

REPORT TO CABINET

18 November 2020

Subject:	West Smethwick Park – Heritage Lottery Funded Restoration Project
Presenting Cabinet Member:	Councillor Maria Crompton – Deputy Leader
Director:	Executive Director - Neighbourhoods – Alison Knight
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Yes
Director Approval:	Yes
Reason for Urgency:	Urgency provisions do not apply to this proposal
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	Councillor Zahoor Ahmed Councillor Babu Bawa OBE Samiya Akhter
Scrutiny Consultation Considered?	Scrutiny has not been consulted
Contact Officer(s):	Darren Jones - Parks and Open Space Manager darren_jones@sandwell.gov.uk Mark Drake- Strategic Lead design and construction Mark_drake@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

1. Reaffirm approval to continue with the planned Heritage Lottery Fund Parks for People renovation of West Smethwick Park
2. That Minute No. 69/11, in relation to the allocation of £581,000 in the capital programme for West Bromwich car parking, no longer be proceeded with.

3. That subject to 2 above, the sum of £581,000 currently in the capital programme and a sum of £92,777 of existing Section 106 monies be allocated for the use of West Smethwick Park DC/12/55069 & DC/08/49405 to fund the increased capital cost of the development of the new pavilion, landscape improvements and heritage works at West Smethwick Park.
4. Subject to 1 and 2 above and in accordance with procurement and contract and procedure rules, authorise the Executive Director of Neighbourhoods and the Executive Director - Resources to award the contract to the pavilion and historic features to Interclass and the contract for the landscape works to The Casey Group.
5. Authorise the Director - Regeneration and Growth to award separate contracts for phases 1 and 2 of the restoration of West Smethwick Park, to the successful contractors.
6. Authorise the Director of Law and Governance to enter into or execute under seal any documentation in relation to the award of phases 1 and 2 of the restoration of West Smethwick Park, subject to 4 above.

1 PURPOSE OF THE REPORT

- 1.1 This report requests Cabinet to redirect existing financial resources to manage the increased construction costs for the proposed pavilion, repair/renovation of the historic features and landscape improvements at West Smethwick Park
- 1.2 To seek approval to award and enter into separate contracts with contractors to deliver: contract 1 historic features and pavilion construction and; contract 2 landscape restoration of West Smethwick Park on behalf of the Council.

2 IMPLICATION FOR THE VISION 2030

2.1 The Council is due to receive £4.5m from Heritage Lottery Fund (HLF) as part of a total project valued at £5.2m for the restoration of West Smethwick Park. This funding would see the restoration of all historic features in the park, the construction of a new community pavilion, the repair and replacement of all parks infrastructure and improved security, along with the provision of a wide range of activities for all age groups both in the new pavilion and the parkland. The grant will have a positive impact on a number of the Councils 2030 Ambitions.

- Ambition 2 (Healthier for longer and safer) provided by activity within the pavilion and the park.
- Ambition 5 (Lowering crime and ASB) provided by CCTV, new lighting and an increased presence in the park.
- Ambition 7 (New homes) provided by the re-development of the old unused depot into a new housing development.
- Ambition 8 (Create environments in the six towns where people chose to live) provided by the park re-development, through a future application for Green Flag Park status and the construction of a new community pavilion.

2.2 If the project does not proceed, the lack of investment will have a negative impact on West Smethwick Park and result in further community dissatisfaction. The 2030 Vision Ambition 8 will also be adversely affected and there will be missed opportunities associated with both the community and commercial aspects of the project.

3 BACKGROUND AND MAIN CONSIDERATIONS

3.1 On the 20th of February 2019 Cabinet approved the Director - Regeneration and Growth, in consultation with the Executive Director – Resources, to prepare tendering documentation and procure separate contractors, in accordance with The Public Contracts Regulations 2015 and the Council's Procurement and Contract Procedure Rules, working on behalf of the Council, to deliver phases 1 and 2 of the restoration of West Smethwick Park. Authorised the Director - Regeneration and Growth to award separate contracts for phases 1 and 2 of the restoration of West Smethwick Park, to the successful contractors. Authorised the Director of Law and Governance to enter into or execute under seal any documentation in relation to the award of phases 1 and 2 of the restoration of West Smethwick Park.

