



Haringey Council

Agenda item:

[No.]

CABINET 17 June 2008

Report Title: **Lordship Recreation Ground Restoration**

Report of: **Director of Adult, Culture & Community Services**

Wards(s) affected:
West Green, Bruce Grove, Noel Park, St Anns, White Hart Lane, Tottenham Green, Woodside, Harringay

Report for: **Key Decision**

1. Purpose

1.1 The purpose of this report is to enable Cabinet to consider the issues arising from entering into a contract with the Heritage Lottery Fund (HLF) for the restoration of Lordship Recreation Ground following an offer of grant funding from the HLF.

2. Introduction by Cabinet Member

- 2.1 Through this scheme, we have the opportunity to improve the quality of life for many of our residents by developing a greatly improved park that will provide a range of new and restored facilities.
- 2.2 This can lead to better mental and physical health, an increased range of educational opportunities, local residents feeling safer in the park, better community cohesion and a greener and more sustainable park.
- 2.3 As the report makes clear, there is a financial risk involved in proceeding with the project, however we will be unlikely to have such an opportunity again as is now being offered to the Council by the Heritage Lottery Fund's offer of funding.

3. Recommendations

- 3.1 That Cabinet note the costs, benefits and key risks identified for the Lordship Recreation Ground scheme and incorporate the project into the Better Haringey Programme.
- 3.2 That Cabinet approve the Council entering into a contract with the HLF for the development of the scheme to stage 2.
- 3.3 That Cabinet consider the Council's approach towards the confirmation of the matching funding for the implementation of the scheme of £2,415,270.
- 3.4 That further work is undertaken to examine the demand, viability and management of the proposed City Farm component of the project.

Report Authorised by: **Mun Thong Phung,**

Director – Adult, Culture & Community Services

Signed :

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4. Chief Financial Officer Comments

- 4.1 This report is primarily concerned with the development of a scheme for the restoration of Lordship Recreation Ground. An offer of a development grant of £235,000 has been made by the Heritage Lottery Fund against which matched funding of £311,000 is required. The work required as part of the development funding must be completed by November 2009.
- 4.2 The approved capital programme includes £543,000 for the restoration of Lordship Recreation Ground, of which £46,000 has already been spent. A request to carry forward the balance of £497,000 is to be considered as part of the concurrent Cabinet report on the 2007/08 financial outturn. If agreed, £311,000 will be required to match fund the Heritage Lottery Fund grant, with the remainder being used to support the play facility improvement project this year.
- 4.3 It is intended to submit a stage 2 application to the Heritage Lottery Fund, following completion of the development work, in November 2009; confirmation of the award for the works phase is anticipated in March 2010. Work would then commence on site in February 2011 for completion by December 2011. This report is only requesting approval to commit resources for the development work. A further report will be required for the works phase.
- 4.4 The total funding requirement for the works phase is estimated at £6,274,270 against which the Heritage Lottery Fund has set aside £3,859,000 (61.5%) with a match funding requirement of £2,415,270. The anticipated funding required from the Council is £446,000 (5%), with the balance to be raised from a number of external partners as detailed in this report. Although the capital work is likely to fall mainly in the 2011/12 financial year, a capital bid will be made for 2009/10 in order to be able to demonstrate to the Heritage Lottery Fund, in submitting the Stage 2 application, that the Council supports the scheme. Contingency and future inflation has been built into the £6.3m estimate, but clearly the final figure will depend on the agreed design of the final scheme. Risks are outlined in the report in respect of achievement of the balance of external funding for the scheme (£1.9m) as these are not yet secured.
- 4.5 The future management and maintenance costs for a ten year period have been estimated at £2,383,360 or approximately £238k per annum for the purposes of the HLF bid. The majority of these costs are expected to be funded from income or voluntary groups. Some costs are likely to fall to the Council, in particular funding for 2 additional apprentice posts (£32,500 per annum). The report also assumes that Recreation Services will continue to receive additional capital funding support of approximately £40k pa from the Council from 2011 to provide funding for ongoing capital infrastructure repairs and maintenance. Further consideration of these longer term financial implications will need to be included in a report to Cabinet during 2009, prior to the submission of the stage 2 application to the Heritage Lottery Fund.

