

**Report for:** Cabinet on 17 May 2016

**Item number:** 9

**Item number:** Wolves Lane Horticultural Centre - Cessation of Services and proposed new Parks Depot.

**Report**

**Authorised by:** Tracie Evans

**Lead Officer:** Simon Farrow, Interim Head of Direct Services

**Ward(s) affected:** Woodside Ward

**Report for Key/**

**Non Key Decision:** Key decision

**1. Describe the issue under consideration**

- 1.1. The current services at Wolves Lane Horticultural Centre (WLHC) are no longer financially sustainable and therefore the Council needs to cease providing them and find alternative uses for the site.
- 1.2. The land occupied by WLHC is designated as Metropolitan Open Land and therefore future use needs to be compatible with this designation.
- 1.3. The council still has some interest in part of the site for a new parks depot but expressions of interest need to be sought in order to elicit proposals from interested parties for the remainder of the site. A further Cabinet report will be produced towards the end of the year to make a final recommendation including setting out the staffing, financial and equality implications.

**2. Cabinet Member Introduction**

There has been a significant level of engagement with all interested parties in the development of this report. In the light of reducing Council budgets the approach recommended will allow those within the community to submit their own expressions of interests for the future management of the site. It will also allow the Council to explore all potential options that support the outcomes of the Corporate Plan.

### 3. Recommendations

- 3.1. That Members agree to cease the current service provision at WLHC in April 2017 in line with the findings of the service review detailed in this report.
- 3.2. That expressions of interest for the future use of WLHC are sought from suitably qualified organisations and that the outcomes of this exercise are reported back to Cabinet before the end of 2016.

### 4. Reasons for decision

- 4.1. The Council's Medium Term Financial Strategy (MTFS) sets out a reduction of £70,000 in the budget of WLHC. Three further internal funding sources are also being removed as a result of actions within the MTFS. As set out in paragraph 11 this will lead to a total funding reduction of £205,000 over the next two years.
- 4.2. **Adults and Volunteering Services** - All funding for this service is being withdrawn over the next two financial years. The council is moving away from direct provision of Adult Care and therefore although personal independence payments may be available for some or all of the service users this is not an area where the parks service should continue to operate.
- 4.3. **Education Services** - This service area is subsidised by the parks service and only recovers around 50% of its cost through fees and charges. The service is well supported by the schools attending but they have indicated that a 100% rise in the cost of visiting would make visits to the site unaffordable. This is not a core area of operation for the parks service and others may well be better placed to provide such a service.
- 4.4. **Retailing** - The council has been retailing plants and other garden sundries since it took over the management of the centre from the previous failing social enterprise in 2009. However, recent legal advice has highlighted that the council does not have in place the right corporate structure. The surplus produced by the retailing is not significant and therefore does not warrant the overhead of setting up the necessary corporate structure to continue.
- 4.5. **Growing** - The councils currently grows a significant amount of seasonal bedding, shrubs for parks and housing areas and also plants to retail. The parks service need for these plants is changing as it moves to more sustainable forms of planting rather than the high maintenance seasonal bedding. In addition it will no longer be retailing and therefore will not need to produce plants to sell. Therefore, in the future the service will require less glass house provision.
- 4.6. **Horticultural Centre Site** - By recommending that most of the current services should cease this would release around 60-70% of the current site. The site is designated Metropolitan Open Land and therefore its future use must be consistent with the constraints currently placed upon it.

### 5. Alternative options considered

- 5.1. During 2015 a full review of the current services and the funding for those services was completed. The review considered three options for each element of the service: remain as is; improve; and stop. A summary of the review can be found at Appendix 1.

## **6. Future of the Wolves Lane Horticultural Centre Site**

- 6.1. The Council is proposing to cease the majority of its activities on the site. Therefore, it needs to consider alternative uses of the site which contribute to the Corporate Plan and MTFs. The site is designated Metropolitan Open Land and therefore can only be used for open air facilities, especially for leisure, recreation, sport, arts and cultural activities and tourism and / or be used to contain features or landscape of historic, recreational, nature conservation or habitat interest.
- 6.2. The councils continued use of the site in connection with the provision of the parks service will be limited. This use will account for some 30-40% of the total site. Appendix 2 outlines some possible site divisions. In order to explore options for the remaining 60-70% of the site an expression of interest process is proposed.
- 6.3. The Councils continued interest in the site will be to establish a new parks depot on the site and retain some glass house provision. This will enable the closure and relocation of staff and resources from the Keston Road Depot and Woodside House depot.
- 6.4. Once the new depot is available at Wolves Lane the site at Keston Road can be released for housing.

