in order to inform the contract process this report to seeks approval to progress the tender process for construction works.

4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. This project will only enhance opportunities to support inclusion and protection and therefore it is not necessary to carry out a full EIA on this policy or proposal.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

- 5.1 The Well-being of Future Generations (Wales) Act 2015 Assessment based on the 5 ways of working has been considered:
 - Long Term - Investment in, and redevelopment of, major infrastructure is critical to developing confidence in and growing the economy, ensuring local investment while providing the ability to operate across the region and beyond. Investment in some of our major assets is also essential to secure their long term sustainability and contribution to the reduction in carbon emissions of our infrastructure and assets.
 - Prevention - Investment in assets now will prevent further decline in the integrity of our structures. It will also prevent a decline in local environment and the quality of cultural and business facilities within our communities.

- Integration - This project will ensure that local cultural facilities will be provided and integrated into the local community. The public will be able to make better use of existing facilities and will be provided with greater social opportunity, employment and pride in their community.
- Collaboration - The success of the project will be founded on cross sector working and collaborative effort with our delivery partners, stakeholders and professional advisors to use creative and cultural activity to improve population well-being.
- Involvement - The success of this project will rest of the effective engagement with key public and operational stakeholders. This will be through formal channels such as the planning process and on-going public and stakeholder conversations during design and delivery.

5.2 There are no significant or unacceptable impacts upon the achievement of the Council's well-being goals/objectives.

6. Climate Change Implications

6.1 Taking action to support decarbonisation is critically important in order to protect and sustain the environment over the long term. The proposed development at the Grand Pavilion Porthcawl will consider all available options within its design and delivery to meet a reduction in carbon emissions aligned with the Council's wider decarbonisation commitment. This is a Grade II listed building, with significant value in its original design and construction. However significant emphasis will be placed on mitigating and reducing the carbon emissions of our heritage infrastructure and assets.

7. Safeguarding and Corporate Parent Implications

7.1 Due regard has been paid to the BCBC Safeguarding Policy which seeks to safeguard and promote the wellbeing of children, young people and adults at risk of abuse or neglect and to ensure that effective practices are in place throughout the Council and its commissioned services. Given the subject matter of this report no negative safeguarding implications have been identified.

8. Financial Implications

8.1 The financial position relating to the project has not changed since the submission of the LUF project application.

8.2 The LUF application encouraged a minimum 10% match funding requirement for each project. This was set out in a report to Council in July 2022. At the meeting Council approved a £1,999,800 contribution from Bridgend Council towards the scheme.

8.3 The anticipated overall project costs are as follows:

<i>Porthcawl Grand Pavilion redevelopment</i>	
Levelling up Fund	£17,998,316
Match funding requirement	£1,999,800
Total Project Cost	£19,998,116

8.4 By progressing with the tender process for this project, consideration of the financial implications, project cost and programme can be assessed and considered in due course by officers, Cabinet and, if necessary, Council.

9. Recommendations

9.1 It is recommended that Cabinet: -

- Note that progress has been made in connection with the design of the project.
- Delegate authority to the Director of Communities, in consultation with the Chief Officer - Legal & Regulatory Services, HR & Corporate Policy and Chief Officer – Finance, Performance and Change, to progress the invitation to tender for the construction works following the completion of the design process.
- Note that a future report to both Cabinet and Council will come forward in due course to set out the financial implications of the project, prior to entering into a construction contract for the Grand Pavilion project.

Background documents:

None