

**Report of: Senior Projects Manager**

**Report to: Chief Officer Parks and Countryside**

**Date: 22<sup>th</sup> November 2016**

**Subject: Temple Newsam Courtyard Café essential enhancements**

**Capital Scheme Number: 32482/000/000**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Temple Newsam	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. Temple Newsam Café has developed into successful retail outlet with a budgeted income target of £463k per annum. The facility is a major element of the holistic visitor attraction at Temple Newsam, which has approximately 85,000 paid visits to the farm with a further 2 million visits to the historic green estate.
2. The café outlet has not been uplifted since 2006 when work was undertaken to realign the service counter and re-decorate the facility. No work was undertaken to the toilet facilities within the café area and nor was any investment made in café furniture. Given the popularity of the facility, its value as a visitor resource and also the support it offers in the management of the broader estate through income generation, it is necessary from a business management and sustainability perspective to ensure that the facility is appropriately maintained.
3. Temple Newsam Estate is a participant in Visit England's Visitor attraction quality assurance scheme, which is a quality standard designed to evidence that an attraction is of a high standard. Recent feedback has highlighted the need to refresh elements of the café operation, with specific reference given to toilet facilities. Designs costing for

works to the toilet and kitchen upgrade are now complete. Cost certainty is still being sought on other items and is likely to be in place by January 2017; however given commercial timescales relating to the need to be fully operational by April 2017, it is necessary to start work on the kitchen and toilets now. Therefore authority to spend of £163.4k is requested in advance of other approval while final cost certainty is sought.

4. In light of the need for investment, money was injected into the capital programme to undertake essential improvement to the toilets kitchen, café and farm entrance courtyard. In line with CPR 3.1.4, the service has engaged with the appropriate ISP to undertake elements of the necessary design and construction work with specialist contractors engaged to support where necessary.

## **Recommendations**

5. Chief Officer Parks and Countryside is requested to;
  - i) Approve expenditure and provide authority to spend for the sum of £163.4k within capital scheme 32482/000/000 to address essential works to visitor facilities within the courtyard café at Temple Newsam Park;
  - ii) That the Senior Projects Manager Parks and Countryside be responsible for implementing the recommendations within this report and ensuring that the necessary capital works are implemented promptly.

## **1 Purpose of this report**

- 1.1 To highlight the success of the café outlet at Temple Newsam and the requirement to undertake essential works to address existing maintenance issues. The report then seeks the approval of the Chief Officer Parks and Countryside to spend funds injected into the capital programme totalling £163.4k. The report highlights that the objective of these works is to invest funds to safeguard existing revenue and create capacity to potentially achieve growth in the future as well as maintaining visitor standards.

## **2 Background information**

- 2.1 Temple Newsam estate is a major visitor attraction incorporating the following central elements;

- The historic estate;
- The House;
- Temple Newsam farm;
- The courtyard including Temple Newsam café.

- 2.2 Temple Newsam Estate is a participant in Visit England's visitor attraction quality assurance scheme, which is a quality standard designed to evidence that an attraction is of a high standard. There are approximately 2 million visits to the estate per annum and the onsite café facility is used extensively by visitors to the broader estate. In addition, the café adds value and support to other attractions on the estate that incur an entry charge where customers are visiting the site as a destination type venue.
- 2.3 Consequently the outlet has developed significantly in terms of its revenue generation, with a budgeted revenue projection of £463k in the 2016/17. The revenue generated by Temple Newsam café helps to support the broader estate, which in turn ensures that the total number of visitors is sustained along with the overall standard of the management of the estate.
- 2.4 Notwithstanding that, the outlet itself hasn't received any capital investment in its facilities including toilets, décor and furniture since 2006. Recent feedback both from customers and Visit England, via the visitor attraction assurance scheme, has emphasised the need to overall this element of the attraction with specific reference made to the requirement to improve the onsite toilet facilities.
- 2.5 Consequently, £290k was injected into the capital to refresh the outlet along with supporting further enhancements designed to provide opportunities for revenue generation as well as safeguarding existing revenue.

### **3 Main issues**

#### **3.1 Design Proposals and Full Scheme Description.**

3.2 The following proposals are planned for implementation as part of this capital proposal;

- Customer toilet refit and overhaul;
- Replacement of existing furniture;
- Address present access and circulation issues within the café;
- Provide additional outdoor seating
- Redecoration.
- Kitchen refurbishment

3.3 This DCR relates specially to work proposed on the toilet refurbishment and kitchen refurbishment with a subsequent DCR to follow for other elements included in the above schedule.

3.4 As highlighted previously, the toilets within the café facility are in need of significant investment. The service has engaged the relevant ISP to support in the design and then subsequent construction of this element given the specialist nature of the work required. Work will include a full refit of the facility, repositioning of internal walls and entrance points, with DDA compliant fixtures installed throughout. Cost certainty has

now been received on this element, with work costed at £70,321.71. This is due to start in November and will complete by February.

3.5 In addition to the above, it is necessary to undertake a full refurbishment of the kitchen facility to meet exiting demand and cater for menu changes that will allow for an expansion in revenue in the future. This work was offered to the ISP as required under CPR 3.1.4 and this was declined. Given that it was necessary to undertake this project within a limited timescale and equally to work on a design and build basis with a commercial kitchen specialist, this was procured without competition using Brakes who have provided a cost estimate of £93,099 to undertake all specialist elements. This work will commence in December and complete in advance of the Easter school holidays in April 2017.

