

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	TOURISM AND LEISURE COMMITTEE	22 JUNE 2017	5
<b>FAIRHAVEN HERITAGE LOTTERY PROJECT</b>			

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

#### SUMMARY

At the Budget Council meeting in March 2013, Council approved the addition to the approved Capital Programme of a sum of £20,000 to provide match funding for a successful Heritage Lottery Bid for Fairhaven Lake & Gardens should the bid be accepted at a later date, to be fully funded from the Councils Capital Investment Reserve.

In January 2017, the Council was successful in securing a development grant from the Heritage Lottery Fund of £165,500 for the restoration of Fairhaven Lake & Gardens. The grant has been awarded on the condition that match funding of £54,866 is provided by Fylde council, through internal and external financial contributions, providing a total capital budget of £220,366.

The approved Capital Programme for 2017/18 includes part funding of this scheme in the sum of £20,000 funded from the Capital Investment Reserve. The total capital budget for the development stage of the project will be £220,366 and the sources of funding are detailed within this report.

The successful application for a development grant from the Heritage Lottery now provides the opportunity to develop a detailed second round bid which is to be submitted in August 2018. If the second round bid to the Heritage Lottery Fund is successful, it will secure a further capital grant of around £1.5 million to provide for the full restoration of Fairhaven Lake & Gardens.

The Committee are requested to authorise the commencement of the scheme and to approve the necessary expenditure as detailed in this report, dependent upon the approval of the addition to the Capital Programme at the meeting of Full Council on 17 July 2017.

The report also describes the 'approved purposes' which need to be achieved from the grant funding specified by the Heritage Lottery.

#### RECOMMENDATIONS

**The Tourism and Leisure Committee are asked to give consideration to and recommend to Full Council:**

1. To approve a fully-funded increase in the total scheme value within the Capital Programme for 2017/18 in the sum of £200,336 in respect of the Fairhaven Lake & Gardens Restoration Project, to be met in full as detailed in the report.
2. To authorise the proposed expenditure in respect of the scheme in the total sum of £220,366 as detailed within this report, subject to the approval by Council to the increase in the scheme value (as set out at 1 above). The funding will be used to recruit the two officers, lead consultant and quantity surveyor to develop and to submit a second round capital bid to the Heritage Lottery Fund as detailed in the report.

## SUMMARY OF PREVIOUS DECISIONS

**Full Council – Monday 4<sup>th</sup> March 2013 (in respect of the approval to the capital growth item for the Fairhaven Lake and Promenade Gardens Heritage Lottery bid in the sum of £20,000):**

After a full and detailed debate, it was RESOLVED:

1. That approval be given to the following:

(e) The updated Five Year Capital Programme including the changes proposed by Cabinet, as set out in Appendix G;

“Funding to support a first round Heritage Lottery Fund (Parks for People programme) bid to work up restoration proposals for Fairhaven Lake and Promenade Gardens historic buildings, landscapes and structures. The Heritage Lottery Fund has a two round bidding process, the first round is the Development Phase and the second round is project implementation. Each bidding round is competitive and it is expected that a further application will be made dependant on the extent of support from the Heritage Lottery Fund”.

**Final MTFS Budget Council Meeting 2 March 2016, it was RESOLVED:**

1. To approve and adopt the recommendations of the Finance and Democracy Committee as follows:

(a) The revised estimates for 2015/16 and the revenue budget for 2016/17 as set out in Appendix E, which includes a transfer to the Funding Volatility Reserve in the sum of £3.0m and a transfer to the Capital Investment Reserve in the sum of £32k, the purpose of the Funding Volatility Reserve being described within the report as being:

*“For release to support the revenue budget as and when necessary to cushion the impact of future funding reductions and to fund investment in activity to stimulate Economic Development in the Borough, **with the first call on this reserve being as match funding for the Fairhaven lottery bid should this be successful in the maximum sum of £400k**”.*

***Note: At this stage of the project no further contribution is required by Fylde Council in addition to the £20,000 that was approved by Council in March 2013 (which has remained within the approved capital programme) and the Direct Revenue Financing from existing approved revenue budgets in the sum of £18,352. If the round two submission is successful the further £400,000 contribution would be required.***

## CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## BACKGROUND

1. The Council have supported a grant application to the Heritage Lottery Fund (HLF) for the restoration of Fairhaven Lake & Gardens since 2011 and have committed capital funding to the project as detailed in this report. Two unsuccessful bids were made to the HLF in 2011 and 2014.
2. The Council submitted a third and final funding application to the HLF in August 2016 for a development grant to restore Fairhaven Lake & Gardens. The bid was prepared under the 'Parks for People' strand of the Heritage Lottery which is specific to the restoration of historic parks and gardens.
3. In January 2017 the Council was informed that the bid had been successful and a development grant of £165,500 has been awarded for the project, on the condition that match funding of £54,866 is provided by Fylde through internal or external financial contribution, providing a total capital budget of £220,366.

