

Report To: **Cabinet**

Date of Meeting: **March 20th 2018**

Lead Member / Officer: **Cllr Hugh Evans
Jamie Groves**

Report Author: **Russell Vaughan**

Title: **Rhyl Underground Car Park Refurbishment**

1. What is the report about?

This report has been prepared on the proposals for the refurbishment of the Rhyl underground car park.

2. What is the reason for making this report?

A decision is required by Cabinet to approve the recommendation of the Strategic Investment Group to proceed with the refurbishment of the Rhyl underground car park and funding.

3. What are the Recommendations?

- 3.1 To approve the recommendation of the Strategic Investment Group to proceed with the refurbishment of the Rhyl underground car park.
- 3.2 To instruct Officers to progress with the implementation of the project.

4. Report details

- 4.1 The current regeneration programme for Rhyl was approved by Cabinet in March 2016. It comprises three work streams including one which aims to increase the numbers of tourists and visitors who come to Rhyl and the amount they spend in the resort. This particular work stream includes a project which will enhance the visitor facilities on the resort's water front. The project involves splitting the water front into a number of zones intended to accommodate complementary facilities which address specific market segments. The Family Entertainment Zone which is adjacent to the town centre includes a major investment in a new waterpark and the development of new food and beverage outlets in the immediate vicinity.
- 4.2 There is also a specific work stream in the programme for the town centre which includes a project to develop a master plan to guide its future development. Initial analysis has identified difficulties in accessing the town centre by car as being a barrier to its future success.
- 4.3 There is a large car park in the heart of the Family Entertainment Zone which although fully enclosed and described as being "underground" is actually located at ground level.

Its potential to contribute towards the future success of both the Family Entertainment Zone and the town centre is compromised because;

- it is poorly used with the occupancy levels out of season being generally at around 5% of its capacity;
- pedestrian accesses are poorly sited and involve climbing and descending two sets of stairs to reach the exterior;
- the gradient of the ramp access for users of wheelchairs and mobility scooters and for families with buggies is very steep;
- there is no roof above the western pedestrian access which is closest to the site of the new waterpark and where the only ramp is located and this access becomes impassable when it rains due to ponding and when it is frosty due to ice formation;
- the environment is threatening as the space is dimly lit and enclosed and attracts anti-social behaviour due to the low usage; and
- the ventilation and fire detection and suppression systems are out-dated which has rendered 50% of the car park unusable.

4.4 The recommended option is to refurbish the car park but with betterment.

The project would involve;

- removal of the existing ventilation, sprinkler and lighting systems and ductwork;
- installing a new LED lighting system and Colt fan system;
- increase in the height and width of the current vehicular entrance;
- opening up of the existing 3no southern fire exit staircores for pedestrian access/egress and refurbishment;
- installing a lift to the SW corner
- installing a canopy over the western pedestrian access; and
- a general clean, white lining, painting of walls and signage.

4.5 The business case for the development of a new Waterpark on the Rhyl coast, which was approved by Full Council in 2017 and the construction well advanced, is dependent on the underground car park being fully operational and at full capacity prior to opening in early 2019

5. How does the decision contribute to the Corporate Priorities?

- 5.1 This project will contribute to the priority in the Corporate Plan 2017-22 'Environment – Attractive and protected, supporting well-being and economic prosperity'. It is also a key element in both the Rhyl Regeneration and the Economic & Community Ambition strategies. Rhyl is recognised as a Strategic Regeneration priority within the Welsh Government's Regeneration Framework, Vibrant & Viable Places programme of funding.

6. What will it cost and how will it affect other services?

- 6.1 Strategic Investment Group have approved a business case for the refurbishment of the Rhyl underground car park at a cost of £2.126m (Appendix A). The capital investment will utilise a mix of Prudential Borrowing and Welsh Government Town Centre Loan and the finance required to pay back the borrowing would be generated through additional usage that is anticipated as an outcome of the project.
- 6.2 The proposals have been developed with the input of a variety of Denbighshire departments including Highways, Parking, Commercial Leisure and Property Services.

7. What are the main conclusions of the Well-being Impact Assessment?

Whilst there could be some unintended negative consequences from the project as it could encourage greater use of hydrocarbon fuels, actions can be taken to mitigate these consequences and the impact overall will be positive. This is because it will support and improve footfall in the town centre, support the creation of quality jobs, improve transport infrastructure, improve biodiversity, enable surplus building materials from the adaptation works to be recycled, reduce energy/fuel consumption for ventilating and lighting buildings, improve the physical environment to support health and well-being, provide better access to good food and leisure opportunities, improve the well-being of people with protected characteristics, help to tackle poverty by providing access to new jobs, improve community safety, improve community participation, improve the attractiveness of the area, promote use of the Welsh language, enhance culture, and support local supply chains.

8. What consultations have been carried out with Scrutiny and others?

- 8.1 The proposal has the full support of Cllr Hugh Evans and the Lead Member Cllr Julian Thompson-Hill. Extensive consultations have been carried out throughout 2017 and 2018 including Rhyl Member Area Group, Rhyl Waterfront Project Board, Cabinet Briefing, Rhyl Town Council and Strategic Investment Group. Relevant committees and boards have been consulted throughout the development stages.
- 8.2 The Rhyl Waterfront Project Board includes Cabinet and Rhyl members and have been kept informed of progress throughout.

9. Chief Finance Officer Statement

The Strategic Investment Group have recommended this project to Cabinet for approval. The project is a key element of the wider regeneration of Rhyl waterfront. The business case submitted to SIG highlighted that the capital cost can be funded

by generating additional car parking revenue to support prudential borrowing, supplemented in the first five years by applying repayable Town Centre Loan Scheme grant funding. All proposals that require future revenue to support borrowing come with risk, however, the business case assumptions around additional use and therefore additional revenue are reasonable when considered alongside the limited current use and expected additional use when the visitor attractions in the area are complete. As with any significant capital scheme, the business case approved is based on estimates until cost certainty is achieved, following tendering and detailed design. If ultimately the final cost is significantly different then the business case would need to be reviewed and approved before proceeding.

10. What risks are there and is there anything we can do to reduce them?

Risk: Failure to secure funding to enable the project to commence pre-Summer 2018.

Likely impact: Inadequate car parking, particularly for the Waterpark, and an extremely poor experience for users who do utilise the facility.

Mitigating action: Secure approval for Prudential Borrowing and use of Town Centre Loan funding, and approval of required Committees by the end of 2017/8 to enable procurement and works to commence and be complete prior to the turn of 2018.

Risk: Failure to generate sufficient additional income.

Likely impact: An inability to pay back the Prudential Borrowing and Town Centre Loan funding.

Mitigating action: Projections of additional visitor numbers generated by the adjacent Waterpark Development. Continue to invest in the public realm in the surrounding area.

Risk: Failure to complete the project prior to the opening of the Waterpark.

Likely impact: The business case for the waterpark is predicated on the assumption that the 500 space underground car park in close proximity is refurbished and able to serve the facility.

Mitigating action: Ensuring approval is received from this committee to ensure sufficient time to complete the refurbishment.

11. Power to make the Decision

Section 2 Local Government Act 2000