

**Report of: Senior Project Manager**

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

**Date: 14th August 2017**

**Subject: Waiver of contract procedure rules for the development of an education building and retail unit at Lotherton Hall.**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Harewood	<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

- The Lotherton Estate is principally made up of Lotherton Bird Garden, the House, on site retail, a café, estate gardens and a play area. Entry to each aspect of the estate is via a single tickets point of entry. A recent Museums and Galleries commissioned survey into a number of visitor attractions provided some excellent visitor insight for Lotherton Estate with the salient observations highlighted below;
  - 50% of visitors to the attraction are likely to have children with the majority aged between 0-11,
  - 49% are likely to visit in parties of 4 or more,
  - The average time spent on site by visitors is 3 hours,
  - 70% of people visiting the site are likely to be repeat visitors,
  - 68% of visitors to the estate are likely to visit the Bird Garden,
  - The Bird Garden and estate grounds are the most enjoyed aspect of the attraction.
- The Parks and Countryside service consider that the potential exists to expand visitor numbers on site. Proposals have therefore been considered and options explored to develop the outdoor recreational offer at Lotherton Hall through the improvement of the Bird Garden. In October 2016, the Parks and Countryside service asked Executive Board to consider the principle of investing in visitor attractions, which included the proposal for Lotherton Hall. The aim is to broaden the appeal and equally the enjoyment experienced by those visiting LothertonHall by enhancing the scope,

standard and therefore the overall visitor experience. Capital investment to the value of £1.2m would be required to provide improvements at Lotherton Hall bird garden and the potential exists for this investment to act as a catalyst to increase visitor numbers by 72,000 per annum, which represents an increase of 40% from present figures.

3. Executive Board supported the proposals and the principle of incurring capital expenditure to support plans for growth in revenue. When considered holistically with the growth in revenue these improvements will make a positive contribution to the Best Council Plan ambition of becoming a more efficient and enterprising council. In addition, these improvements therefore 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'; an improved learning offer also contributes to the priority around 'Improving educational achievement'.
4. The works included within this scheme 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. Therefore work is to be undertaken by Parks and Countryside Parks & Countryside who will act as a principal contractor utilising the support of specialist subcontractors for specific design and construction elements that cannot be delivered by an internal service provider due to the specialist nature of the refurbishment.
5. Inclusive within the proposals for phase one at Lotherton Hall is the inclusion of a new retail and education unit. Given its setting both in terms of a green belt location and within an area of established woodland, it was important that the building is sensitive to its surroundings and furthermore that its establishment doesn't materially affect the viability of the woodland. These design restrictions resulted in the conclusion that a circular timber structure building would be most appropriate. Consequently a modular building form was considered to be the most appropriate construction form whilst allowing for the maximum floor space possible. A budget for this element of the scheme was determined and the design developed has been within that budget from inception. Planning consent was received for this building in August 2017 following submission in December 2016. The opening of the first phase of the attraction development is scheduled for October 2017. In order to move forward with this development promptly it is necessary to place an order for a modular building that meets the specification as set out to planning.

## **Recommendation**

6. The Chief Officer Parks and Countryside is requested to;
  - i) In line with CPR 27 waiver contract procedure rule 3.1.1, 3.1.15, 8.1 and 8.2 to support the appointment of Cabin Co Ltd to design, build and construct this building at Lotherton Hall. The value of the works is £150k.

## **1 Purpose of this report**

1.1 The purpose of this report is to highlight recent developments at Lotherton Hall and to waive contract procedure rules to facilitate the development and establishment of a new retail and visitor building within the new development coastal zone in Lotherton Hall.

## **2 Background information**

2.1 The Lotherton Estate is principally made up of Lotherton Bird Garden, the House, on site retail, a café, estate gardens and a play area. Entry to each aspect of the estate is via a single ticket point of entry. A recent Museums and Galleries commissioned survey into a number of visitor attractions provided some excellent visitor insight for Lotherton Estate with the salient observations highlighted below;

- 50% of visitors to the attraction are likely to have children with the majority aged between 0-11,
- 49% are likely to visit in parties of 4 or more,
- The average time spent on site by visitors is 3 hours,
- 70% of people visiting the site are likely to be repeat visitors,
- 68% of visitors to the estate are likely to visit the Bird Garden,
- The Bird Garden and estate grounds are the most enjoyed aspect of the attraction.