This is made up as follows:

Amount	Income Source
£20,000	Fylde Council contribution (approved March 2013 and funded from the Capital Investment Reserve)
£165,500	Heritage Lottery Fund
£7,514	Coastal Defence Project
£6,500	United Utilities Contribution
£2,500	RSPB Contribution
£18,352	Direct Revenue Financing from in-year corporate staff vacancy savings
<b>£220,366</b>	<b>Total</b>

4. The Council has retained the contribution of £20,000 in the 2017/18 capital programme to match fund the HLF development grant which is funded from the Capital Investment Reserve.
5. At the 'Permission to start' meeting with the HLF in January 2017, the HLF Monitoring Officer requested the Council to consider funding an extension of the 2 new project staff from the submission date of August 2018 until the second round grant award decision date in December 2018. The council's Management Team considered this request and agreed to meet these costs of £18,352 from in-year corporate staff vacancy savings rather than turn down the request and potentially jeopardise the project which is drawing significant external funding into the Borough.
6. A further condition of the award is that council officers will prepare the management & maintenance plan and organise and deliver a significant number and range of volunteer hours which will be classed as 'works in kind', that must contribute directly to the project.
7. On award of the development grant the HLF requested a meeting with Fylde officers on the 19 January 2017. The HLF requested several pieces of further detailed information before confirming official 'permission to start' including procurement details, project timetables, confirmation of match funding and how the project will be delivered in conjunction with the Coastal Defence Scheme. Official permission to start was granted on 20 March 2017, further to all the required information being provided.
8. The development grant from the HLF provides the opportunity to work up a detailed second round delivery bid, to be submitted to the HLF in August 2018. If the second round bid is successful, it will secure a capital grant of around £1.5 million from the HLF, plus match funding from Fylde council and other partners that will restore Fairhaven Lake & Gardens.
9. On the award of a development grant, the HLF specify a list of 'approved purposes' that must be achieved in order to prepare and submit a competent second round application. The approved purposes must be achieved and are conditional to claiming the grant.
10. The 'approved purposes' that must be achieved under the terms of the development grant are:
  - Recruitment of Project Officer – 37 hours per week temporary contract
  - Recruitment of Activity Development Officer – 22.5 hours per week temporary contract

- Appointment of Lead Consultant (to lead a team of specialist consultants)
- Appointment of independent Quantity Surveyor
- Carry out development work as is standard for a parks for people project and produce all documents required for the second round submission

11. The outputs that need to be delivered by the team for second round submission are:

- To prepare a Conservation Management Plan for the restoration of the park and detailed plans for architectural and designed elements to RIBA stage 3 appropriate for accompanying an HLF Stage 2 Capital Grant application
- To develop an Activity Plan taking forward and adding to proposals submitted at the Stage 1 range of community engagement activities
- Produce an Evaluation and Monitoring Plan
- Review and Produce a site Master Plan
- Develop a Funding Strategy and Business Plan
- Procurement and delivery of specialist surveys and investigations as listed in the specification
- Preparation of 10-year capital and revenue cost plan including cash flow and partnership funding
- To prepare 10 year management & maintenance plan – produced by Fylde Council
- Submit a competent Round 2 HLF application

## SCHEME DETAILS

12. The aim of the development grant is to work up a more detailed programme of works, which may change through the course of the development phase. However, the main components of the scheme at this stage are:

- Restoration and development of 3 heritage buildings – Lakeside Café, Pagoda building (RSPB) and the Boat Club / Boat Storage Building
- Lake Improvement Works and Hydrology
- Landscape Improvement including restoration of Japanese Garden
- Infrastructure Improvements including footpaths and furniture
- New Adventure Play Area
- New Interpretation and Signage
- Consultation and Activity Plan

## COST BREAKDOWN OF THE SCHEME

13. The following funding breakdown has been agreed with the Heritage Lottery Fund and lists the ‘approved purposes’ of the grant

Activity	Cost
Procure Lead Consultant including survey costs	£116,450
Procure independent Quantity Surveyor	£6,000
Recruit and employ project officer and activity development officer	£87,772
Contingency	£10,144
<b>Total</b>	<b>£220,366</b>