5. Head of Legal Services Comments

- 5.1 Head of Legal Services notes the contents of this report.
- 5.2 As stated in at paragraph 1.1 the purpose of this report is to enable Cabinet to consider the issues arising from entering into a contract with the HLF for the funding of the restoration of Lordship Recreation Ground following an offer of grant funding from the HLF. The value of the grant is £235,000. The Council will need to provide match funding of £311,000.
- 5.3 This report seeks approval for the Council to enter into a contract with the HLF and Big Lottery Fund (“the Contract”). The Contract is attached to this report at Appendix B
- 5.4 The Contract sets out a number of conditions which will apply to the grant funding. Members should be aware that under the Contract the funding can be withdrawn or be clawed back if the Council fails to meet the conditions set out in the Contract.
- 5.5 In particular Members should be aware that the development funding work must be completed by November 2009 unless failure to achieve this deadline is for reasons beyond the Council’s control.
- 5.6 The Contract also provides that the development funding work must be carried out in accordance with guidance and monitoring documents which will be produced to guide and regulate the work.
- 5.7 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

6. Local Government (Access to Information) Act 1985

- 6.1 [List background documents]
- 6.2 [Also list reasons for exemption or confidentiality (if applicable)]

7. Strategic Implications

- 7.1 The restoration of Lordship Recreation Ground, one of 3 district parks in Haringey and the largest open space in the east of the Borough, is an identified priority in the draft Greenest Borough Strategy.
- 7.2 The Council has been working with the community and stakeholders since 2002 to develop a masterplan, identify and secure the investment required to restore the park.
- 7.3 This has now resulted in an offer of grant funding from the Heritage Lottery Fund comprising of an initial development grant, following which, subject to meeting the HLF’s grant conditions, a further grant to implement the major works would be paid. The value of the development grant is £235,000 against which matching funding of £311,000 is required – which has already been secured from capital resources previously allocated. The value of the grant for major works is £3,859,000 for which matching funding of £2,415,270 is required (see Appendix A).

- 7.4 The scheme will produce a range of benefits and has attracted the support of a range of stakeholders including the Council's Children's Services, the PCT, the GLA, the Metropolitan Police, the Environment Agency and Audiences London.
- 7.5 Key benefits arising from the scheme include:
- An increase in usage from an estimated 55,000 to 355,000 visits per year
 - 2 new eco-build carbon neutral facilities at the City Farm and Environmental Centre (Greenest Borough)
 - Support the development of third sector capacity/ involvement
 - Creation of volunteering opportunities estimated at 1,000 person days per year
 - Creation of a new facility for cycle proficiency training
 - Provision of training opportunities for young people Not in Education, Employment or Training (NEETS,)
 - Identified by the GLA as a priority for biodiversity enhancement and in the top 25 sites in London for reducing Areas of Deficiency in access to nature
 - Establishment of a 'Healthy Local Food Project' and food production cooperative
 - Development of a new environmental education resource to support the eco-schools initiative offering a range of curricular and extra curricular courses and activities
 - The scheme, as approved by HLF, will seek to maximise community involvement in development, capital works delivery and future operation. This aspect of the scheme is of national significance in respect of best practice.
- 7.6 A further benefit arising from the scheme is the opportunity to develop usage and improve the performance of the Broadwater Community Centre which is located between the Park's eastern boundary and the adjoining Broadwater Farm Estate. A key issue for the Community Centre has been an inability to attract users from beyond the Broadwater Farm Estate. Through enhanced collaboration between the Centre and the Park, the Centre is already benefiting from the Park's restoration through an increased range of activities and can continue to do so by marketing to the Park's future 355,000 annual visitors.
- 7.7 However, In keeping with a scheme of this size and complexity, there are a number of risks associated with it. To assist the Council in identifying and managing these risks, 2 risk workshops have been facilitated by the Council's Programme Management office. The risks of greatest significance and impact would be:
- Failure to raise the match funding from the Council and external sources of £2.4m. This could mean that the Council's contribution of £311,000 towards the development funding would be lost and in the key risk at this stage of the scheme.
 - Cost increases arising from future construction inflation, design fees increases, extending the scope of works and currently unforeseen circumstances.
 - That water quality is poor and sediment levels high in the opened up River Moselle to the extent that this element has greater value as a landscape enhancement rather than as an educational resource.
 - That third sector partner(s) are unable to generate the required revenue funding and that the liability for this funding falls back on the Council.
 - That the Council is unable to maintain the regenerated Park to Green Flag standard for the 10 years required by the HLF.

These, and the other scheme risks can be managed through the Council's agreed processes and structures for project management with the scheme forming a part of the work programme for the Better Haringey Programme Board.