2.2 In July 2011 Executive Board considered a report that set out a programme of investment into the estate. This report highlighted that the aim moving forward was for Lotherton to become a coherent estate that is a quality visitor attraction. Therefore from 2011, the estate has been managed through a collaboration between Parks & Countryside and Museums & Galleries which is guided by a joint project board.

2.3 Under this joint working initiative, income to the whole estate has steadily risen from £575k in 2010/11 to £800k in 2015/16 this represents a growth in net income of 225k and increase of circa 40%. These improvements in gross income generation have in turn had a positive impact on reducing the level of net subsidy associated with the management of the holistic estate.

2.4 This growth income has been in part driven by a commitment to the promotion and expansion of the onsite event programme, supported by a series of investments into both the visitor focussed elements of the estate and its infrastructure. Some of the improvements undertaken include;

- The development of an adventure playground
- Establishment of a new vehicular access route
- Improved visitor parking
- Improved children's play
- Improved signage and interpretation.

2.5 These on site improvements and the expansion of the event programme have contributed to the growth in visitor numbers, but the impact of these investments and

initiatives have been significantly bolstered by the implementation of an active marketing strategy which has seen visitor number rise year on year.

- 2.6 In October 2016 Executive Board supported a proposal for continued investment within its visitor attractions in order to enhance visitor numbers further and generate revenue to improve sustainability. This included plans to develop and enhance the bird garden at Lotherton Hall by investing £1.2m into an improved visitor attraction, with the objective of increasing visitor numbers by 72,000 per annum, which represents an increase of 40% from present figures.
- 2.7 Based on an assessment of present usage data; it is considered that any improvements to the bird garden are likely to appeal directly to the attractions primary audience. Extensive consultation has been undertaken on the bird garden, specifically to gain a better understanding of what is liked, what could be improved, and how best to do so.
- 2.8 It is acknowledged that improvement and investment in on site facilities and displays is very much needed. Informed by this insight and in acknowledgment of the need for improvement, the service has developed a comprehensive proposal for the renovation of the bird garden to transform the area into a modern, engaging and exciting visitor attraction that will facilitate the presentation of a more diverse collection of animals. The objective of this development will be to firstly modernise and enhance the attraction in order to sustain visitor numbers in the long term and equally grow the audience for the estate.
- 2.9 The bird garden and its subsequent development will be broken down to a series of phases, with the attraction itself being partitioned into a number of distinct areas. This report relates specifically to the development of Phase 1 which includes the development of a Coastal Zone, enhancement of the Forests and the establishment of a retail and information point. Due to delay in planning and finalising detailed designs this report focuses specifically on the development of the coastal zone.
- 2.10 The works included within this scheme 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. Therefore work is to be undertaken by Parks and Countryside Parks & Countryside who will act as a principal contractor utilising the support of specialist subcontractors for specific design and construction elements that cannot be delivered by an internal service provider due to the specialist nature of the refurbishment.
- 2.11 Inclusive within the proposals for phase one at Lotherton Hall is the inclusion of a new retail and education unit. Given its setting both in terms of a green belt location and within an area of established woodland, it was important that the building is sensitive to its surroundings and furthermore that its establishment doesn't materially affect the viability of the woodland. These design restrictions resulted in the conclusion that a circular timber structure building would be most appropriate. Consequently a modular building form was considered to be the most appropriate construction form whilst allowing for the maximum floor space possible. A budget for this element of the scheme was determined and the design developed has been within that budget from inception. Planning consent was received for this building in August 2017 following submission in December 2016. The opening of the first phase of the attraction

development is scheduled for October 2017. In order to move forward with this development promptly it is necessary to place an order for a modular building that meets the specification as set out to planning.

