

THE EXECUTIVE

10 MAY 2005

REPORT FROM THE DIRECTOR OF REGENERATION AND ENVIRONMENT

BARKING PARK RESTORATION AND IMPROVEMENT PROJECT: STAGE 1 SUBMISSION TO THE HERITAGE LOTTERY FUND	FOR DECISION
<p><i>This Report concerns the submission of an external grant application, which needs to be approved by the Executive.</i></p> <p>Summary</p> <p>This report aims to secure approval by the Executive of a Stage 1 application to the Heritage Lottery Fund (HLF) for Barking Park Restoration and Improvement Project. The Council was successful with a bid for a Project Planning Grant to the Heritage Lottery Fund in 2004, which has enabled the production of the following by consultants:</p> <ul style="list-style-type: none">• Access Plan• Revised Conservation Management Plan• Costed Masterplan <p>These plans will form the basis of a revised Stage 1 Application to the HLF by 1 July 2005.</p> <p>Wards Affected: Longbridge and Abbey Wards.</p> <p>Recommendations</p> <p>The Executive is asked to:</p> <ol style="list-style-type: none">1. Approve option D set out in paragraph 4.2 of the report for Barking Park and £3.5 Million Stage 1 grant application to HLF;2. Give consideration to submitting a new capital bid for £2,123,550, for the financial year 2006 -2007, subject to a positive outcome of the above recommendation (option D) as part of the Council's match funding contribution and subject to the project receiving a positive appraisal (four green status) through the Capital Programme Management Office; This bid is to be considered in the context of the full review of the capital programme;3. Create a four year grant aided Project Manager Post for Barking Park from 2006 at a match funding cost of £28,000 from 2006 / 2007, to be considered in the light of the decisions in 1 and 2 above, and be subject to the growth bidding process;4. Note the projected revenue increase of £172,000 from 2007 / 2008 subject to a further detailed report to The Executive on how this revenue is to be funded, as a part of the revenue budget process for 2007 – 2008 and any revisions to the Medium Term Financial Strategy;	

<p>5. Allow officers to investigate a preferred management structure for Barking Park post completion subject to a further detailed report to the Executive as to how this will be funded; and</p> <p>6. Authorise the Director of Regeneration and Environment to submit the application and to ensure that any subsequent requirements of the Heritage Lottery Fund are met.</p> <p>Reason</p> <p>If successful external funding will be secured that will support the restoration and improvement of Barking Park, which will assist the Council in achieving its Community Priorities of “<i>Making Barking and Dagenham Cleaner, Greener and Safer</i>”, “<i>Raising General Pride in the Borough</i>” and “<i>Regenerating the Local Economy</i>”.</p>		
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1. Project Background

1.1 Barking Park Restoration and Improvement Project has four key aims:

- Securing the future of the heritage of Barking Park.
- Improving access to the heritage of Barking Park.
- Producing a revitalised Park to complement the regeneration of Barking Town Centre.
- Ensuring that Barking Park regains its status as the Borough’s premier park that reflects its regional significance.

1.2 The vision for Barking Park is to create a revitalised park for the needs of the local community in the 21st Century and to restore the park to its premier position within the London Borough of Barking and Dagenham (LBBd). The original park was created as part of the development of Barking New Town in the late 19th Century. It is proposed to revitalise the park as part of the regeneration of Barking Town Centre, and to accommodate the needs of this new community, as well as the changing leisure needs of local people.

1.3 A previous, unsuccessful, Stage 1 application to the Heritage Lottery Fund (HLF) for the Barking Park Project (October 2002) highlighted Capital costs of £2,305,940 which consisted of a bid to the HLF of £1,730,000 matched funded by Council Capital of £460,000 plus £116,000 which related to improvements already undertaken (Executive minute 189, 11 November 2003 refers). In response to this application HLF advised that the Council should apply for a Project Planning Grant.

