

**TAFLEN BENDERFYNIAD AELOD CABINET
CABINET MEMBER'S DECISION NOTICE**

PWNC/SUBJECT:

Gwaredu rhan o safle Glyn Rhonwy Llanberis ar gyfer datblygu cyfleuster cynhyrchu trydan dwr trwy bwmpio.

Dispose of part of the Glyn Rhonwy site, Llanberis for the development of pumped hydro electricity generation scheme.

AELOD CABINET/CABINET MEMBER

Y Cynghorydd/ *Councillor* Dafydd Meurig

PENDERFYNIAD/DECISION

Awdurdodi rhoi prydles 125 mlynedd o'r eiddo adnabyddir fel Rhan o Safle Glyn Rhonwy, Llanberis ynghyd ac amrywiol hawliau cysylltiedig (fel y manylir ar y cynllun cyplysedig) i ddarpar denant er mwyn datblygu cyfleuster cynhyrchu trydan dwr trwy bwmpio, a hynny ar delerau ac amodau i'w pennu gan yr Uwch Reolwr Eiddo Corfforaethol.

To authorise the grant of a 125 year lease of the property known as Part of the Glyn Rhonwy site, Llanberis, together with various associated rights (as detailed on the attached plan) to a prospective tenant for the development of a pumped hydroelectricity storage facility on terms and conditions to be determined by the Senior Manager – Corporate Property.

RHESYMAU DROS Y PENDERFYNIAD/REASONS FOR THE DECISION

Mae safle Glyn Rhonwy, Llanberis ym mherchnogaeth y Cyngor ac wedi ei adnabod fel safle sydd â photensial i ddenu buddsoddiad a chreu cyfleoedd economaidd i'r ardal.

Mae'n safle sylweddol ac unigryw iawn sydd yn cynnwys ceudyllau chwareli, cyn-storfeydd bomiau o'r ail ryfel byd, coedwigoedd a thir pori bras. Mae'r safle hefyd yn cynnwys nifer o leiniau datblygu sydd wedi eu gwasanaethu yn rhannol gan ffordd fynediad a gwasanaethau.

Yn 2009, datblygwyd Cynllun Datblygu ar gyfer safle yn argymhell defnydd cymysg gan adnabod potensial cyflogaeth, hamdden a chynhyrchu ynni ar wahanol rannau o'r safle. Yn dilyn cymeradwyo'r Cynllun Datblygu, sefydlwyd Gweithgor Glyn Rhonwy i ddarparu cyfrwng ar gyfer cyd-lynu gwaith o geisio gwireddu potensial Glyn Rhonwy. Mae aelodaeth o'r Gweithgor yn cynnwys Aelodau Lleol ac Aelodau Cabinet Economi ac Eiddo.

Mae cryn waith wedi ei wneud i ddatblygu'r isadeiledd, ac i farchnata'r safle i ddatblygwyr. Mae sawl diddordeb presennol yn y safle a chytundebau detholusrwydd mewn grym er mwyn galluogi buddsoddwyr i ddatblygu eu cynigion.

Mae un o'r cynlluniau arfaethedig ar gyfer y safle yn ymwneud â chynllun Snowdonia Pumped Hydro (SPH) i ddatblygu cyfleuster pwmpio a storio trydan ar ran o'r safle.

Mae cynllun arfaethedig SPH wedi ei gefnogi gan Weithgor Glyn Rhonwy ac mae gan y cwmni cytundeb detholusrwydd ar y rhannau perthnasol o'r safle. Prif nod cytundeb o'r fath yw galluogi datblygwyr i fuddsoddi amser ac adnoddau i ddatblygu cynigion manwl gyda hyder y bydd y Cyngor yn symud ymlaen i waredu'r eiddo iddynt maes o law ar delerau teg.