### **3.6 Programme**

3.6.1 Given the significance of the revenue generated at the outlet and its role as a central element of the Temple Newsam estate, it is necessary to ensure that works commence at a time that allows business continuity and continued service provision.

3.6.3 It will therefore be necessary to ensure temporary arrangements are in place to ensure service continuity with the opportunity to utilise adjacent onsite conference facilities. It is therefore proposed that works will take place promptly following this approval with a view to it being complete by April 2016.

### **3.7 Procurement**

3.7.1 The works included within this scheme to improve the toilets fall within the provisions of Contract Procedures Rules (CPR) 3.1.4 in that an internal service provider (ISP) exists and has confirmed that they can carry out the works.

3.7.2 Work to redevelop the kitchen facility was offered to the ISP as required under CPR 3.1.4 and this was declined. Given that it was necessary to undertake this project within a limited timescale and equally to work on a design and build basis with a commercial kitchen specialist, this was procured without competition using Brakes who have provided a cost estimate of £93,099 to undertake all specialist elements.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 Works proposed to the café facility, in particular the toilets, are occurring as a consequence of customer and externally received feedback. Prior to the commencement of work on site, consultation will be undertaken with customers and visitors to keep the public informed of the progress with on development and providing prior notice of any potential public disturbance. This will include consultation with key stakeholders including ward members and the friends of Temple Newsam.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 Due consideration has been given to the needs of minority groups, as required under equality legislation, in the formation of the design to this point. Consideration has been given accessibility during the design process.
- 4.2.2 A screening document has been prepared and an independent impact assessment is not required for the approvals requested in this report.

### **4.3 Council policies and the Best Council Plan**

- 4.3.1 This project complies with various Council policies and strategies relevant to improving the city and overall level of service provision. The main documents are referred to below;
- 4.3.2 The Vision for Leeds 2011 to 2030 sets out a revised vision for the city with the specific objective for Leeds to be the best city in the UK by 2030. In establishing this vision one of the top priorities to emerge from consultation was for the city to be a cleaner greener city. Aspects of this priority can be found in all of the areas in which the vision is intended to make a difference, although specific reference can be made to the commitment within the vision for Leeds to be the best city to live with good green spaces where everyone can enjoy a good quality of life. Developing this capital project will unquestionably enhance one of the city's major park attractions to the benefit of all residents and those immediate communities who utilise these spaces as a community green space.
- 4.3.3 The proposals contained in this report contribute to the Best Council Plan ambition of becoming a more efficient and enterprising council. These improvements also support the Best Council Plan 2016/17 priorities of 'Enhancing the quality of our public realm and green spaces' with increased visitor numbers 'Supporting economic growth'.
- 4.3.4 The ambitious plans for the continued development of attractions including temple Newsam will lead to an improved visitor experience but also increased visitor numbers and therefore the improved sustainability the estate.

### **4.4 Resources and value for money**

- 4.4.1 Capital investment to the value of £290k has already been injected into capital scheme 32482/000/000. This DCR requests authority to spend £163.4k of that.

### **4.5 Capital Funding and Cash Flow.**

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2015 £000's	FORECAST					
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's	
LAND (1)	0.0							
CONSTRUCTION (3)	163.4		0.0	163.4				
FURN & EQPT (5)	0.0			0.0				
DESIGN FEES (6)	0.0		0.0	0.0				
OTHER COSTS (6)& (7)	0.0		0.0	0.0				
<b>TOTALS</b>	<b>163.4</b>	<b>0.0</b>	<b>0.0</b>	<b>163.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2015 £000's	FORECAST					
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's	
LCC MRP Departmental Support	290.0		0.0	290.0				
Total Funding	290.0	0.0	0.0	290.0	0.0	0.0	0.0	0.0
<b>Balance / Shortfall =</b>	<b>126.6</b>	<b>0.0</b>	<b>0.0</b>	<b>126.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Parent Scheme Number : 32482/000/000

#### 4.5.1 Revenue Effects.

4.5.1.1 As highlighted in prior sections of this report, the café outlet at Temple Newsam generates significant revenue streams which have grown consistently to the present financial year. It should be noted that the work proposed for implementation also present opportunities for future growth in income by extending the area of external seating capacity and improving customer access and circulation.

#### 4.6 Legal Implications, Access to Information and Call In

4.6.1 The decisions taken within this report constitute a significant operational decision and as such the decision is not eligible for call in.

#### 4.7 Risk Management

4.7.1 This project will be managed and in part implemented directly by the Parks and Countryside service. The scheme is part of a broader project designed to explore and develop revenue streams at Temple Newsam and will be considered and managed as part of a holistic project with appropriate rigour and governance arrangements. This will include implementing appropriate risk management.

#### 5 Conclusions

5.1 Temple Newsam Café is thriving commercial operation that is in need of investment and development to sustain existing revenue and provide the capacity for future growth.

5.2 Furthermore, essential elements including the toilets were in need of investment to the attraction continues to be recognised as a quality visitor attraction.

## **6 Recommendations**

6. Chief Officer Parks and Countryside is requested to;
  - i) Approve expenditure and provide authority to spend for the sum of £163.4k within capital scheme 32482/000/000 to address essential works to visitor facilities within the courtyard café at Temple Newsam Park;
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7. Background documents<sup>1</sup>

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<sup>1</sup> The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.