- 1.4 Funding for a Project Planning Grant for Barking Park has been secured from the HLF. This was under their Public Parks Initiative Programme, undertaken in 2004 / 2005. This has enabled the appointment of Consultants to prepare a Revised Conservation Management Plan and Access Plan. Both plans have addressed the concerns raised by the HLF in response to the previous Stage 1 application submitted by the Council in October 2002. These were:
- A need for better integration of the individual project elements.
 - A need for a better design solution for the redundant former open air swimming pool site that demonstrates value for money.
 - A need for greater focus on security, access, interpretation and education.
- 1.5 The Revised Conservation Management Plan is a detailed document that forms the business case for securing funding (Stage 1 Application). The Plan reviews the existing Restoration Plan (completed in October 2002) and identifies the main issues that need to be addressed through the implementation of a costed Master Plan, a summary of which is shown in 3.3.
- 1.6 The Access Plan identifies the physical, cultural, organisational, social, sensory, intellectual or financial barriers relating to access to Barking Park, for the local population, and identifies how these can be overcome.
- 1.7 The Stage 1 application to HLF will also include an application for a Development Grant to assist with preparing more detailed designs. The Development Grant will need to be match funded and this will be met from part of the proposed Capital bid subject to the project receiving four green lights through the Capital Programme Management Office

2. Legal issues

- 2.1 There is a restrictive covenant on the Park with the Hulse estate and their consent will be needed to progress these improvements if funding is secured.

3. Project Overview

- 3.1 A Masterplan has been produced which shows the proposals for the Park (Appendix A). The main elements are as follows:
- Entrances - all entrances will be improved, to encourage the public to enter the park; these improvements will consist of seating, lighting as well as 'pocket' gardens.
 - Lido - the Masterplan proposes that this will become the heart of the park, containing a number of community facilities, some of which will be relocated elsewhere from the park (such as the Fitness Academy and changing rooms).
 - Internal traffic - existing potential conflict with pedestrians and vehicles has been noted, and it is proposed to remove the car park adjacent to the Indoor Bowls Centre and to provide chevron parking along the avenue adjacent to the Lodge.

- Lighting / Security - these concerns will be addressed by installing more lighting, mainly along primary routes within the park, and by the installation of a CCTV system, linking to the Council's own system.
- Interpretation / Signage - this will be improved by the installation of an interpretation outlining the heritage value of the site and signage will be improved to encourage greater visitor use of the park and its facilities.
- Biodiversity improvements to the Lake, including dredging, marginal planting and the creation of a designated feeding area for waterfowl.
- New footpaths and cycle ways, with additional seating, lighting and other street furniture.
- Additional tree and shrub planting.
- Provision of a new playground and teen facilities.

Please note that as a result of extensive public consultation the proposals for a Bridge crossing Barking Park Lake and linking the Borough with LB Redbridge have been withdrawn, due to adverse public reaction.

3.2 A comprehensive consultation programme has been undertaken with both key park stakeholder groups and park users. In addition a Friends of Barking Park Group has been established to support the application to the Heritage Lottery Fund. A total of 800 questionnaires were distributed during the consultation period with a response rate of nearly 20% - the overwhelming majority of which supported the proposal 'To improve the Park'.

3.3 The total costs for the Barking Project are £11,541,759 and these are Broken down into the following elements:

Table 1 Cost Breakdown

Description	%	Total
Order of Cost Parkland		£2,660,400
Preliminaries ¹	15	£399,060
Subtotal		£3,059,460
Inflation ²	12	£367,135
Subtotal		£3,426,595
Contingencies ³	12	£411,191
Subtotal		£3,837,786
Fees ⁴	15	£575,668
Subtotal Parkland		£4,413,454

New Boat House		£325,000
Lido Roof		£1,250,000
Café		£341,000
Lido Infrastructure Improvements		£4,960,000
Subtotal Lido		£6,876,000
Total – Capital		£11,289,454
Subtotal Revenue		£252,305
		£11,541,759

