# CAPEL ISA, LLITHFAEN
# PROSIECT HAFOD CEIRI PROJECT
# ADOLYGIAD O'R DYLUNIAD A CHOSTAU CYLLID CYFALAF/*REVIEW OF DESIGN AND CAPITAL BUDGET COSTS*

Alwyn Griffith Cyf Mehefin/June 2018

**NODER: Mae'r astudiaeth/adolygiad yma yn cael ei ariannu gan Arloesi Gwynedd Wledig (AGW)**
***NOTE: This study/review is funded by Arloesi Gwynedd Wledig(AGW)***

## CYFLWYNIAD/*INTRODUCTION*

Yn dilyn y siomedigaeth o fethu sicrhau arian CAT 2 Y Loteri Fawr i ariannu rhan helaeth or prosiect, roedd Pwyllgor Gwaith Hafod Ceiri yn unfrydol yn eu penderfyniad o barhau gyda'r prosiect ac i geisio sicrhau cyllid derbynniol o ffynonellau gwahanol. Fodd bynnag, cyn mynd ar draul ffynonellau eraill, penderfynwyd y byddai yn ddoeth i adolygu y dyluniad presennol a'r gyllid costau, er canfod os oes arbedion ariannol iw cael drwy newidiadau addas ir cynlluniau. Oherwydd costau cyfalaf sylweddol, mae'r ymarferiad am ganolbwyntio ar arbedion ariannol sylweddol, yn hytrach nac ar newidiadau fydda yn cynnig arbedion ariannol bychan. Mi gyfarwyddwyd Alwyn Griffith Cyf i ymgymeryd a'r gwaith wedi body n gyfrifol am y gwaith dylunio cychwynnol.

*Following the disappointment of not securing the Big Lottery CAT 2 funding for an extensive part of the project, the project's working committee were unanimous in their decision to proceed with the project and attempt to secure funding from other sources. However, it was decided, before pursuing other funding sources, that it would be prudent to review the current design and costs, to ascertain whether potential financial savings are possible through suitable design changes. Due to the high capital costs of the project, this exercise is aimed at identifying savings that are 'substantial' in nature, rather than to seek minor alterations which would result in low monetary savings in what would be described as 'penny-pinching exercise'. Alwyn Griffith Cyf was instructed to undertake this review having undertaken the initial design work.*

## SYNOPSIS

I adolygu y cynlluniau presennol i bederfynnu a oes posib gwneud arbedion ariannol sylweddol ir gyllid cyfalaf presennol.

*To review the design to ascertain whether any substantial savings are possible to the current capital budget.*

## METHODOLEG/*METHODOLOGY*

Mae tri pwrpas penodol i'r adolygiad:

- I adolygu'r dyluniad
- I adolygu'r gyllideb/costau fel bo angen
- Mae'n hanfodol bod y ddau uchod yn cael eu ymgymeryd gyda pherthnasedd tuag at amcanion y prosiect a'r cynllun busnes, er sicrhau y bydd rhain yn cael eu bodloni petai newidiadau yn cael eu gweithredu i'r dyluniad.

Bydd yr adolygiad yn dilyn y drefn ganlynol:

- Adolygiad y cynllun/dyluniad presennol i benderfynu pa newidiadau sy'n bosib
- Adolyiad o arbedion ariannol mewn perthynas a'r uchod

*The purpose of this review is three-fold:*

- *To review the design*
- *To review the costs as required*
- *Both the above are to be done with reference to the project objectives and business plan to ensure that these can be met with if any design changes are implemented*

*The sequence of work will be as follows:*

- *Review of the current design to establish what changes are possible*
- *Review potential cost savings in relation to the above*

## CYFYNGIADAU/*LIMITATIONS*

Mae'n hanfodol i glustonodi cyfyngiadau'r ymarfer hwn. Gan mai rhagamcan o gostau gyllideb yw'r costau presennol golyga hyn mai costau targed cychwynnol sydd yma yn hytrach na gwir gostau. Yn ogystal mae'r costau yn rhagdybiaethu bod y gwaith yn cael ei ymgymeryd fel un gontract yn hytrach na pecynnau gwaith arwahan.

