



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**CABINET**

**17 JULY 2023**

**RENOVATION AND REDEVELOPMENT OF THE ROCK  
GROUNDS BUILDINGS, ABERDARE**

**REPORT OF THE DIRECTOR FOR PROSPERITY AND DEVELOPMENT IN  
DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER (COUNCILLOR  
MARK NORRIS)**

**Author: Derek James, Service Director of Prosperity and Development**

**1. PURPOSE OF THE REPORT**

1.1 The purpose of the report is to:

- Provide details of a proposal to repurpose the Rock Grounds Buildings in Aberdare into a quality hotel facility with restaurant, bar and spa
- Seek approval to commence formal procurement of a development partner to deliver such a scheme.

**2. RECOMMENDATIONS**

It is recommended that Members:

- 2.1 Note the strategic framework provided by the Aberdare Regeneration Strategy, the Council's Office Accommodation Strategy and the Council's Tourism Strategy as a basis for redeveloping the Rock Grounds Buildings in Aberdare Town Centre.
- 2.2 Consider the draft proposals for the repurposing and refurbishment of the Rock Grounds Buildings, Aberdare into a quality hotel facility with restaurant, bar and spa
- 2.3 Agree to progress to a formal procurement stage to secure a development partner to deliver a hotel on the site subject to future update reports on progress.

- 2.4 To receive a further report following the completion of the procurement stage and identifying any changes to the current ideas for the site following further feasibility work with the agreed development partner.

### **3. REASONS FOR RECOMMENDATIONS**

- 3.1 At the time of a rapidly evolving post-pandemic economy, Aberdare town centre has potential for strategic improvement and change. Its buildings and environment are facing fresh opportunities for re-purposing and improvement that can support the local and regional economy.
- 3.2 The draft Aberdare Town Centre Strategy highlights the regional potential for Aberdare, specifically in relation to its tourism offer.
- 3.3 The Council's Tourism Strategy states that Aberdare can be increasingly recognised as a tourist town at the gateway to Rhondda Cynon Taf's 'adventure' landscape and the Brecon Beacons National Park/Bannau Brycheiniog.
- 3.4 The Council recently produced its Strategy for office accommodation, leading the way to make best use of its assets, reduce its carbon footprint, achieve value for money, and identifying direct opportunities for generating capital receipts that can supplement the Council's financial position.
- 3.5 As a result, there is now an opportunity to redevelop the Rock Grounds Building in Aberdare Town Centre as a quality hotel with hospitality provision that will provide facilities for visitors and local people and employment opportunities. This will also help to fulfil the potential of the Aberdare area as a tourism destination.

### **4. BACKGROUND**

#### **STRATEGIC APPROACH**

- 4.1 Following Cabinet approval on 28<sup>th</sup> June, the draft Aberdare Town Centre Strategy is due to commence a six-week phase of formal public consultation which will start this Summer. Earlier public engagement exercises during the development of the Strategy identified the need for Aberdare Town Centre to improve its overall 'offer' in order to fulfil its true potential as a principal town in northern Rhondda Cynon Taf.
- 4.2 The Strategy explores a wide of range of investment themes that, when holistically developed and delivered, will provide Aberdare with its best chance of succeeding in a modern and challenging economic environment. Within these themes, it recognises the town's wide ranging built environment, emphasising its historic buildings and retail units with larger than average

floorspace that are no longer commercially viable.

- 4.3 Recent examples that have been delivered by the private sector include the refurbishment and repurposing of the former Boot Hotel and the Black Lion, key buildings that firmly contribute to Aberdare's identity whilst preserving its heritage. These projects have delivered new mixed-use property units for the town, responding to the high demand for new affordable housing and serving increasing visitor markets for quality food and beverage offer.
- 4.4 The draft Aberdare Town Centre Strategy and the Rhondda Cynon Taf Tourism Strategy both recognise the regional economic potential and the growing visitor market for outdoor and activity tourism in northern RCT and its neighbouring Brecon Beacons National Park and Merthyr Tydfil areas. The visitor attractions Zip World Tower, Dare Valley Country Park (incorporating Dare Valley Gravity Bike Park), Bike Park Wales and major transport infrastructure projects such the dualling of the A465 ending at Hirwaun are all key feeders of growth of the visitor economy in the area that reinforce growing demand for accommodation.
- 4.5 A 2022 independent report by Arad Research suggests that the current tourist accommodation offer across RCT falls short of the required number of bed spaces to cater for existing visitor numbers who come to the area let alone growth. Town centre visitor accommodation provision is a new and attractive option to serve this market which can contribute to increasing footfall and spend within the town of Aberdare.