Footnotes to Table1

- 3.4 Please note that all costs are estimates. Percentage figures given above follow HLF guidelines, which are:
- a. Preliminaries - these will be included in the bid as other Capital costs, at 15%, as per HLF instruction.
 - b. Inflation - HLF guidelines state that the calculation must be linked to the project timetable and expected cash flow and based on accepted predictions or government indices. Given that the Capital works on the project are not expected to commence until 2007 / 2008 this is considered to be a realistic amount.
 - c. Contingencies - HLF advise that if the grant request is for over £1 million then the contingencies should be in the range of 10% to 15%. Therefore 12% is considered to be a realistic figure.
 - d. Fees - HLF guidelines state that total fees for Park Projects over £1 million not to be more than 15% of the costs of the Project.

Lido subtotals for new boathouse, roof, café and infrastructure improvements are inclusive of preliminaries, inflation, contingencies and fees.

4. Scheme Options

- 4.1 It is recognised that existing Council Capital resources and the Heritage Lottery Fund cannot fund the total final cost of £11,541,759. The Heritage Lottery Fund has stated that they will consider a grant application up to a maximum of £3.5 million. This is an increase of £500,000 from the £3,000,000 grant aid ceiling that was reported to the Regeneration Board in March 2005 following successful negotiations by Council Officers. Therefore a number of options have been identified to reduce the project costs in relation to the Lido site.
- 4.2 Table 2 gives a summary overview of the main elements of the 4 options identified for Barking Park. **Please note that none of the options include the reinstatement of the former Lido use. The options are as follows:**

Table 2 Scheme Options

Option	Summary of Scheme	Cost
A	Community Hub based in the former Lido complex, containing relocated facilities such as the Fitness Academy, Boxing Club, changing rooms and park facilities such as a Café (serving light refreshments). The Short Mat Bowls Centre would stay. The existing buildings would be refurbished and the central area would be roofed over and a new internal space created which could potentially be used as a Conference Centre or rehearsal space. A new boathouse would be constructed on the original site adjacent to the Lake near the Park Avenue entrance.	£11,541,759
B	Enclosed garden within the confines of the former Lido, without a roof. This was proposed by the previous consultants, Land Use Consultants, in a separate report to that of the Restoration Plan. Remedial works would still be undertaken to the rest of the Lido, which would still contain the Community Hub facilities outlined in Option A. The existing boathouse would be re-clad and would include a Café.	£6,748,276
C	The Lido would be demolished and the area returned to parkland. Essential repairs only would be undertaken to the boathouse and hard standing area would be created for a café concession.	£5,513,960
D	Enclosed garden with wet play area and café, community hub to be created as Option A, without a roof and provision of a new boat house.	£6,269,550

Footnotes to Table 2

- 4.3 Short mat Bowls Club is retained in all of the above options. The Executive (Minute 205 and 209) agreed to relocate the Boxing Club to Barking Park. Provision has been made within the preferred option for this to take place dependant upon the outcome of the Stage 1 application.

The Funding that is required to relocate the Boxing Club is not included within this masterplan and will be met through a separate capital bid by Department of Education, Arts and Libraries (DEAL) since it does not meet HLF funding criteria.

5. Selection of Preferred Option

- 5.1 The preferred Option is Option D because:

- This is the option that will identify all the features and facilities within Barking Park that will be necessary to create a refurbished park for local residents, within reasonable costs.
- The proposals would assist with the Project aim of ensuring that Barking Park regains its status as the Borough's premier park and reflects its regional significance, by including the proposals for the community hub and enclosed garden, with water play facilities and a café.
- This is the option that has received a lot of support during public consultation. Interest groups such as the Friends of Barking Park support the establishment of a café and a community hub for the park, whilst providing a wide variety of facilities.
- This option meets the requirements of the Heritage Lottery Fund grant criteria and addresses the issues raised in the original failed Stage 1 application.