8 Financial Implications

8.1 With reference to paragraph 7.3, the total funding for the Development Phase is £545,833 with £235,000 from the HLF and the balance from the Council. The principal costs to be funded through this phase are:

- Employment of a design team to develop the scheme to RIBA stage E
- Specialist surveys
- Employment of a Client Side Senior Projects Officer and Volunteer Coordinator
- A 5% contingency

8.2 The Council's contribution to the Development Phase can be met from existing capital resources allocated to the scheme.

8.3 The total eligible scheme costs, separate to the Development costs, as calculated by the HLF, are £8,976,676.

Sunk costs	£319,046
Works costs	£6,274,270
Future revenue costs	£2,383,360
Total	£8,976,676

This is broken down into 3 elements:

- Sunk costs – monies already spent on the scheme in the 12 months prior to the application
- Works – the actual estimated costs of the physical improvement works
- Future management and maintenance costs associated with delivering the required project outcomes including obtaining and sustaining Green Flag status for the Park for a ten year period following completion of the works.

8.4 The total funding requirement for the works phase is £6,274,270 against which the HLF has set aside £3,859,000 (61.5%) with a match funding requirement of £2,415,270 (including £7,000 of match funding from volunteer labour). The works budget incorporates the following:

- The cost of capital works for buildings and landscape including contractors' overheads and profit and preliminaries costs
- An allowance for inflation within the construction industry of 20% that was based on going out to tender in the first quarter of 2010
- Professional fees
- Contingency of 10%
- Staffing costs for the Client Side Projects Officer and a Volunteer Coordinator.

8.5 The Council is required to confirm all of the partnership funding before HLF will confirm the award of the works grant. This includes a 5% contribution against the total eligible scheme costs from the Council. Partnership funding is currently anticipated from the following sources:

LIFE (European environmental funding)	£1,144,270
Biodiversity Challenge	£175,000
Jack Petchey Foundation	£100,000
Landfill Tax schemes (BIFFA, VEOLIA etc.)	£250,000
Charitable /Corporate (Garfield Weston, City Bridge, Wolfson, Sainsburys, Fidelity)	£300,000
From the Council 5% (future Capital Bid 2009/10)	£446,000
TOTAL	£2,415,270

The Council contribution will be sought via a capital bid in 2009/10.

- 8.6 In order to secure the required match funding, it is proposed that the Council work in partnership with other third sector organisations, with the Council being the applicant for funding sources for which it is eligible and other organisations being the applicant for funding sources where the Council as a statutory body would not be eligible.
- 8.7 Sunk costs for the scheme are £319,046 broken down as follows:
- Works to the western carriageway of the Park undertaken as part of the Greenways Cycle initiative and funded by TfL £250,000
 - Professional fees costs incurred in developing the application £69,046
- 8.8 Future management and maintenance costs for a ten year period have been valued as £2,383,360. The approach taken in developing these costs was to use the 'Parkforce' model whereby the imputed value of partners' contribution to the management and maintenance of the Park is included in the calculations.
- 8.9 The approach taken is designed to provide reassurance to the HLF that the Council will:
- Manage and maintain the Park effectively in the future to protect the HLF's investment and achieve Green Flag status for 10 years
 - Ensure that sufficient resources are available to deliver the key outcomes of which the increase in usage from 55,000 to 355,000 per annum is paramount.
- 8.10 There are two key assumptions with direct cost implications for the Council contained within the cost approach taken. These are:
- That funding for 2 additional apprentice posts costed in total at £32,500 per annum and based permanently in the Park from 2011 can be identified either from existing resources or from a future growth bid.
 - That Recreation Services will continue to receive capital funding support from the Council from 2011 to provide funding for ongoing capital infrastructure repairs and maintenance.
- 8.11 A further assumption made at this stage which is also a potential risk /liability for the Council is in respect of the revenue funding for the new City Farm and Environmental Centre. This is costed at £55,000 per annum in the cost breakdown. The Council will be reliant on partner(s) to obtain the required revenue funding for the operation of these facilities. Should partner(s) not be successful in generating revenue funding, the Council may need to provide this funding directly.

9 Legal Implications

- 9.1 Through this report, approval is being sought to enter into a contract with the HLF and BIG Lottery Fund.
- 9.2 The value of the grant being offered through this contract is £235,000 and the contract states that the work required as part of the development funding must be completed by 31st May 2009. However, subsequent to the issuing of the contract, the HLF have indicated that they would like to extend this period to November 2009 and that this would be achieved through the Council submitting a letter to request this. This extended period would also benefit the Council as it will allow more time to put match funding in place.
- 9.3 A copy of the contract is attached at Appendix B
- 9.4 Arising out of the proposed partnership arrangements, the Council will need to enter into formal leases for the future management of the proposed new City Farm and Environmental Centre.
- 9.5 A 'Memorandum of Understanding' is currently being developed to set out the roles and responsibilities that will be undertaken by partner(s) and the Council.
- 9.6 In respect of any future funding arrangements between the Council and partner(s), these may require a contract in order to ensure that any monies paid by the Council for service provision are legally enforceable.