- 3.2 Phase 1 –Stone Edge were awarded the contract to carry out work on the historic features of the park which included the Chance memorial. Start date for this phase was the 8th July 2019 with an expected completion of 31st January 2020. Stone Edge went into administration part way through renovation of the historic features
- 3.3 Phase 2 – Original tenders for the pavilion construction and landscape works were returned on 27th September 2019. Only two tenders were returned for West Smethwick Park Phase 2. The Casey Group and Proctor Contracts. Proctor Contracts are suppliers and installers of fencing and only priced these specific items therefore this was a non-compliant tender. The Casey Group submitted a tender in the sum of £5,104,336.10. Their accompanying letter stated that they had difficulties obtaining prices for a number of packages (staircases, M&E, lift and demolition) and included Provisional Sums against these items whilst they also excluded costs for certain items. This also made this a non-compliant tender.
- 3.4 Due to Stone Edge going into administration and the other tenders being non-compliant the council have again gone out to tender, this time the pavilion and remaining historic feature works as contract 1 and the landscape works as contract 2 enabling the Council to engage a wider market.
- 3.5 The tenders have now been returned. Four companies have tendered for the landscape works out of seven that had indicated they would tender and one company has tendered out of four that indicated they would tender for the pavilion and historic feature works.
- 3.6 There is an intention to have this work completed in time to complement Sandwell's aquatic centre, therefore works need to commence early 2021 to ensure that this is the case

4 THE CURRENT POSITION

Tenders for the Pavilion and Landscaping schemes were received on 12 June 2020. There was one return for the pavilion and historic features:

- Interclass £2.5 pavilion and historic features

There were four returns for the landscaping:

- Forkers;
- The Casey Group Ltd;
- Fitzgerald Contractors Limited and
- Jack Moody Landscaping & Civil Engineering Ltd

The Casey group where the lowest tender £2.4

Total sum for both tenders £4,988,715

4.1 Heritage Lottery Capital money available for the Project as below

Repair and conservation work	1,359,072
New building work	1,507,246
Other capital work	190,000
Inflation	203,874
Other costs (capital)	606,330
Previous Heritage Work	-94,706
Grand Total	£3,866,522

4.2 Therefore, there is a financial shortfall between the tender returns and the capital money available from Hlf of £1,122,192

4.3 To assist in the reduction of the financial shortfall the following financial options have been identified below

The re-allocation of resources currently in the capital programme for West Bromwich Car Parking that are no longer required.	581,000
Section 106 allocated to West Smethwick Park. Reference numbers DC/12/55069 DC/08/49405	92,777

Following consultation with Heritage Lottery the following items have been value engineered out of the project

Removal of tree pits Substitute elaborate underground tree pits from 'Blue Green Urban' With a reduced/ simplified version omit tree pits in the hard surfacing entirely and situate trees on the grassed embankment.	117,000
Removal of steps to events area Omit 2nr flight of steps	26,415
Change in surface type of events area Substitute an area of Sureset resin bound surface with porous bitmac (outer circle) terrace.	20,000
Re-use road planings for construction of new paths to make up the lower layers of footpath construction (where there is significant make up required)	30,000
Additional park lighting	30,000

Additional agreements from Heritage Lottery

Hlf have agreed for Sandwell Council to use a large percentage of the project contingency.	200,000
Reduction in management and maintenance	25,000

Total	£1,122,192
Shortfall	0

4.4 The following factors have contributed to the increase in costs above the estimated budget

- Certain materials and labour costs have increased across all construction projects. This is possibly due to political uncertainty and concerns around access to labour and availability of materials
- We are nearly two years behind the original programme due to:
- Determining a service supplier to manage the proposed pavilion (SLT) in conjunction with HLF
- Conditions placed on the Council by HLF in obtaining an agreement on the land sale of the council's depot at West Smethwick Park.
- Tendering twice and the corresponding agreement on Value engineering of the project.
- Conservation contractor going into administration.
- Delays have had an inflation effect on the original budget estimate of between 8.5% to 10%
- Covid 19 costs within the tender returns, Additional equipment, staff and time delays have increased the budget.
- HLF requirement to issue the second tender with the majority of the original specification instead of reducing it as part of the suggested value engineering by SMBC
- The tender returns costs are higher than the estimates. This could be associated with the contractors unwilling to take additional risks due the possible supply problems, due to Covid and Brexit.

4.5 In 2018 the Council secured a suitable Provider to operate the pavilion and deliver Hlf funded activities on site. Sandwell Leisure Trust (SLT) has been awarded the contract for 10 years initially for the new pavilion and existing Sons of Rest (William Lees Building). SLT have already implemented a number of successful activities at West Smethwick Park

- 4.6 The HLF funded parks officer was recruited in 2018 and has been successful in delivering a number of community based activities, to date the delivery programmes have been attended by almost 3,500 members of the public and volunteers have contributed over 500 man hours to the site
- 4.7 The HLF funded parks officer has also engaged with and developed other partnership agreements with the following organisations
- Beat Freaks – young people of colour engaging in their local heritage & history and volunteering programmes
 - Chance Heritage Trust
 - Smethwick Heritage Centre: exhibitions of West Smethwick Park
 - Portway Adult Services Group: supporting with access to the park and activities such as fishing
 - RSPB: birdwatching activities
 - Birmingham university: student volunteers
 - BrumBats: urban bat conservation group
- 4.8 The Albion Foundation are in the early stages of a proposal to move their headquarters to West Smethwick Park to complement the scheme and support the pavilion operation.
- 4.9 This proposal has been successfully included in the Smethwick Project Prioritisation list and has been shortlisted to the next stage
- 4.10 The Project Outcome is to create a financially sustainable much needed “youth offer” for Smethwick – complementing the benefits of a renovated park with a modern all year Youth, Community, Sport & Education offer
- 4.11 The Foundation would like to create a “Home” where they can deliver all areas of their work.
- 4.12 Sandwell Council, The Albion Foundation and Sandwell Leisure Trust have been in discussions for some time regarding West Smethwick Park and the opportunity to relocate the Foundation to the Park to complement the Heritage Lottery Development.
- 4.13 The Albion Foundation is a registered charity working in partnership with West Bromwich Albion Football and uses the power of the WBA FC badge to deliver excellence in Well-being, Behaviour Change and Active Lifestyles.
- 4.14 The Foundation vision is to create “A Proud Albion Family, Engaged, Inspired and Achieving its Potential” and its goal is to deliver 10 million hours and make a difference to 100,000 people in the next 10 years.