5.2 Option A has been rejected because:

- The costs are too high - although it is an imaginative proposal to roof over the internal space of the Lido, it does not offer value for money. The Heritage Lottery Fund has indicated that they want to see value for money within the scheme and that they are only likely to assist with funding community facilities such as a café, but not a roof.
- It is difficult to establish a business case for a new boathouse given current usage levels

5.3 Option B has been rejected because:

- The proposals for the enclosed garden are not imaginative enough- Option D includes a wet play area and a café. As indicated earlier, the proposals need to reflect the aim of ensuring Barking Park becomes the Borough's premier park and reflects its regional significance, as well as assisting with the regeneration of Barking Town Centre.

5.4 Option C has been rejected because:

- The proposals are not imaginative enough resulting in fewer facilities within the Park. This would not assist with the aim of ensuring that Barking Park regains its position as the Borough's premier park and retain its regional significance.
- In addition to this the project may not receive Heritage Lottery Funding and an opportunity would therefore be lost to match external funding with existing Council capital funds. Public support would be unlikely to be secured for such a scheme, as there would be few benefits for them.

6. Financial Information

- 6.1 The 2005/06 Capital Programme approved by the Assembly on the 2nd March 2005 contains the following provision for the delivery of the Borough's Parks and Green Spaces Strategy (PGSS).

Table 3 PGSS Capital Funding

Year	2004/05	2005/06	2006/07	2007/08	Total
Capital Provision	£256,000	£837,000	£3,000,000	£1,000,000	£5,093,000

- 6.2 £5,000,000 of this funding is to be met by LBBD with the remaining £93,000 being funded from external sources.
- 6.3 At it's meeting on the 19th April the Executive also agreed that a further capital bid of £2,190,000 would undergo a critical evaluation in terms of its inclusion in the 2006/07 onwards programme. The *Refurbishment Under Urban Parks Programme* is expected to require £460,000 of LBBD funding to match £1,730,000 of external funds.
- 6.4 Costs for Option D are £6,344,550 (which also includes £75,000 as 50% match funding towards the Development Grant) of which £3,500,000 is to be secured through a grant application and £2,844,550 secured from the Council's Capital programme. Table 4 below shows a breakdown of how this funding will be met:

Table 4 Capital Funding Breakdown

Funding Source	Secured	Unsecured	Notes
HLF Grant Aid		£3,500,000	Maximum grant application that will be considered by HLF
LBBD Revenue (Match Funding)	£116,000		12 months improvements already taken (2004/05) that can be included as part of the match funding.
S106	£145,000		100,000 Local Arts Initiative 45,000 Ilford Lane Entrance
LBBD Approved	£2,123,550		Contribution from the agreed provision for the PGSS, subject to Project Appraisal approval and a successful stage 1 HLF application
LBBD – pending critical evaluation		£460,000	<i>Refurbishment Under Urban Parks Programme</i> – bid subject to critical evaluation for inclusion in 2006/07 programme onwards
SUBTOTAL	£2,384,550	£ 3,960,000	
Total		£6,344,550	

- 6.5 The total cost of the project has significantly increased from £2,305,940 to £6,344,550 since approval was given by the Executive on the 12th November 2002 to submit a bid to HLF. After allowing for increased HLF grant and a successful evaluation of the *Refurbishment Under Urban Parks Programme* there is a funding shortfall of £2,123,550 which it is proposed to underwrite from the provision for the PGSS.
- 6.6 Whilst underwriting the £2,123,000 cost increase from the provision for the PGSS would allow this bid to go forward to the HLF, there would be significant implications for other projects within phase 1 of the PGSS which would result in a number of park projects within Phase 1 of the Parks and Green Spaces Strategy not being implemented.
- 6.7 Should Members wish to proceed with option D it is recommended that consideration is given to submitting a new capital bid for £2,123,550 for the financial year 2006 -2007 subject to the project receiving a positive appraisal (four green status) through the Capital Programme Management Office; This bid would be considered in the context of the full review of the capital programme, and would allow schemes in other parks to proceed within phase 1 of the PGSS.
- 6.8 The funding split for the project if the Stage 1 Grant Application is successful is 55% Heritage Lottery Grant (External) and 45% Council Capital of which 5% is Section 106 contributions. Council Capital match funding of £2,123,550 subject to the approval of the Executive will require approval through the Capital Programme Management Office (CPMO). The Stage 1 application will not be submitted until CPMO Approval.

