

Cabinet – 15 January 2014

Walsall Arboretum Visitor Centre

Portfolio: Councillor Anthony Harris – Leisure and Culture

Related portfolio: Councillor Adrian Andrew – Regeneration and Transport

Service: Clean and Green Services

Wards: St Matthews and Paddock

Key decision: Yes

Forward plan: No

1. Summary

- 1.1 The £7.6m renovation of Walsall Arboretum being delivered by the Council and funded in conjunction with the Heritage Lottery Fund is well advanced and will conclude with the construction of a new Visitor Centre which will undoubtedly be the park's centrepiece. The works completed to date have restored the park to its former glory and have proved popular with Council Tax payers. This report seeks approval to let a contract that will enable the construction of the Visitor Centre together with associated works.
- 1.2 Before work can start on the Visitor Centre, it will be necessary to stabilise the adjoining embankment which is currently at risk of collapse. It has been decided to undertake both the embankment works and the Visitor Centre construction under a single contract with Willmott Dixon through the SCAPE national framework contract operated by a consortium of local authorities. This contract will also be used to deliver the Illuminated Park project included in the current Capital Programme.
- 1.3 Both the Visitor Centre and the illuminated park project will add considerably to the attractiveness of what is the borough's premier park for the significant benefit of Council Tax payers and indeed visitors from further afield. As such, it will add to the attraction of Walsall as a visitor destination alongside the New Art Gallery, the Leather Museum and Walsall town centre all of which are within less than a mile's walk of one another.
- 1.4 It is proposed that the works will commence in February 2014 and will be completed by February 2015.
- 1.5 Cabinet approval is required for the embankment works as there is no provision for these remedial works in the approved Capital Programme. It is a key decision because it is significant in terms of its direct effects on communities in an area

comprising two or more wards in the Borough, specifically St Matthews and Paddock.

- 1.6 Cabinet Approval for the delivery of the Arboretum Restoration Programme, including the Visitor Centre, was obtained in February 2009.
- 1.7 The works to the embankment and the building of the Visitor Centre link to the Council's vision and support key Council policies (see section 4). The Arboretum Restoration Programme is included in the adopted Greenspace Strategy (GSS), 2006-2012 and 2012–2017. A key aim of the GSS is to achieve the national greenspace quality standard – Green Flag Award – status for a number of its strategic green spaces, including the Arboretum as the borough's premier park. The Arboretum Management and Maintenance Plan which was produced as part of the application for Heritage Lottery Funding will be updated and delivered by the new Arboretum team to ensure that high standards are maintained. It is a condition of the Heritage Lottery Fund Award that the park achieves and retains Green Flag Award status for ten years post completion of the Restoration Programme.

2. Recommendations

- 2.1 That Cabinet approves the granting of a contract to Wilmott Dixon under the terms of the SCAPE national framework for the construction of a Visitor Centre together with associated embankment works at a cost of £3,115,072 subject to approval from the Heritage Lottery Fund for a transfer of funding within the agreed Cost Plan for the Arboretum Restoration Programme.
- 2.2 That Cabinet notes the intention to undertake the Illuminated Park scheme as a variation to the contract at a cost of £270,000.
- 2.3 That Cabinet approves design consultant fees, project management, development costs, and statutory fees at a cost of £180,470.
- 2.3. That the cost of the ancillary embankment works be funded through the use of a capital contingency in the sum of £ 981,000.
- 2.4 That Cabinet delegate authority to the Executive Director for Neighbourhood Services in consultation with the relevant Portfolio Holder and the Chief Finance Officer to agree minor changes to the costs associated with the Arboretum Visitor Centre project cost (including the embankment and Illuminated Park works).