Mae SPH wedi sicrhau caniatâd cynllunio ar gyfer cyfleuster 50Mw, ac yn y broses o geisio caniatâd ar gyfer datblygu cyfleuster 100Mw. Maent bellach mewn sefyllfa i gaffael y tir ac mae angen i'r Uwch Reolwr Eiddo Corfforaethol bennu telerau.

The Glyn Rhonwy site, at Llanberis is owned by the Council and has been identified as a site that has potential to attract investment and create economic opportunities in the area.

The site is substantial and very unique, extending to include quarry caverns, former Second World War bomb-stores, woodland and rough grazing. The site also includes a number of development 'platforms' partly served by an access road and mains services.

In 2009, a Development Plan was prepared for the site, recommending mixed use development and identifying employment, leisure and energy generation potential on different parts of the site. Following the Development Plan's approval, the Glyn Rhonwy Working Group was formed to provide a vehicle for co-ordinating the task of delivering the potential identified. The Working Group's membership includes the Local Members together with the Cabinet Members for Economy and Property respectively.

Substantial work has been undertaken to develop the infrastructure and to market the site to potential developers. There are currently a number of interested parties and exclusivity agreements are in place enabling investors to progress their developments.

One of the developments relates to Snowdonia Pumped Hydro (SPH)'s proposed pumped hydro electricity generation facility.

The Glyn Rhonwy Working Group support SPH's proposal and hold an Exclusivity Agreement for the relevant parts of the site. The main objective of such an Agreement is to enable a potential developer to invest the resources required to develop a detailed proposal with the comfort that the Council will proceed to dispose of the property to them on fair terms in due course.

SPH have secured planning permission for a 50Mw facility and are in the process of seeking permission to develop an 100Mw facility. They are now in a position to procure the property and the Senior Manager – Corporate Property needs to determine terms.

YSTYRIAETHAU PERTHNASOL/ RELEVANT CONSIDERATIONS

Ym Mhwyllgor Ardal Arfon - Cynllunio 07/10/2009 penderfynwyd dirprwyo'r hawl i'r Pennaeth Economi a Chymuned, mewn ymgynghoriad a Gweithgor Glyn Rhonwy, i waredu safleoedd datblygu Glyn Rhonwy i gwmnïau cymwys ar delerau i'w pennu gan yr Uwch Reolwr Eiddo Corfforaethol. Mae'r Pennaeth Economi a Chymuned ynghyd a'r Gweithgor wedi datgan cefnogaeth i'r cynllun ond ystyrir fod y mater yn addas ar gyfer penderfyniad Aelod Cabinet oherwydd nodweddion unigryw y datblygiad a'r amodau

Mae datblygiadau cyfleusterau o'r fath yn brin iawn, golyga hynny fod pennu telerau ac amodau'r brydles yn benodol sail rhent yn anodd iawn.

I'r perwyl hynny comisiynwyd Asiantaeth y Swyddfa Brisio i argymhell telerau ar gyfer y brydles arfaethedig, ac mae rhent a benodwyd ganddo am yr 20 mlynedd cyntaf wedi eu cytuno gyda SPH gyda chynnydd cyson i gyd fynd a chynnydd chwyddiant.

Ar gyfer gweddill y brydles (h.y. y cyfnod ar ôl y flwyddyn 2036) ac ar argymhelliad yr Uwch Reolwr Eiddo Corfforaethol bwriedir gosod cymal yn y brydles fydd yn defnyddio Rhent y Farchnad fel sail ar gyfer yr adolygiad ym mlwyddyn 20. Byddai hynny'n ein caniatáu i ddefnyddio pa bynnag dystiolaeth fydd ar gael yn y farchnad yn 2036 er mwyn gosod y rhent o hynny ymlaen a thrwy hynny fod yn gyfforddus na fyddwn wedi tan amcanu heddiw beth fydd gwerth y safle ymhen 20 mlynedd.

Fel rhan o'r cynllun arfaethedig, mae'r datblygwyr hefyd wedi cwblhau prydles am dir cyffiniol gan Stad y Goron. Byddai'r mecanwaith uchod hefyd yn gyson gyda'r hyn sydd wedi ei gytuno gyda Stad y Goron.