7. Revenue Funding

- 7.1 At project completion there will be a number of increased revenue costs covering the following elements:
- Grounds Maintenance
 - Facilities Maintenance
 - Lakes and Trees Maintenance
- 7.2 The expected revenue cost for the scheme on completion is expected to be £324K per year. This is an increase of £172k over existing budget provision for maintenance at Barking Park. Heritage Lottery Fund (HLF) have advised that they will meet 50% of these costs for the first five years of the scheme with existing maintenance budgets for Barking Park; providing the 50% match funding required from the Council is matched.
- 7.3 In adopting the Parks and Green Spaces Strategy in 2003, the Executive agreed that adequate revenue provision will be met through:
- Efficiency savings from existing parks and green spaces management.
 - Annual revenue growth bids.
 - Increased income through targeted sponsorship and commercial events.
 - Section 106 agreements.

- 7.4 It is proposed to undertake an efficiency review of grounds maintenance costs and park management costs in 2005/06 to determine what proportion of these increased costs can be met through re-prioritisation of the revenue budget once HLF revenue funding ceases. It is not expected that all of these new costs could be met from this exercise and that some additional revenue will need to be secured through the annual growth bid process. In accepting the HLF funding, the Council would be effectively committing itself to picking up the increased revenue costs of the scheme once HLF support ceases
- 7.5 A further report will be submitted to the Executive outlining the extent to which these increased Revenue costs for Barking Park can be met from existing budgets and how much will require new funding.

8. Project Management Costs

- 8.1 If the Stage 1 Application is successful HLF recommend the appointment of a Project Manager to prepare the Stage 2 application and oversee project implementation. HLF will provide 50% grant aid for a maximum period of five years for project management costs. Based on the projected timetable for the project a Project Manager would need to be appointed for a fixed term period of four years.
- 8.2 Subject to the Council's evaluation process for new posts it is expected that this post will be graded at PO5 at an annual cost (inclusive of all 'on' costs) of £56,000. It is proposed to create this post from the start of the financial year 2006/07 subject to securing the Stage 1 award at a match cost of £28,000 per annum.
- 8.3 Match funding costs for the Project Manager Post will be met through a revenue growth bid.

9. Park Management

- 9.1 As part of the Stage 2 application the Council will need to demonstrate how it will manage and develop the park, in particular community outreach work and education. In parallel with the efficiency of existing costs (7.3 above) management structure options for the park will be identified and a preferred option will be presented to the Executive for approval as part of the Stage 2 application submission.

10. Project Risks

- 10.1 Table 6 identifies the main project risks that have been identified for the delivery of the Barking Park Project.

Table 6 Project Risks

RISK	SIGNIFICANCE (Low, Medium, High)	STEPS TAKEN TO REDUCE IT (Where possible)	CONTINGENCY PLANS
The risk of cost overruns	Low	Comprehensive monitoring systems are in place and mechanisms for project management on site are established. LBBD has allocated staff to monitor the progress daily. Surveys and site investigations have already taken place to minimise risk.	Regular programme of monitoring of contractor to prevent cost overrun. Any costs overruns will be covered by contingencies
Meeting deadlines	Low	Steering Group meetings are being held to control the project and a Project Champion (Head of Leisure and Community Services) has been appointed.	Not applicable
Risks from relying on other projects	Low	The project is not dependant on other schemes being delivered.	Not applicable
The failure of HLF match funding to be approved	Low - Medium	The HLF consider the Borough to be a priority area for funding within their Public Parks Initiative. Regular meetings and progress reports have been provided to keep them updated with project progress.	Review progress by quarterly returns to HLF.