### **3 Main issues**

#### **3.1 Reason for contract procedure rule waiver.**

- 3.1.1 The coastal zone at Lotherton Hall will be a centrepiece feature for the park and will involve the creation of a completely new set of enclosures, encompassing penguins, flamingos, wading and free flying birds within an aviary structure. The new penguin pool will include above and below ground viewing areas and will include the installation of bespoke water filtration.
- 3.1.2 Development work included within this zone of development involves the improvement and development of existing ponds, paths fencing and existing exhibits within an existing area of the current bird garden attraction.
- 3.1.3 The retail and visitor building is an integral element within this. The outline design for the building emerged following an approach to 4 individual companies with portfolios demonstrating experience of similar design and build projects in line with the established brief. Submissions were assessed in relation to price and design proposal. Cabin Co emerged from that processes as having a design that would best meet the requirements of the site and the client brief.
- 3.1.4 Planning was submitted in December 2016 and was awarded in August 2017. Consequently there were implications in terms of programme and it is therefore anticipated that phase one works will complete in October 2017. The design of key elements in phase one including animal enclosures, path networks etc have been determined and implemented based on the initial Cabin Co design.
- 3.1.5 In line with the need to work with a suitable, experienced contractor whom can provide the required building cost-effectively and within budget, without compromising design, LCC feel that Cabin Co Ltd. therefore provide the solution of best value in terms of expediting development and meeting client requirements.

#### **3.2 Consequences if the proposed action is not approved**

- 3.2.1 In keeping with the programme of works, should procurement rule not be waived in this instances there will be significant delays in the programme of works at Lotherton Hall. This would have a negative effect on visitor satisfaction, and consequently a negative effect on income of the entire estate.

### **3.3 Advertising**

- 3.3.1 This procurement was not advertised and it was not considered necessary, advantageous nor practical to consider EU procurement in this instance.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1 There is no requirement for consultation and engagement with regard to this waiver.

## **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 to ensuring that the attraction is developed in a manner that improves the visibility of attractions and will include proposals to update and enhance onsite interpretation. A screening document has been prepared for this decision and due regard has been given to this within the context of the independent impact assessment that has already been carried out for the whole estate.

## **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 Tropical World 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 The principal aim of the development proposed at Lotherton Hall is to present a coherent and comprehensive proposal for the renovation of the bird garden to transform the area into a modern, engaging and exciting visitor attraction that will facilitate the presentation of a more diverse collection of animals. The objective of this development will be to firstly modernise and enhance the attraction in order to sustain visitor numbers in the long term and equally grow the audience for the estate.

4.4.2 The building has been designed to meet the requirements of the service in its function as well as responding to the challenges associated with its setting and will be delivered within the defined budget.

#### **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 delivered by the relevant internal service provider and will be project managed by the Parks and Countryside service with due regard given to risk management through project governance. Risk is further mitigated by this work being delivered in house which has consequential benefits given that any work undertaken will be done by those with specific knowledge of the site both in terms of the process of development and post implementation management and maintenance capacity.

### **5 Conclusions**

5.1 Following the implementation of joint working initiative with Museums and Galleries, income to the whole Lotherton estate has steadily risen from £575k in 2010/11 to £800k in 2015/16 this represents a growth in net income of 225k and increase of circa 40%. In October 2016, the Parks and Countryside service asked Executive Board to consider the principle of investing in visitor attractions, which included the proposal for Lotherton Hall. The aim is to broaden the appeal and equally the enjoyment experienced by those visiting Lotherton Hall by enhancing the scope, standard and therefore the overall visitor experience.

5.2 The bird garden and its subsequent development will be broken down to a series of phases, with the attraction itself being partitioned into a number of distinct areas. This report relates specifically to the development of Phase 1 which includes the development of a Coastal Zone, enhancement of the Forests and the establishment of a retail and information point..

5.3 The coastal zone at Lotherton Hall will be a centrepiece feature for the park and will involve the creation of a completely new set of enclosures, encompassing penguins, flamingos, wading and free flying birds within an aviary structure. The new penguin pool will include above and below ground viewing areas and will include the installation of bespoke water filtration.

5.4 The retail unit will form a central part of this phase of development. In light of the delay in receiving planning consent it is necessary to move forward with the development of the building promptly. At the inception of the development, consideration was given to ensuring best value by pursuing tender submissions from four independent suppliers. In order to move forward promptly it is proposed that CabinCo be appointed to provide the building as per the planning consent.

### **6 Recommendations**

The Chief Officer Parks and Countryside is requested to;

In line with CPR 27 waiver contract procedure rule 3.1.1, 3.1.15, 8.1 and 8.2 to support the appointment of Cabin Co Ltd to design, build and construct this building at Lotherton Hall. The value of the works is £150k.

## 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.