*It is important to record the limitations of this exercise. The current costs of the project are only projected budget costs, and therefore the costs are only initial target costs rather than actual construction costs. Also the costs are based on the project being undertaken as one contract, rather than individual work packages.*

## DYLUNIAD A CHOSTAU CYFALAF GYLLIDEB BRESENNOL/*DESIGN AND CURRENT CAPITAL BUDGET COSTS*

Mae'r cynlluniau bwriadeig presennol iw gweld yn Atodiad A. Mae'r costau cyllideb cyfredol i'r prosiect iw gweld yn Atodiad B. Bu'r costau iw paratoi gan cwmni Adeiladol Cyf.

*The current project design is shown in the plans in appendix A. The current estimate budget cost for the project is shown in appendix B. The costs were formulated by Adeiladol Cyf.*

## ADOLYGIAD O ELFENNAU OR DYLUNIAD/*REVIEW OF DESIGN ELEMENTS*

Elfen gychwynnol yr adolygiad oedd ymgymeryd a sesiwn trafod (brainstorming) or dyluniad/cynlluniau presennol. Prif amcan y sesiwn yma oedd i benderfynu pa elfen(au) or dyluniad presennol oedd yn bosib iw newid/diddymu a'r effaith tebygol fydda hyn yn gael ar amcanion y prosiect.

Mae nodiadau y sesiwn trafod yma wedi eu harddangos yn fras ar y cynlluniau yn Atodiad C.

Bu'r sesiwn drafod ganolbwyntio yn bennaf ar newidiadau fydda yn cynnig arbedion sylweddol. Nodwyd rhain fel a ganlyn:

- Diddymu estyniad y caffi gan ail-leoli o fewn cragen yr adeilad presennol
- Diddymu y llawr newydd sy'n mewnlenwi'r gofod
- Ail-doi gan ddefnyddio llechi wedi adfer
- Gosodiau mecanyddol a thrydannol

<u>Diddymu estyniad y caffi gan ail-leoli o fewn cragen yr adeilad presennol</u>

Ymddengys y byddai posib cael arbediad ariannol sylweddol oddeutu £170,000 o gyfanswm y gyllideb gyfalaf, wrth ddidymu estyniad y caffi newydd. Fodd bynnag roedd yr arbedion yma yn cael eu gwrth-bwyso oherwydd yr angen i ail-leoli'r caffi o fewn cragen y Festri bresennol tra run prud yn cadw elfennau eraill or dyluniad megis yr unedau gwyliau a'r factor 'waw' i'r caffi, a'r angen i ehangu'r llawr cyntaf newydd dros y Festri i gyd i ddarparu parth ir unedau gwyliau ynghyd ac adeiladu estyniad ar dalcen deheuol y Festri a gwaith allanol ychwanegol.
Yn yr un modd nid yw lleoli y caffi o fewn cragen y Capel yn bosib oherwydd mae angen yr arwynebedd llawr daear ar gyfer y ganolfan ddehongli.
Amcangyfrifir byddai arbedion net oddeutu £30,000.

Diddymu gwaith o fewnlenwi gofod i greu llawr cyntaf/llwyfan

Tra bydda arbedion oddeutu £20,000 yn bosib ar yr ochr gyfalaf wrth beidio a mewnlenwi'r gofod gyda llawr, byddai'r effaith ar amcanion y busnes a'r llif refeniw yn niweidiol. Mae mewn lenwi'r gofod yn angenrheidiol i greu llwyfan a'r gyfer cyngherddau a phermorffiadau ynghyd a defnyddiau potensial eraill megis partion, arddanghosfeydd celf ayb. Yn ogystal credir na fyddai arbed £20,000 mewn perthynas a chyfanswm cost cyfalaf presennol yn gwneud llawer o wahaniaeth.

Ail-doi gyda llechi ail law

Amcangyfrifwyd y byddai arbedion oddeutu 25% yn bosib ar gostau'r gwaith ail doi, drwy ddefnyddio sustem drwsio cydnabyddiedig 'Storm-flex' neu ail doi gyda llechi ail law/wedi adfer. Fodd bynnag gan fod CADW wedi cytuno mewn egwyddor i ariannu'r gwaith ail doi, mae'r amodau grant hwnnw yn darogan bod rhaid defnyddio llechi newydd.