10. Equalities Implications

- 10.1 The scheme has been identified by the HLF as having the potential to establish national best practice for involving the community in scheme design, capital works implementation and future management.
- 10.2 The scheme will be subject to an Equalities Impact Assessment.

11. Consultation

- 11.1 Extensive consultation designed to identify needs and secure interest and involvement from the community and stakeholder organisations has been undertaken. This will be further developed during the next phase with expert guidance from the Council's Consultation Manager, Audiences London, and the HLF.

12. Background

- 12.1 Lordship Rec is a District Park located in West Green ward. As a district park it would expect to draw visitors from a catchment area of up to 1.2km and to provide a range of attractions and facilities. The other 2 district parks in Haringey are Highgate Wood and Finsbury Park.
- 12.2 Lordship has been failing to match its status as a district park since the 1980s from when a combination of reduced and or tired facilities have combined with a lack of revenue funding to substantially reduce usage.

- 12.3 From 2002, the Council has been working with the Lordship Rec User Forum (LRUF) and a number of other organisations to secure substantial improvement for the site.
- 12.4 Funding/works already secured include:
- £400k from Sport England for a new multi use games area, skate park and adventurous play facility
 - £25k from Living Spaces for improvements to the lake
 - £150k from BIG Lottery and London Marathon Charitable Trust for a new playground.
- 12.5 A previous bid for funding was submitted to HLF in 2006, however the Council was advised that this application was unsuccessful and that it should be withdrawn. Principal amongst the reasons given by the HLF in offering this advice was that the Council's proposals for the future management of the site were inadequate in comparison to the investment being sought.
- 12.6 Subsequent to this, the scheme and the management plan have been further developed. A key aspect of this development has been the emergence of local third sector interest in establishing a base in Haringey for environmental projects and activity. This has resulted in the inclusion of plans for a new City Farm and Environmental Centre within the Park, both of which would be constructed using trainee and volunteer labour and recycled materials and be carbon neutral.
- 12.7 Similar projects have previously been established in Hackney e.g. Hackney City Farm and have been successful in attracting funding for a range of new facilities and educational programmes.
- 12.8 The works to be funded in Lordship include the following:
- The opening up of the River Moselle
 - A new City Farm and Environmental Centre
 - Restoration of the historic Model Traffic Area
 - Refurbishment of the toilet block in Lordship Lane and Shell Theatre building
 - External works to the Broadwater Centre grounds
 - Extensive landscape works throughout the park incorporating new pathways, bins and benches, drainage, tree planting and the development of additional nature conservation areas.
- The overall design masterplan for the park is included at Appendix C and an artist's impression of some of the new and refurbished facilities is included at Appendix D.
- 12.9 The indicative high level timetable for overall delivery of the scheme is set out below:
- | | |
|--------------------------------|-----------------|
| Submit Stage 2 application | November 2009 * |
| Confirmation of award from HLF | March 2010 |
| Works commence on site | February 2011 |
| Works complete | December 2011 |
- * Following recent discussion with HLF, this assumes an 18 month rather than a 12 month period for the development phase.

13. Conclusion

- 13.1 The Council has the opportunity, through this scheme, to provide an outstanding improved park for the benefit of Borough residents.
- 13.2 The scheme also offers an opportunity for the Council to gain a national reputation for good practice in involving the community in the development and future management of the park.
- 13.3 The Development funding available from HLF together with the £3,859,000 earmarked as a contribution towards the costs of the major works provide a very solid foundation for raising the additional funding required.
- 13.4 However because of the complexity of the scheme and the amount of funding still to be raised, there is currently a high level of risk attached to the scheme which will need to be managed in accordance with the Council's agreed Project Management Framework.
- 13.5 At this stage, the key decision for Members to consider is the approval being sought by officers to enter into the contract with HLF for the £235,000 Development funding match funded by £311,000 from the Council's own resources.

14. Use of Appendices

- Appendix A = Costs and Funding (.xls)
- Appendix B = Copy of HLF contract (.pdf)
- Appendix C = Masterplan (.pdf)
- Appendix D = Illustration board (.pdf)