
Report of the Director of City Development

To Executive Board

Date: 9 December 2009

Subject: Design & Cost Report for the Redevelopment of Middleton Park through a Heritage Lottery Fund Parks for People grant – Scheme no 14898

Electoral Wards Affected:

Middleton Park
Beeston

Specific Implications For:

Equality and Diversity



Community Cohesion



Narrowing the Gap



Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

Executive Summary

On the 12 March 2008 Executive Board approved the submission of a Stage 1 Parks for People Programme Heritage Lottery Fund (HLF) application for Middleton Park to a capital value of £1.65 million. This includes match funding of £287,500 from Wades charity and £125,000 from Leeds City Council, financed by the surrender of the lease on 218 and 220 Town St, Middleton.

In October 2008 HLF approved the Stage 1 bid and offered a grant of £1.46m, which took account of the Councils revenue maintenance contribution over 10 years.

Further to the Stage 1 approval officers worked closely with Wades to develop a Stage 2 bid to obtain final HLF approval. The capital sums required sit within existing approvals.

The scope of the bid has been refined in consultation with HLF after they expressed a desire for a Visitor Centre with a greater “wow” factor. In order to fund the enhanced design of the Visitor Centre officers have re-scoped the scheme and removed some peripheral elements as explained in this report.

Subject to members approval if the Stage 2 application is approved by HLF (expected decision March 2010), works are expected to commence in the late summer of 2010.

1.0 Purpose of this Report

1.1 The Purpose of the Report is to:-

- 1.1.1 Inform Executive Board of the development of the Stage 2 Parks for People Heritage Lottery Fund bid for Middleton Park and seek approval for the submission of the Stage 2 bid on or before the 31st December 2009.
- 1.1.2 Inform Executive Board of the proposed capital development works, the new cost profile of the scheme and consultation events undertaken
- 1.1.3 Inform Executive Board of the current position in relation to the surrender of the lease and the sale of 218 and 220 Middleton Town Street, which is providing in part the Council's match funding for the project and address a funding shortfall issue of £69,000.
- 1.1.4 Request that Executive Board approve the injection of £1,797,869 (to add to the £134,800 development costs already injected) into the Capital Programme.
- 1.1.5 To agree to the Heads of Terms for the contribution agreement between Leeds City Council and Wades Charity and to delegate the completion of the agreement to the Chief Recreation Officer.

2.0 Background Information

- 2.1 Middleton Park is operated and managed by Leeds City Council with the majority of the land held on a 999 year lease from Wade's Charity. In October 2008, a Stage 1 application to the Heritage Lottery Fund was approved and development costs of £101,000 awarded to allow the progression of a Stage 2 application. In total, the grant award from the HLF consists of £1,385,350 of capital grant and a further £79,650 in revenue funding. To finalise the grant award, a Stage 2 application needs to be submitted on or before the 31st December 2009.
- 2.2 For many years Middleton Park has not received any significant capital investment and as a consequence, the infrastructure of the park, the conservation of its features, the perceived maintenance of the site, including horticulture and arboriculture, as well as the quality of the existing facilities, all score poorly in a Green Flag Assessment of the park. Accordingly, the site falls well short of reaching the Green Flag Standard in contrast to the other large parks in Leeds.
- 2.3 Despite the condition of the park's infrastructure, Middleton Park receives over 2 million visits each year, the majority of which come from the wards of Middleton, City and Hunslet and Beeston and Holbeck

3.0 Main Issues

- 3.1 To address the issues highlighted above, the HLF agreed works from the Stage 1 approval and Stage 2 development now consist of:-
- The redevelopment of entrance points involving interpretation boards, signage, gates art works and features
 - The demolition of the existing visitor centre and construction of a replacement facility
 - Improvement works to the existing ponds
 - The construction of a bandstand and performance area
 - The redevelopment of the rose garden and interpretation
 - The improvement of existing footpaths and creation of new seating areas
 - Creation of new artworks within the park including a horse gin
 - The creation of heritage trails throughout the park with directional signage.

- 3.2 The cost of these proposals including Stage 2 development costs, project preliminaries, construction and fees are forecast at £1,797,869 capital works and £79,650 revenue spend giving a total of £1,877,519. £134,800 of additional project development costs have already been injected into the capital programme.
- 3.3 The funding split for the scheme is as follows:-
- | | |
|---|-------------------|
| • Heritage Lottery Fund (capital and revenue) | £1,465,000 |
| • Wades Charity | £287,500 |
| • Leeds City Council (capital) | £125,019 |
| TOTAL | £1,877,519 |
- 3.4 Wades Charity has confirmed that they will match fund the scheme to the value of £287,500. Originally, this funding was linked to the sale of 218 and 220 Town Street, Middleton which was in the freehold ownership of Wades Charity and leased to Leeds City Council. However, to give the Council the security it needs on the match funding, Wades have agreed to underwrite their match funding separate to the sale of the cottages. A draft contribution agreement between Wades and Leeds City Council has been developed to cover this arrangement. The Heads of terms are outlined below:
- Subject to the Council receiving sufficient funds from the HLF, Wades will pay the Council £287,500 as their contribution to the project.
 - Wades payment will be made in accordance with a timetable to be agreed with the Council.
 - The Council will endeavour to complete the project as soon as reasonably practicable following receipt of funds from the HLF.
 - If the HLF bid is unsuccessful, the Council will use the money it has received from Wades for the surrender of 218/220 Town Street to improve the park.
- 3.5 Notwithstanding the above, the Council's match funding is still dependent on the surrender value of the lease on the cottages at 218 and 220 Town Street, Middleton, the value of which has been established at half of the freehold sale value of both cottages. A sale has been completed and the Council has received half of the net sale value (after fees) which comes to £56,438. The funding proposal brought to Executive Board in March 2008 forecast a receipt for the Council of £125,000 from the surrender of the leases. Consequently there is a funding shortfall of £68,562.
- 3.6 It is proposed to secure this £68,562 shortfall from the Parks Renaissance scheme 12523, which aims to make infrastructure improvements to the city's parks.
- 3.7 Officers are currently coordinating the Stage 2 bid in partnership with stakeholders and in particular, the Friends of Middleton Park and Ward Members, through a series of consultation events held in Beeston, Middleton and Hunslet, attendance at Friends meetings and design development feedback at the Middleton Park Project Board which has several of the 'Friends' appointed to it. These consultations have been essential to guide design development works and the aims and objectives of the project.
- 3.8 In addition consultation has taken place with the Heritage Lottery Fund during the development of the Stage 2 bid. During this process HLF expressed a desire for the visitor centre to have a greater "wow" factor. The Stage 1 bid had been approved on the basis of a remodeling and extension to the existing park centre. However based on the feedback received from the HLF the scope of this aspect of the bid has been changed to a new build facility. This has increased the cost of this element of the