In the Arfon Area Committee – Planning 07/10/2009 it was resolved to delegate the power to the Head of Economy and Community, in consultation with the Glyn Rhonwy Working Group, to dispose of the Glyn Rhonwy development sites to suitable companies on terms to be determined by the Corporate Property Manager.

Head of Economy and Community together with the Working Group have expressed support for the development but it is considered that the matter merits a decision by the Cabinet Member due to the development's unique features and terms.

Developments of this type are very rare; this means that determining lease terms and conditions, particularly rental basis is very difficult.

To that effect the The Valuation Office Agency was commissioned to recommend terms for the proposed lease, the rent determined for the first 20 years of the lease has been agreed with SPH together with regular increases to reflect inflation.

For the remainder of the lease, (i.e. the period beyond 2036) on the recommendation of the Senior Manager – Corporate Property it is intended to include a Market Value based rent review clause to apply in the 20th year of the lease. Such a clause will allow the Council to use all evidence available in the market in 2036 to set the rent payable from that point onwards, thereby providing comfort that we have not today underestimated the value of the site in 20 years.

As part of the proposed development, the developer has also completed a lease for adjoining land with The Crown Estate. The mechanics above are consistent with that agreed with The Crown Estate.

BARN Y SWYDDOGION STATUDOL/VIEWS OF STATUTORY OFFICERS

1. Y Prif Weithredwr/ *Chief Executive*:- Dim i'w ychwanegu / *Nothing to add*
 2. Swyddog Monitro/ *Monitoring Officer*:-Rwy'n nodi'r rhesymeg ar gyfer gweithredu ar sail penderfyniad Aelod Cabinet ynglŷn ag awdurdodi llesu'r safle ar gyfer y datblygiad. Adroddir fod y penderfyniad wedi ei gymryd mewn ymgynghoriad a'r Gweithgor Glyn Rhonwy a'r Pennaeth Economi a Chymuned sydd yn cefnogi'r bwriad ac sydd yn gydnaws a'r drefn ar gyfer rheoli gwaredu'r safle.
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I note the rationale for seeking authority by means of a Cabinet Member's decision to enter into a lease for the development. It is reported that the decision has been made in consultation with the Glyn Rhonwy Working Group and the Head of Economy and Community who support the proposal and is consistent with the process of managing site disposal.

3. Prif Swyddog Cyllid/ *Chief Finance Officer:-*

Nid oes gennyf wrthwynebiad i'r penderfyniad yma o safbwynt priodoldeb ariannol. Mae Asiantaeth y Swyddfa Prisio wedi rhoi mewnbwn wrth greu'r mecanwaith ar gyfer y pris rhent am y cyfnod hyd at 2036.

Rwyf yn ymwybodol o'r trafodaethau sydd wedi eu cynnal o safbwynt gosod rhent ar yr eiddo am y cyfnod ar ôl 2036. Cytunaf na ellir rhagweld gydag unrhyw hyder beth fydd cyflwr y farchnad ynni dŵr ymhen 20 mlynedd, ac felly rwyf o'r farn fod gosod cymal "rhent y farchnad" am y cyfnod o 2036 ymlaen yn ffordd resymol a phriodol o weithredu.


I have no objection to this decision from the perspective of financial propriety. The Valuation Office Agency has provided input in creating a mechanism for the rental price for the period up to 2036.

I am aware of the discussions that have taken place in terms of setting rent on the property for the period after 2036. I agree that the state of the hydro power market in 20 years cannot be forecast with any confidence, and I am therefore of the opinion that the "market rent" clause for the period of 2036 onwards is a reasonable and appropriate approach."

BARN YR AELOD LLEOL/VIEW OF LOCAL MEMBER

Ddim yn berthnasol/ *Not relevant*

LLOFNOD /SIGNED



DYDDIAD/DATE

21.07.2016