## **ROCK GROUNDS BUILDINGS**

- 4.6 The Council's Office Accommodation Strategy, agreed on 15 May, commits to an action under its Strategic Objective 2 to actively pursue opportunities to repurpose suitable properties in town centre locations when necessary. As part of this action, it confirmed the proposal to relocate services and staff from Rock Grounds Aberdare into more suitable, energy efficient accommodation and repurpose or dispose of Rock Grounds Aberdare in accordance with the Council's Disposal Procedures Manual.
- 4.7 In line with the strategic opportunities and challenges outlined, the Council recently commissioned Purcell Architects to provide concept-only designs for the repurposing of Rock Grounds as tourism accommodation. Illustrations of these designs are provided as an **appendix**. The designs allow for reuse of the buildings, preserving the attractive, and historic Rock Grounds building and features (including the Keir Hardie bust) and for an appropriate level of adjacent public car parking provision to remain.
- 4.8 The designs also take advantage of the site's distinctive location to provide the ideal setting for a quality tourism accommodation offer including a spa, restaurant and bar, marking the development as something that is unique, and befitting the aspirations of Aberdare and the surrounding area, as a quality tourist destination. The redevelopment will provide new facilities which

will benefit local communities in terms of the spa, restaurant and bar facilities and as a venue for special occasions and provide employment opportunities.

- 4.9 The illustrations attached present ideas for refurbishment and can be adapted as part of further project design and development alongside the procured partner. The images show the potential for the main building at Rock Grounds to be redeveloped to house the bedrooms and a bar. The annex building forms part of the proposal and is considered suitable to accommodate a spa facility to complement the development.

## **5. PROJECT DELIVERY**

- 5.1 Subject to approval, a formal procurement exercise will be undertaken during the next 6 months to secure a development partner to take forward a hotel led development on the site. As part of the procurement exercise, prospective development partners will be asked to produce a comprehensive development appraisal detailing proposed designs and works and forecast development and running costs.
- 5.2 It is proposed that the Council will enter into an appropriate lease arrangement with the development partner, the terms of which will be developed to include an agreement on works design, programme and timescales to be carried out.
- 5.3 Should the development appraisal present a commercial viability gap, the Council can seek-funding from external funding sources such as UK Government Shared Prosperity Fund and Welsh Government Transforming Towns to secure the financial viability of the project. A separate Funding Agreement would be entered into with the Developer with appropriate terms and conditions to ensure the redevelopment design and works delivery are to agreed standards and timescales.
- 5.4 Recognising that staff are currently operating out of the buildings, consideration will be given to aligning the delivery of the project outlined in this report with the relocation of staff as part of the wider office accommodation strategy.

## **6. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY**

- 6.1 An Equality Impact Assessment screening form has been prepared for the purpose of this report. A full report is not required at this time. This will however be revisited as part of the plan to procure a development partner.

## **7. WELSH LANGUAGE IMPLICATIONS**

- 7.1 A Welsh Language Impact Assessment is being prepared as part of the plan to procure a development partner.

## **8. CONSULTATION / INVOLVEMENT**

- 8.1 Subject to approval, outline details of this proposal will be consulted on as part of the public consultation on the Aberdare Town Centre Strategy. Feedback will be gathered and form part of the Strategy consultation results report that will be reported to Cabinet and will help to inform detail of the offer provided by the proposed redevelopment.

## **9. FINANCIAL IMPLICATION(S)**

- 9.1 Costs associated with the procurement process for securing a development partner for the hotel-led development will be funded from existing resources. The financial implications of the actual development will be subject to a further report and would be likely to involve external funding partners such as UK Government and Welsh Government.

## **10. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 10.1 There are no current legal implications, but as the opportunities are developed, the legal implications will be fully assessed. Specialist legal advice will be taken in relation to the lease, development and funding agreements.

## **11. LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT**

- 11.1 This project is fully aligned and contributes to the appropriate Corporate and national priorities as set out below.
- 11.2 As recently reported to Cabinet, the Draft Town Centre Strategy for Aberdare greatly contributes to achieving the Council's corporate commitment, as outlined within the Council's Corporate Plan 'Making A Difference' 2020-2024. The investment themes contained within the Draft Strategy have been developed to help focus and coordinate future investment within the town centre. This ensures that corporate priorities including supporting new and existing businesses to expand, tackling empty or rundown sites/premises and enhancing visitor infrastructure to support a growing local tourism offer are realised.
- 11.3 The Draft Strategy is underpinned by the principles of the Wellbeing of Future Generations Act (2015) as evidenced by a thorough evaluation of the proposed investment themes against the Act's 'Seven Social Wellbeing Goals'. Importantly, the younger generation have been involved in the development of the Draft Strategy, via early engagement, and therefore the

focus of the draft strategy reflects the views and ideas of future generations. The project will be subject to further comprehensive evaluation to ensure that its contribution to the realisation of the Act's Seven Social Wellbeing Goals is maximised.

- 11.4 Welsh Government's 'Town Centres First' approach, aimed at putting the health of town centres at the heart of the decisions taken by the public sector, businesses and communities.

## **12. CONCLUSION AND NEXT STEPS**

- 12.1 The repurposing of Rock Grounds as a hotel and spa facility has the potential to deliver a new, ambitious and distinctive asset for Aberdare town centre that is underpinned by a detailed and comprehensive strategic approach. As a next step, the project consultation (as part of the Town Centre Strategy consultation) will provide feedback to contribute to the procurement stage for a development partner to deliver a quality hotel facility with restaurant, bar and spa at the Rock Grounds Buildings in Aberdare Town Centre.

### **Other Information:-**

#### ***Relevant Scrutiny Committee***

*Climate Change, Frontline Services and Prosperity*

**Contact Officer:** *Simon Gale 01443 281114*

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

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**Background Papers**

None.

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