Costau Mecanyddol a Thrydannol

Mae costau o £250,000 wedi eu cyllido ar gyfer yr elfennau yma yn y costau presennol. Ar y wyneb ymddengys fel swm sylweddol, ond mewn gwirionedd dim ond oddeutu 25% o gyfanswm y gyllideb ydyw, sydd yn arferiad safonol yn y diwydiant. Credir hyd nes i ddyluniad a manyldeb fanwl o'r sustemau gael eu paratoi tybir y dylid cadw'r ffigwr hwn.

*The first element of this review was to undertake a brainstorming session of the design. The aim of this was to establish which elements of the current design were possible to change and/or omit and the effect this would have on the project objectives as a whole.*

*These brainstorming notes are shown on the drawings in appendix C.*

*The brainstorming session concentrated on changes which would incur possible more substantial cost savings. These were identified as:*

- *Removal of the new cafe extension and relocating within the existing shell*
- *Removal of the new first floor void infill*
- *Re-roof using reclaimed slates rather than new slates*
- *Mechanical and electrical installations*

*Removal of new cafe extension and relocating within the existing shell*

*This seemed a potential substantial saving of £170,000 from the original capital budget cost if the extension for the new cafe be omitted. However by the need to include the cafe in the existing shell, whilst still maintaining the other design criteria of the holiday lets and the need to provide a 'waw' factor for the cafe, the potential savings were off-set by additional costs of installing a new first floor across the whole of the vestry for the provision of the holiday lets and by the construction of a new gable extension for the cafe and additional external works.*
*Likewise there is no possibility to include the cafe within the existing chapel shell because of the area required for the interpretation centre.*
*It is estimated that the net saving would be in the region of £30,000.*

*Removal of new first floor infill void*

*Whilst a potential saving in the region of £20,000 would be possible by omitting the new floor structure in the void, the effect on the business objectives and income stream would be damaging. The infill floor is required to provide a functional stage for concert and performances and for potential other uses such as art exhibition displays etc. In addition the saving of £20,000 against the current estimated total capital costs would not make much difference in reality.*

*Re-roofing with reclaimed slates*

*It was estimated that an approximate saving of 25% would be possible on the re-roofing costs by way of using the approved 'Storm-flex' repair system or using second hand/reclaimed slates. However as CADW have agreed in principle to provide funding to cover the re-roofing aspect, their conditions include for the use of new slates throughout.*

*Mechanical and electrical costs*

*These were budgeted as £250,000 in the current costs. This is a substantial sum, but only accounts for approximate 25% of the total costs, which by industry norms is fairly standard. Until a detailed mechanical and electrical specification and layout are finalised it is deemed that this figure should be retained.*

## CRYNODEB O ADOLYGIAD Y DYLUNIAD/*SUMMARY OF DESIGN REVIEW*

Er gwaethaf y ffaith bod newidiadau/adolygiadau yn bosib ir dyluniad presennol, mae'n amlwg byddai'r newidiadau a ystyriwyd yn ystod sesiwn drafod yn cael effaith niweidiol ar amcanion y prosiect. Yn ogystal, wedi ei adnobod fel y newidiadau a fyddai o bosib yn cynnig arbedion ariannol penodol sylweddol, nid oes gwir arbedion sylweddol yn cael eu gwireddu oherwydd costau gwrthbwyso ac materion ymarferol eraill.

Mae rhagamcanion y cynllun busnes yn arddangos yn glir bod y caffi, yr unedau gwyliau a chyngherddau ayb yn ffynonell arian hynod bwysig i hywyfedd ariannol Menter Hafod Ceiri.