scheme from £395,000 to £517,000, however the overall project cost has been contained within the approved limits through scope reduction of some peripheral elements to the scheme.

4.0 Implications for Council Policy and Governance

4.1 In assessing the scheme consideration has been given to:

- The Council's Strategic Plan
- The Council's Equal Opportunities Policy
- The Corporate Plan/Council Plan
- The Parks and Countryside Greenspace Strategy

5.0 Legal and Resource Implications

5.1 The total cost of the implementation of the works as per the stage 1 submission is:

• Capital redevelopment works	£1,105,700
• Preliminaries	£240,474
• Administration	£126,050
• Revenue Costs	£79,650
• Inflation	£156,354
• Contingency (10%)	£169,351
TOTAL	£1,877,579

5.2 If the bid is successful, works are expected to commence on site in September 2010

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2009 £000's	FORECAST				
			2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	134.8	1.0	133.8				
OTHER COSTS (7)	0.0						
TOTALS	134.8	1.0	133.8	0.0	0.0	0.0	0.0

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2009 £000's	FORECAST				
			2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	1671.9			835.0	836.9		
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	126.0			63.0	63.0		
OTHER COSTS (7)	0.0						
TOTALS	1797.9	0.0	0.0	898.0	899.9	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2009 £000's	FORECAST				
			2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
LCC Funding (PUR)	68.5			68.5	0.0		
Capital Receipt (Sale of Lease)	56.5			56.5			
Lottery	1486.5	1.0	100.1	629.2	756.2		
Private Sector	33.7		33.7				
Gifts / Bequests / Trusts	287.5			143.8	143.7		
Total Funding	1932.7	1.0	133.8	898.0	899.9	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

5.3 Revenue Effects

As part of the holistic development of the project longer term, the HLF have allocated as part of the overall grant to The Council, a revenue grant of £79,650. Each of the cost headings listed below has been developed under the Stage 2 application. A procedure for the management, implementation and outputs of these items will need to be agreed with the HLF.

- Project Officer post for 2 years at £22,500 pa £45,000
- Freelance or short term contract staff £10,000
- Specific costs of designing, writing and printing information, educational and promotional materials £6,000
- Training costs for staff and volunteers £1,500
- Consultancy and expert advice £7,650
- Travel for staff and volunteers £1,500
- Measuring the project success £1,000
- Office stationary and software updates £1,000
- **TOTAL £79,650**

Risk Assessments

5.4 The project development/bid submission has a risk log associated with it to ensure that issues are highlighted as the scheme progresses and that the bid is submitted by the December 31st deadline set by the HLF. The primary risk relates to securing the match funding which has been achieved through negotiation with Wades Charity.

Officers will also monitor the risk of capital overspends. As the scheme has developed the cost plan has been updated to monitor costs against budget. At RIBA stage E, the cost plan remains within the funding envelope.

Procurement

- 5.5 An officer from City Development will act as Project Manager for the scheme. Further design work, tender documentation preparation, planning application activities and contract management will be carried out by the Strategic Design Alliance.
- 5.6 A Procurement strategy for the main contracts will be submitted as part of the HLF stage 2 bid. Due to the different specialisms required and in order to reduce the risk to the Council the landscape and building elements of the project will be tendered separately.
- 5.7 It is intended to procure contractors utilising the Council's regional construction framework YORbuild. The value of the works falls below European Union tendering requirements.
- 5.8 It is considered that there may be scope to carry out some of the landscaping works via community projects. This option will be further explored if the Stage 2 bid is successful.

6.0 Conclusions

- 6.1 The submission of a successful Stage 2 Heritage Lottery Fund Bid under the Parks for People Programme will deliver significant and long lasting improvements to one of the largest parks in the city, enabling it to reach the standard required to meet Green Flag criteria.

7.0 Recommendations

- 7.1 Executive Board is requested:-
 - 7.1.1 to approve the injection of £1,797,929 into the 2010/11 Capital Programme.
 - 7.1.2 to approve the submission of the Stage 2 bid on or before the 31st December 2009.
 - 7.1.3 to approve the use of the Parks Renaissance funding scheme number 12523 to address the £68,500 shortfall in the scheme
 - 7.1.4 to note the current position in relation to the surrender of the lease and the sale of 218 and 220 Middleton Town Street, which is providing part of the Council's match funding for the project.
 - 7.1.5 agree to the Heads of Terms for the contribution agreement between Leeds City Council and Wades Charity and give delegated authority to the Council's Chief Recreation Officer to complete the agreement.