## **7. Expression of interest process**

- 7.1. It is proposed that an expressions of interest process will be launched in June 2016 to seek proposals from interested parties that would like to make use of the remaining space at the Wolves Lane site.
- 7.2. All expressions of interest should recognise the council's intention to achieve its objectives by:-
  - Working together with our communities - Building resilient communities where people are able to help themselves and support each other
  - Value for money - Achieving the best outcome from the investment made
  - Working in partnership - Delivering with and through others
  - Ensuring compatibility with the requirements of Metropolitan Open Land status.
- 7.3. Contribution to the each of the corporate priorities will be equally weighted and equate to 60% of the overall evaluation score. 40% of the evaluation score will be applied to the financial aspects of the expression of interest split equally between income to the council and the achievability of the business plan. A higher proportion of the overall score is being given to the corporate plan contribution to ensure that expressions of interests from community groups are not unfairly disadvantage by the standard 60/40 price/quality split.

- 7.4. The proposed timeline for the expression of interest process will be as follows:-
1. Expression of interest sought between June – August 2016 (10 Weeks)
  2. Evaluation of expressions of interest September – October 2016
  3. Cabinet Decision November or December 2016
  4. Lead in period for selected partner(s) January – April 2017

## **8. Background information**

- 8.1. In February 2009, the Council took over the management of the Wolves Lane Horticultural Centre from a charitable organisation. At that time, the Council's intention was to move the management of the centre into a partnership agreement with a not for profit organisation by 2012.
- 8.2. The Council's Corporate Plan and MTFs for 2015-18 were approved in early 2015. This included a proposal to reduce the centre's budget from £70k to nothing from April 2016/17. In addition further funding is being withdrawn as part of the MTFs Savings from Adult Services, Regeneration and Commercial and Operations. The total reduction over two years is £205,000.
- 8.3. The Parks Service conducted a review of the services on offer at the centre. The aim of this review was to recommend the future operating model for the centre which would meet the savings targets and the Council's objectives.

## **9. Staffing Implications**

- 9.1. There are eight directly employed people at the WLHC and in line with the recommendations of this report all posts would be retained until April 2017.
- 9.2. The post of centre manager and nursery team leader would be retained thereafter to deliver a variety of landscape improvements including the production of the plants for the use within the landscape improvement schemes.
- 9.3. During 2016/17 the posts of Nursery Operative and Gardner will be transferred to the Parks Operational Team to provide further support to the boroughs parks. This will support the reduction of the current financial subsidy.
- 9.4. The impacts on the remaining four posts will not be known until the completion of the expression of interest process. Either the staff occupying will be subject to the council's redundancy / redeployment procedure or TUPE will apply and they will transfer to a new provider where services continue to be offered.

## **10. Consultation**

- 10.1. Ward Councillors – Ward Councillors have been appraised at regular intervals throughout the review. They have also attended WLHC and seen some of the services in action.
- 10.2. Friends – Regular meetings have been held with the Friends of Wolves Lane Horticultural Centre, throughout the review. During the review the Friends have met with Ward Councillors, the Cabinet Member for Environment and the Leader in order to share their views on the review.

- 10.3. Partner Organisations - Site visits have been conducted with other organisations such as the Organic Lea project based at Waltham Forests Parks Nursery. Organic Lea have also produced a template plan for food growing at the site. The plan concludes that there could be a viable organic food growing operation led by a mixture of paid workers and volunteers based at the site. Previously Dignity (Crematorium and Cemetery Partner) have expressed an interest in the site should it become available as a potential extension to the Wood Green Cemetery.
- 10.4. Staff and Trade Unions – The staff and the Trade Unions have been kept informed about the review and its progress. Staff have had the opportunity to input into the review and challenge the findings where appropriate. Formal consultation will take place with affected staff following the Cabinet decision in the autumn of 2016.