Nid yw'n bosib diddymu'r caffi ai ail leoli yn y capel/festri gan nad oes digon o arwynebedd llawr 'sbar' o fewn y gragen bresennol. Yn ychwanegol nid oedd aelodau'r Capel yn fodlon ir llawr cyntaf newydd ehangu dros y Festri i ddarparu unedau gwyliau uwchben oherwydd roeddant yn awyddus i gadw'r nenfwd agored ac yn bryderus am effaith swn. Gan nad oedd yn ymarferol felly i ail leoli yr uned gwyliau yn eu cyfanrwydd ir llawr cyntaf, nid oedd yn bosib i ail leoli'r caffi i lawr daear y festri. Petai'r ail leoli wedi bod yn bosib, ymddengys byddai wedi angen adeiladu estyniad bychan i ddarparu arwynebedd digonol ac i ddarparu'r olygfa. Rhaid cofio bod lleoliad y caffi wedi cael ei ddewis yn ofalus iawn ar y edrychiad deheuol, gan greu USP ir lleoliad gyda'r golygfeydd godidog sydd ar gael.

O ganlyniad ymddengys nad yw'n bosib cynnig newidiadau i'r dyluniad presennol heb iddynt gael effaith sylweddol ar llif arian ac amcanion y cynllun busnes fel ag y mae. Yn sgil hyn yn unig nid oes arbedion sylweddol wedi ei hadnabod ir gyllideb cyfalaf presennol. Mae'n amlwg byddai unrhyw arbedion cyfalaf yn golygu newidiadau sylweddol i gynlluniau'r adeilad ac yn golygu rhoi ail ystyrieth lawn i amcanion y prosiect ac ail adolygiad pellach or cynllun busnes. Yn sgil hyn credir bod rhaid ir Cynllun Busnes presennol gael blaenoriaeth.

Mewn perthynas a'r materion eraill a restrwyd, credir bod y nodiadau o dan y pennawdau unigol yn cynnig esboniad addas o pham nad oes arbedion sylweddol ar gael.

*Notwithstanding the fact that changes/amendments are possible to the current design, it is noticeable that those changes considered during the brainstorming session would seem to have a detrimental effect on the project objectives. Likewise having being identified as being the most likely to provide possibly the substantial nature of savings that we were seeking, they do not actually do so due to the off-set costs and other practical reasons.*

*The business plan projections show that the cafe, holiday units and concerts etc are vital income streams for the financial viability of the Hafod Ceiri enterprise, so these elements are of paramount importance.*

*The relocation of the cafe within the chapel/vestry is not feasible, as there is not enough floor space. The chapel members were not happy that a first floor would be carried over the vestry to provide space for the holiday units, as they wanted to maintain a vaulted ceiling and were somewhat worried as regards sound. As it was not possible to relocate the holiday units to the first floor, it would not then be possible to relocate the cafe to the ground space of the existing vestry. Even if it had been possible a smaller extension would still have been required. It is also important to note that the location of the cafe on the Southern elevation has been carefully considered to provide an USP of sorts due to its location and stunning views*

*As a result it seems that no design changes are possible to be implemented without a substantial change to the income streams and objectives of the business plan. In light of this no substantial capital cost savings have been identified to those capital budget costs provided. It would appear that any capital budget savings would require a major design re-think complimented by a full reconsideration of the project objectives and business model. In light of this it is believed that the current business plan takes precedence.*

*In view of the other matters listed, it believed that the notes already provided under the subject headings offer an explanation to why no savings are possible.*

## ADOLYGIAD Y PWYLLGOR GWAITH/*WORKING COMMITTEE REVIEW*

Bu'r canfyddiadau yma eu hadrodd yn nol i aelodau o Bwyllgor Gwaith Hafod Ceiri. Wedi ystyried, penderfynodd y pwyllgor gwaith i barhau gyda'r dyluniad presennol. Gan benderfynu mai dyma'r ffordd mwyaf addas i symud ymlaen, wrth gysidro y gwaith sydd wedi ei gyflawni yn barod, amcanion y busnes, rhagamcanion ariannol y model busnes a bod y hawliau statudol cynllunio mewn lle, i geisio am ariannu'r prosiect fel y bwriedir or dechrau.
Cafwyd cyfarwyddyd pellach gan y Pwyllgor gwaith i adolygu costau'r gyllideb bresennol, mewn perthynas a'r dyluniad sydd iw gadw, ai ddiweddaru fel bo angen i gael diweddariad cywir.