3. Report detail

- 3.1 The extensive restoration of Walsall Arboretum has been underway since autumn 2010 and has included the following improvements:-
 - a) Refurbishment of the Grade 2 listed boathouse and park bandstand
 - b) Provision of a new youth play facility adjacent to the children's play area
 - c) Comprehensive footpath resurfacing and creation of new footpath networks
 - d) New bins, benches and signage

- e) Repairs to park boundary walls and fencing
 - f) Restoration of park entrances
 - g) Horticultural improvements to rockeries, prestige planting areas, stream corridor and lake margins
 - h) Comprehensive tree works to include new tree planting, and
 - i) Three new staff positions (Arboretum Parks Manager, Head Ranger and Head Gardener) to ensure the long-term sustainability of the park and its future management, maintenance and development.
- 3.2 The only remaining element of the scheme approved by the Heritage Lottery Fund is the provision of a high quality Visitor Centre on the Centre Green to house a cafeteria, education classroom, meeting rooms, staff accommodation, park toilet facilities and changing rooms.
- 3.3 Over the last few months the design of the scheme has been substantially developed and refined in order to ensure a robust deliverable design which is fit for purpose. This has provided the Council with a clear understanding of the costs and residual risks, with plans in place to mitigate or manage the risks accordingly. The existing planning permission for the Visitor Centre has been extended.
- 3.4 Before the new Visitor Centre can be constructed, it will be necessary to stabilise an adjoining embankment which is currently at risk of collapse. These remedial works are needed because of the risk of the embankment failing which represents a risk to the integrity of the site of the proposed centre. As such, the works to remedy the embankment must precede construction of the new Visitor Centre. The embankment works do not require planning permission.
- 3.5 If the works were to be delivered as independent projects, significantly higher costs and additional delays would be expected and so it is proposed that the two projects are delivered through a single contract utilising a framework contract available to the Council. This framework contract has been used successfully to deliver many major capital works projects for the Council during the last 5 years.
- 3.6 In addition, the refurbishment of the Arboretum was also intended to include feature lighting of the park to extend its use and support organised events after dark. These works referred to as the Illuminated Park, have been partially implemented and will be completed through this contract. They will be instructed as a variation to the contract and delivered within the current budget (£270,000) available and already in place via the approved Capital Programme. This will ensure that they are delivered without further delay and avoid the unnecessary additional management costs associated with procuring and delivering this through a separate contract. The scope of the proposed framework and competencies of the contractor are ideally matched to support this requirement.
- 3.7 The proposed form of procurement is a Design and Build utilising the NEC (type A) standard form of contract, which is a lump sum contract meaning that, with few identified exceptions, the financial and design risk in delivering the project will transfer to the contractor and thus provide the Council with the highest degree of cost certainty possible.

4. Council priorities

- 4.1 This project supports priorities in the Walsall Plan 2013-2016 to improve health, including well-being and independence for older people, and create safe, sustainable and inclusive communities
- 4.2 The refurbished Arboretum, and specifically the proposed Visitor Centre, will help sustain and improve the natural and urban environment and assist people to live healthy and active lifestyles. In so doing, it will help reduce levels of obesity. It will also help support healthy ageing and independent living of the most vulnerable including those who suffer from poor mental health.
- 4.3 The Arboretum has an active User Group and promotes the engagement of local people in its management and activity programmes. The Visitor Centre will enhance this role further and so help further develop the voluntary and community sector in the Borough.
- 4.4 The park and the opportunities it provides to become involved in its operation help to divert offenders from crime, particularly young people.

5. Risk management

- 5.1 The key risks to the project delivery have been analysed and have been managed throughout and recorded in a risk register.
- 5.2 There are potentially significant unidentified risks associated with the conditions and stability of the deep underlying geology on the embankment or the proposed site location of the Visitor Centre, which itself is located upon what is known to be a filled deep pond.
- 5.3 To mitigate this risk, a design risk allowance has been negotiated and agreed with the contractor. In the event of any risk materialising during delivery it will be the contractor's responsibility to mitigate and manage the risk. If no risks arise then the contractor receives a benefit for his commercial risk.
- 5.4 The proposed arrangement represents good value for the Council as the potential for significant additional cost in the event of a major failure in the design and assumptions due to site conditions in the context could easily approach many hundreds of thousands to remedy.
- 5.5 Other environmental risks such as extremely adverse weather conditions preventing progress on site cannot be predicted nor mitigated and will remain the Council's risk. In the event of this occurring the Council would be liable for any non-productive downtime costs of labour and management of the site for the duration of any such event. It should be noted that this issue applies and has applied to all construction contracts and has not been a serious issue in recent years.
- 5.6 It is believed that the electrical infrastructure in the neighbourhood in general and the Park in particular has already been upgraded and established as suitable. It

is therefore not anticipated that there will be any need to enhance the network operators' assets to support this project or the intended park lighting.