## **11. Financial Considerations**

- 11.1. The proposals outlined in this report will from 2017/18 deliver the full £205,000 savings required by the MTFS. However, the £175,000 MTFS saving due to be achieved in 2016/17 will be under achieved by £60,000 due to the recommendation of continuing to run the Adult Services provision until April 2017. The additional cost for the extra nine months of operation will be contained within the operational budget of the council. Overall the targets for both years within the MTFS will be achieved.
- 11.2. The proposals will release the Keston Road site which has a potential development value in the region of £800,000 to £900,000 and could deliver up to 25 affordable homes.
- 11.3. The proposals will require an investment of up to £600,000 into the facilities at Wolves Lane and Finsbury Park prior to releasing the site at Keston Road.
- 11.4. The reuse of the remainder of the site at Wolves lane could generate either a one off capital receipt or an annual lease income. The value of this will very much depend on the expressions of interest received when these are sought.

## **12. Contribution to strategic outcomes**

- 12.1. The recommendations in this report will continue to contribute to the following outcomes of the corporate plan:-
- Priority 1 - Enable every child and young person to have the best start in life, with high quality education.
  - Priority 2 - Enable all adults to live healthy, long and fulfilling lives
  - Priority 3 - A clean, well maintained and safe borough where people are proud to live and work.
  - Priority 4 - Sustainable Housing, Growth and Employment Drive growth and employment from which everyone can benefit
- 12.2. In addition the disposal of the Keston Road site for affordable housing will contribute to Priority 5 - create homes and communities where people choose to live and are able to thrive.

### **13. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

#### **13.1. Finance and Procurement**

13.1.1. Cabinet in December 2014 agreed savings totaling £180,000 relating to the Wolves Lane site. These comprised Priority 3 savings of £70,000 related to the net cost of running the facility, Priority 4 savings of £30,000 as part of the wider Economic Development savings and Priority 2 savings of £80,000 as part of the saving related to New Day Opportunities. Approval of this report will allow those savings to be delivered as well as helping the Council avoid an existing overspend of around £25,000 per annum which is the current loss being experienced by the service.

13.1.2. The proposals in this report will also allow the Keston depot site to be freed up to provide more affordable housing, which will help to relieve the pressure on wider Housing budgets. However, to do this a large proportion of the expected capital receipt from the Keston depot site will need to be reinvested into upgrading facilities at Wolves Lane and Finsbury Park, the estimated cost here is £600,000, leaving around £200,000 - £300,000 of the capital receipt available for wider Council priorities. There may be the opportunity for further capital receipts if any remaining available land at Wolves Lane was disposed of, again this funding would be available to support the wider Council capital programme.

#### **13.2. Legal**

13.2.1. The proposals involve the proposed deletion of four posts at WLHC. This proposed deletion falls within the scope of the Council's Restructure Policy. It is important that the Council follows that Policy and its Redeployment Policy, to minimise the risk of successful unfair dismissal claims being brought against it by the employees concerned.

13.2.2. Further Legal comments will be provided when this matter is next brought back to Cabinet.

#### **13.3. Equality**

13.3.1. For adult service user the impact is largely on people with disabilities and broadly equal impact on the different sexes. The impact is likely to be minimal if the service users move to a new provider on the same site. If they have to move this will be done in accordance with the wider provisions for all service users affected by the wider Adult Services Transformation agreed in 10 November 2015.

13.3.2. For school children attending the centre, if a new service provider comes forward then there will be no impact. If the service ceases to be provided there

would be a fairly equally impact on all service users but given that they may visit once in their school life any impact will be negligible.

- 13.3.3. Retail users again may well be impacted but to a limited effect in that they would have to purchase plants and materials from other outlets.
- 13.3.4. The impact on staff will be greatly felt by females over the age of 60. In this case should they would in the first instance be offered redeployment should an opportunity exist or be subject to redundancy and would also be entitled to early release of their pension. However, as this group is also working to be set out a new social enterprise to run the centre post April 2017 the impact could also be minimal.
- 13.3.5. The one female who is under the age 60 and from a BME group would be directly affected but only from the perspective that this is a second duty for her and she has a separate full time job elsewhere in the council.
- 13.3.6. There will be a positive impact for the two disabled members of staff as they will continue in employment with the Parks Service but at a different location.

#### **13.4. Procurement Comments**

The approach outlined in this report meets the requirements of the Councils Contract Standing Orders.

#### **14. Use of Appendices**

Appendix 1 - Summary of service review  
Appendix 2 - Indicative site layouts

#### **15. Local Government (Access to Information) Act 1985**

(a) Wolves Lane review documentation