*These findings were reported back to Hafod Ceiri's working committee members. Upon consideration the working committee decided to pursue the original designs and thought this was the most appropriate path to follow, considering the works already undertaken, business objectives, business model income projections and that statutory approvals were in place, to seek funding for the project as initially perceived.*
*Their further instruction was to review the current budget costs in relation to the retained current design and to update as necessary for an accurate figure.*

## ADOLYGIAD O GOSTAU'R CYFALAF Y GYLLIDEB/*REVIEW OF CAPITAL BUDGET COSTS*

Y sgil yr uchod, cyfarwyddwyd Adeiladol cyf i adolygu a diweddaru costau gyllideb dyddiedig Awst 2017.
Mae'r tabl isod yn arddangos cyfanswm costau'r gyllideb wedi ei diweddaru. Gellir canfod rhestr lawn or adroddiad costau gyllideb yn Atodiad D. Mae'r cost cyfanswm wedi cynyddu oherwydd y cynydd sydd wedi bod yng nghostau llafur a rhai deunyddiau sydd yn eu tro wedi cynyddu costau rhai elfennau. Mae cost gorffeniad nenfwd wedi cynyddu gryn dipyn gan na chynnwys gwaith arbenigol o drwsio'r nenfwd addurniedig yn y costau cychwynnol yn 2017 gan nad oedd i law ar y prud.

In view of the above, Adeiladol Cyf were instructed by Alwyn Griffith cyf to review and update the budget costs dated August 2017.
The table below shows the reviewed target total costs for the project. The full amended budget cost report is included in appendix D. The increase is due mainly to the increase in material/labour costs for certain elements. The ceiling finishes costs have increased quite considerably from the initial costs in 2017, as this did not include a price for specialised works for the repair of the ornate/decorative chapel ceiling, as this was not to hand at this time.

**PROSIECT HAFOD CEIRI PROJECT**
**RHAGAMCAN O GOSTAU'R GYLLIDEB CYFALAF/*ESTIMATE OF CAPITAL BUDGET COSTS***

| **DYDDIAD/*DATE*** | **CYFANSWM GOST/*TOTAL COST*** |
|---|---|
| AWTS 2017/*AUGUST 2017* | £1,100,000.00 |
| MEHEFIN 2018/*JUNE 2018* | £1,220,000.00 |

*Noder yr amodau a'r elfennau sydd wedi ei eithro a gyfeirir atynt yn adroddiad Adeiladol Cyf/*Please note the exclusions and conditions referred to in Adeiladol Cyf's report*

## CASGLIAD/*CONCLUDING REMARKS*

Wedi cychwyn drwy adolygu elfennau or dyluniad penderfynwyd na fyddai newidiadau yn cael eu cynnig ir dyluniad oherwydd cyfuniad o ffactorau yn cynnwys:

- Diffyg arbedion ariannol sylweddol
- Effaith fyddai newidiadau sylweddol ir dyluniad yn cael ar y cysyniad cychwynnol
- Effaith fyddai newidiadau sylweddol ir dyluniad yn gael ar amcanion y prosiect a'r model busnes
- Yr angen i ail gychwyn or cychwyn petai newidiadau sylweddol yn cael eu cynnig ir dyluniad o safbwynt dyluniad a'r model busnes

Ymddengys or adolygiad yma y byddai angen cynnig newidiadau pell-gyrhaeddol nid yn unig ir dyluniad ond i amcanion, naws ac ysbryd y prosiect yn ei gyfanrwydd, i gyflwyno arbedion sylweddol i ochr gyfalaf y prosiect.

Felly awgrymir y dylid cadw'r cynllun presennol a'r model busnes ac i ddiweddaru'r costau cyfalaf gwreiddiol ac i chwilio am ffynonellau arian ar y seiliau hyn.

*Having originally reviewed the design elements it was decided that no design changes were to be implemented due to a combination of factors including:*

- *Lack of substantial financial savings*
- *potential affect significant design changes would have on the initial concept*
- *potential affect significant design changes would have on the project objectives and project business plan as a whole*
- *the need to re-start the whole process if substantial design changes were to be implemented not only in terms of design but the business model*

*What is noticeable from this review, that it would need far reaching changes not only to the design but to the project objectives as a whole, if substantial capital cost savings are to be made.*

*Therefore it is recommended that the current design and business model are retained, and that the original capital costs are updated and future funding is pursued on this basis.*