- 5.7 Due to the enabling works at the boundary of the Arboretum with Victoria Terrace, the affected resident will have to vacate his premises immediately adjacent to the site. If they do not do so, this could delay the works. This forms part of the agreement with the affected resident who is aware of his obligation to both vacate the property and make a financial contribution reflective of their liability for the necessary works. This contribution also forms part of the agreement with the resident.
- 5.8 The risk management of the project to date and attention to detail generally throughout the development process and preparation for contract mobilisation has resulted in minimum outstanding risks to the project as detailed above. The Restoration Programme budget contains a contingency sum which could be utilised in the unlikely event of unforeseen costs on the Visitor Centre (subject to approval from the Heritage Lottery Fund).
- 5.9 Section 6 below details the financial implications of the project and the proposed funding sources. A transfer of funding within the agreed Cost Plan for Arboretum Restoration Programme has been requested from the Heritage Lottery Fund, to fund the additional spend required for the Visitor Centre element. No spend on the Embankment / Visitor Centre contract will be committed until this approval from the Heritage Lottery Fund is in place.

6. Financial implications

- 6.1 The overall costs for the visitor centre and associated embankment are £3,565,549. These include all design consultant fees, project management, development costs, and statutory fees. They do not include costs associated with development surveys (asbestos, bat, environmental, drainage), although the cost of these is anticipated to be less than £15,000 and can be funded from the contingency available for the Arboretum restoration programme.
- 6.2 Funding for the Visitor Centre is already in place and is provided through a grant from the Heritage Lottery Fund and match funding from the Council. The funding split is 60.74% from the Heritage Lottery Fund and 39.26% from Walsall Council. The original total construction budget for the Visitor Centre and external landscaping included within the Restoration project was £1,689,961. This was a figure derived from an unadjudicated tender return nearly three years ago and is not comparable to the current construction cost referred to in paragraph 6.6 below. There is a significant underspend on the Restoration project budget to in the region of £800,000 and it is intended to transfer the additional funding required for the Visitor Centre from this underspend on other areas of the project. This transfer is subject to approval from the Heritage Lottery Fund.
- 6.3 The works to the embankment are being funded from Capital Contingency and a contribution from the affected resident of Victoria Terrace.
- 6.4 Whilst it is difficult to separate the costs of the embankment and the Visitor Centre precisely given that the two projects will share resources,

management and support infrastructure, it is necessary to do this because of the separate funding arrangements in place for each element. The costs for the project have been split and reported as accurately as possible by consideration of construction cost and management costs based upon the elemental analysis of costs and allocating them accordingly to the appropriate project; or a direct and proportional partial cost of any elements where the benefit is shared. A detailed analysis of the anticipated costs from the design information has been used to inform the following breakdown of costs between the two projects:

6.5 Embankment

a) Construction cost	£936,424
b) Direct (internal) costs and fees	<u>£ 44,575</u>
c) Total	£980,999

6.6 Visitor Centre

a) Construction cost	£2,178,647
b) Direct (internal) costs and fees	<u>£ 135,903</u>
c) Total	£2,314,550

- 6.7 In addition to the Visitor Centre and associated embankment works, the refurbishment of the Arboretum also includes the installation of feature lighting to extend use of the park and support organised events after dark. These works have been partially implemented and will be completed through this contract. They are not presently included in the above reported figures. These works will be instructed as a variation to the contract and delivered within the current budget (£270,000) available and already in place. This will ensure that these desired works are delivered without further delay, and avoid the unnecessary additional management costs associated with procuring and delivering this through a separate contract. The scope of the proposed framework and competencies of the contractor are ideally matched to support this requirement.

7. **Legal implications**

- 7.1 The Council needs to ensure that all works are in compliance with health and safety legislation and that it discharges its duties relating to the safety of all persons within and within the vicinity of the Arboretum.
- 7.2 Officers will ensure that the framework, which is used to purchase the construction works, is a lawful and openly, fairly and transparently pre procured framework.

8. **Property implications**

- 8.1 The Arboretum, including the embankment referred to in this report, is Council owned. The proposed contract is being project managed by Property Services.