Failure to secure new Council Capital funding bids	Medium	Failure to deliver this flagship Parks and Green Spaces Strategy project will undermine the Council's commitment to the Strategy and result in the loss of £3,500,000 external grant aid	Fund through PGGS application (subject to Project Appraisal Approval). If this option were implemented then it would significantly reduce the Borough wide impact of the Strategy.
Refusal of any necessary authorities or permissions	Low	Regular meetings are being held with LBBD Planning and Highways to ensure the appropriate permissions are received.	Not applicable
Weak demand for the project's services	Low	Community Liaison has shown that there is a demand for the services to be provided, such as a café or improved play facilities. The consultation strategy with the stakeholders and other groups such as the Friends of Barking Park has ensured that the project has been designed to meet local needs.	Review progress

11. Timetable

- 11.1 The timetable for Barking Park Restoration and Improvement Project is shown below in Table 7. All dates shown are for the start of the month. The grant award dates are based on Heritage Lottery Fund guidelines and represent the maximum decision dates for these three stages. Executive approval will be required for the Stage 1 application, Stage 2 application,

Table 7 Project Timetable

Stage No	Project Stage	Estimated Timescale
1	Prepare Stage 1 Application	February – June 2005
2	Secure Regeneration Board approval	March 2005
3	Secure Executive approval	May 2005
4	Submit Stage 1 Application	July 2005
5	Stage 1 Award	March 2006
6	Appoint Project Manager	May 2006

7	Prepare and submit Stage 2 application	September 2006
8	Stage 2 Award	March 07
9	Appoint consultants to prepare Stage 2 design details, etc.	June 2007
10	Prepare tender and award contract	September 2007
11	Commence works, Phase 1	March 2007
12	Commence works, Phase 2 (centred on Lido)	March 2008

12. Procurement

12.1 The total costs of the Barking Park Project are £6,344,550, which includes:

- A professional fee element in excess of £144,000
- A works contract in excess of £3,600,000.

It will therefore be necessary to procure both the professional fees and the works element of the project in accordance with EU Procurement Directives.

12.2 Both contracts will be advertised in the OJEC (Official Journal of the European Union) with further reports requesting Executive approval to tender and subsequently award the contracts submitted at the appropriate times.

13. Consultation

13.1 The following Officers have seen this report and are either happy with it as it stands or have raised no objection:

Lead Members:

Making Barking and Dagenham Cleaner, Greener and Safer - Councillor McKenzie;

Raising General Pride in the Borough (Public Facilities) – Councillor Wade
Regeneration - Councillor Kallar

Regeneration and Environment

Jim Mack, Head of Assets and Development

David Waller, Interim Head of Finance

Maureen Perkins, Head of Human Resources

Jeremy Grint, Head of Regeneration Implementation

Peter Wright, Head of Planning and Transportation

Niall Bolger, Director of Regeneration and Environment

Corporate Strategy

Muhammad Saleem, Solicitor to the Council and Monitoring Officer

Robin Hanton, Corporate Lawyer & Deputy Monitoring Officer

Finance

Lee Russell, Head of Finance (Corporate)

Joe Chesterton, Head of Financial Services

Stefanie Goldsmith, Corporate Procurement Officer

Background Papers

- Executive Minute 205; 23 November 2004, Community Music Service – extension of Facilities.
- Executive Minute 209, 14 December 2004 (Re; Minutes (23 November 2004) and in reference to the above minute 205).
- Executive Minute 189; 11 November 2003, Barking Park: Heritage Lottery Fund Project Planning Grant.
- Executive Minute 200, 12 November 2002, Barking Park Heritage Lottery Fund Application to the Urban Parks Programme.
- Former Leisure and Amenities Committee Minute 1025 (iii) March 2000, re: appointment of Consultants to prepare a Restoration plan for the refurbishment of Barking Park in relation to the Heritage Lottery Fund.
- Parks and Green Spaces Strategy - May 2003
- Revised Conservation Management Plan for Barking Park - January 2005
- Access Plan for Barking Park – January 2005