14. A landscape consultant will be commissioned who is experienced in working on HLF Parks for People projects, to act as the lead consultant to develop the project to a stage 2 submission in delivering the outputs listed above. If the round 2 submission is successful, the lead consultant will be retained to deliver the restoration master plan on site, on condition that the consultant performance has been acceptable. The lead consultant will lead a team of specialist consultants including building conservation architect, hydrologist, civil engineer and archaeologist. This commission includes a number of specialist surveys as part of the development process including:
- Topographical
  - Ground slab investigation (Café)
  - Trial pits and bore holes
  - Drain surveys - lake
  - Archaeological survey (Japanese Garden)
  - Hydrological monitoring
  - Eel survey and eel regulation application
15. An independent quantity surveyor will be commissioned to monitor costs, quantities and changes throughout the development stage of the project. The HLF have insisted on a separate commission for the quantity surveyor to ensure impartiality.
16. Two project officers will be employed directly by Fylde Council on temporary contracts. The project officer post will be full time, based at Fairhaven Lake and report directly to the Head of Cultural Services. This officer will be responsible for the day to day planning of the restoration of Fairhaven Lake & Gardens from the Development phase through Delivery in accordance with the HLF grant process.
17. The activity development officer will be employed part time, based at Fairhaven Lake and report directly to the project officer. This officer will work with consultants to produce a sustainable, exciting and relevant suite of programmes including the production of an Activity Plan, Access Plan and Interpretation Strategy. They will assist with a programme of public consultation, monitoring and evaluation, to determine the demand for proposed initiatives and the needs of park users.
18. The lead consultant team, officers, community representative and the quantity surveyor will form the project team. The project team will report regularly to the Project Board, which will include the Lead Consultant, Head of Cultural Services, an Elected Member and the HLF monitoring officer.

## **CURRENT POSITION & PROCUREMENT**

19. The project team need to be established and active by August 2017, to allow adequate time to prepare and submit a competent round 2 bid to the HLF in August 2018. Therefore, the recruitment of the two project officers commenced in May, with the aim to have both positions filled and in post by August 2017. Due to the tight timescale, a verbal update will be provided at the committee meeting.
20. The preparation of the tender documents for the procurement of the Lead Consultant commenced in April 2017. The tender was advertised on the 26th May 2017 and is following the OJEU open tender procedure (Official Journal of the European Union), via the CHEST North West procurement portal. The Head of Governance is assisting with the procurement process.
21. Tenders will be received for the Lead consultancy role and all associated consultant works and surveys required to meet the approved purposes set by the HLF. Tenderers have been given a project value figure of £116,450 to deliver the development stage, and have been asked to provide a percentage fee based on the estimated capital works in the delivery stage. This part of the commission will only be awarded if the round 2 HLF grant application has been successful.

22. A detailed specification has been prepared to undertake both the development and delivery stages of the project, which provides consultants with comprehensive details of the procurement process, essential project requirements in both phases and tender evaluation criteria.
22. Tenders will be evaluated on a 60% quality and 40% cost basis. Again, due to the tight timescale, a verbal update will be provided at the committee meeting.
23. At this stage of the project no further contribution is required by Fylde Council in addition to the £20,000 that was approved by Council in March 2013 (which has remained within the approved capital programme) and the Direct Revenue Financing from existing approved revenue budgets in the sum of £18,352. If the round two submission is successful a further £400,000 contribution would be required. It is intended that this would be funded from the Funding Volatility Reserve as detailed in the report to Budget Council of 2nd March 2016.

IMPLICATIONS	
Finance	Tourism and Leisure committee are asked to authorise the proposed expenditure as detailed in the report in the total sum of £220,366 in respect of the Fairhaven Lake and Gardens Restoration Project dependent upon the approval of the increase in the value of the fully funded scheme within the Capital Programme by Full Council on 17 July 2017.
Legal	None arising from this report
Community Safety	Provision of modern recreational facilities is important in terms of providing diversionary activities
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	The new management and maintenance plan for the restored site will cover any potential changes to site management & maintenance and will ensure minimal environmental impact
Health & Safety and Risk Management	The tender requests detailed Health and Safety information which will be developed by the successful contractor prior to starting on site to safeguard the public and contractor personnel

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Budget Council Minutes	4 March 2013	<a href="#">Budget Council Minutes</a>
Budget Council Minutes	2 March 2016	<a href="#">Budget Council Minutes</a>