9. Health and wellbeing implications

- 9.1 One of the priorities of the Health and Wellbeing Strategy for Walsall 2013–2016 is to create and develop healthy and sustainable places and communities.
- 9.2 There is a close relationship between the quality of the physical and social environment in which people live and their health and wellbeing. Healthy, sustainable communities are supported by factors such as access to green spaces such as the Arboretum as well as increased levels of community involvement and better social networks.
- 9.3 Regeneration of the Arboretum is a priority for the Council. The park provides a large area of open space close to the town centre where visitors can play, relax and exercise providing both physical and mental health benefits. The restoration of the park, to be concluded with the building of the Visitor Centre will offer an abundance of opportunities which will have a positive impact on quality of life within the borough as well as helping to create a sense of civic pride.
- 9.4 An Audience Development Plan (ADP) for the Arboretum sets out the range of current audiences / users of the park and their needs and priorities relating to facilities and provision within the park, based on the results of community consultation. The ADP concludes in an action plan to increase visitor numbers and current user satisfaction. This plan spans beyond the physical site improvements into the development of a full events and activities programme, to be delivered by the site staff team and a range of partners.
- 9.5 The project, and in particular the Arboretum User Group, will build a stronger, healthier community for individuals and groups in Walsall through the promotion of healthy behaviours and access to the facilities and services available in the Arboretum including the Visitor Centre.
- 9.6 The User Group has played an integral role in the development and delivery of the Restoration Programme to date and have delivered many improvements to the park outside of the Lottery Funded project. The continued involvement of the Friends Group and their assistance with the new events and activities programme will build a stronger, healthier community for individuals and groups in Walsall through the promotion of healthy behaviours and access to the facilities and services available in the Arboretum including the Visitor Centre.
- 9.7 By working with the User Group, the Council will further develop our voluntary and community sector and work together to create links and provide opportunities for social interaction
- 9.8 The project supports the delivery of services in line with the key objectives of the Marmot Review, in particular those relating to the creation and development of healthy and sustainable communities and ensuring a healthy standard of living for all.

10. Staffing implications

There are no significant human resource implications arising directly from this report.

11. Equality implications

- 11.1 The Arboretum plays a key role in bringing people together on common ground. The park can unite diverse communities through activities, education, celebrations, cultural events and engagement. The Arboretum is open to all, regardless of ethnic origin, age or gender, and as such represents a democratic forum for the citizens of Walsall.
- 11.2 Prior to the delivery of the Restoration Programme, an Access Audit of the park was completed and an Access Plan produced, identifying barriers to access and how these could be overcome. The majority of the physical site improvements identified in the historic core of the park to enhance access have already been completed. The new Visitor Centre will be accessible via ramps, be all on one floor, containing accessible toilet provision and a range of other services and facilities. Accessible car parking spaces will be provided for Blue Badge holders to the exterior of the building. Further improvements planned to the park extension including the resurfacing of the Grange Car Park and repairs to key footpath links will also help to enhance access to the park.
- 11.3 As the Restoration of the park is nearing completion, the way in which the park is marketed and information provided will be reviewed and improved to make it easier to find information about the site and plan a visit to the park.

12. Consultation

- 12.1 Comprehensive community consultation was carried out to inform the development of the Masterplan for the Arboretum and to support the funding application to the Heritage Lottery Fund. The consultation was structured to ensure that the views and aspirations of a wide range of key stakeholders including local residents, site users, young people, Council officers, Councillors, site staff, project funders and representatives from local organisations, were at the forefront of planning for the park. Communication with stakeholders has been maintained throughout the delivery of the restoration scheme to ensure that progress is accurately reported and a high profile for the park and the Restoration scheme was maintained. A communication strategy has been prepared specifically for the delivery of the embankment works/Visitor Centre.
- 12.2 Legal Services, Procurement, Heritage Lottery Fund, the Portfolio Holder and Members; and the Arboretum user group have been consulted on these proposals in relevant detail as appropriate.

Background papers

None.

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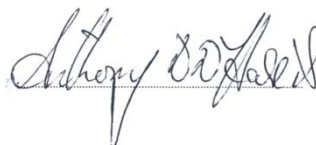
Signed:



Jamie Morris
Executive Director

7 January 2014

Signed:



Councillor Harris
Portfolio holder

7 January 2014