4.15 The Albion Foundation can attract capital funding from the Premier League and Football Foundation and has some capital funds set aside for this development.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

5.1 Previously Internal consultations with key officers from Planning, Highways, Legal Services and Finance have been undertaken.

5.2 To inform proposals for the submission to HLF, a survey was conducted regarding the park. The survey was hosted online, and face-to-face surveys were completed at drop in events, as well as by the Friends of West Smethwick Park and St Albans Community Association. The surveys were promoted online via the Sandwell Council website as well as through social media.

5.3 The following have been consulted on the proposals for the Restoration Project:

- Local Ward Councillors;
- Sandwell Community Providers Project Officer;
- Sandwell Neighbourhood Officer;
- Resident and Friends and Neighbours Community Support; and
- Manager, Soho/Victoria Friends and Neighbours CIC.
- Sandwell Leisure Trust

5.4 Sandwell Leisure Trust have been instrumental in the design of the interior of the proposed pavilion

5.5 The following Groups have also been consulted:

- Friends of West Smethwick Park;
- St Albans;
- Black Country in Motion;
- Motiv8;
- Sandwell Neighbourhoods Team;
- IRIS;
- Community Champions;
- Holly Lodge School;
- Public Health Sandwell;
- SCVO;
- Smethwick Neighbourhood Providers;
- Youth Services;
- North Smethwick Development Trust;
- Love Your Neighbour;

- My Time Active;
- West Smethwick Enterprise;
- Trident Reach the People;
- Bangladeshi Women's Association;
- Creative Academies;
- CEAL;
- Community Connect Foundation;
- Orchard Centre; and
- Health Watch Sandwell

6 ALTERNATIVE OPTIONS

- 6.1 The Council could alternatively take no action and lose £4.5m of lottery funding towards the re-development of West Smethwick Park. The historic features works have commenced, but due to the construction company going into administration all features including the Chance memorial are currently secured with fencing and part complete
- 6.2 Retender the redevelopment works for a third time, however there is a risk that this will result in further increased construction costs and fees and construction works will take place during and after the Commonwealth Games

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The scheme was appraised in 2017 by the Strategic Investment Unit and achieved a score of 81%.
- 7.2 Originally financed as follows in the Cabinet report dated 22nd February 2017 :-
- Heritage Lottery Funding (HLF) £4.493m
 - Corporate Resources £0.550m
 - Parks Revenue Contribution £0.100m
 - Private Contributions £0.029m
- 7.3 Additional capital support of £673,777 is now required to successfully complete the project. It is proposed that this shortfall should be resourced as follows :-
- £581,000 from the re-allocation of resources currently in the capital programme for West Bromwich Car Parking that are no longer required.
 - £92,777 from Section 106 monies held specifically for West Smethwick Park DC/12/55069 and DC/08/49405.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 Contracts for the work will have to be awarded in accordance with the Council's Procurement & Contract Procedure Rules and the Public Contracts Regulations 2015. The appointment of the eventual Provider of Pavilion related services shall be required to enter into a concession agreement and lease as referenced in the recommendations section of this report and the award of contract will also be done in accordance with the Council's Procurement & Contract Procedure Rules taking into account the Concession Contracts Regulations 2016. Not charging a market value rent for the occupation of the Pavilion has been considered for state aid compliance purposes. Considering current state aid regulations, the rent assistance, in this instance, is unlikely to cause state aid concerns as it is below the de minimis threshold of 200,000 Euros over three rolling years. Assistance at this level is generally not considered to distort competition.
- 8.2 A legal agreement may be required between any Providing bodies for the delivery of the building works to the Council.
- 8.3 Heritage Lottery Fund and the Council entered into a formal legal agreement with the Heritage Lottery Fund on 21st June 2018. Terms and Conditions attached to the agreement allow the Heritage Lottery Fund to claw back grant money if the Council do not meet the required grant conditions.
- 8.4 Following an OJEU procurement process carried out by Parks and Countryside Services, Urban Design and Building Services were awarded the commission for the delivery of professional services associated with the delivery of the project.
- 8.5 The corporate risk management strategy has been complied with to identify and assess the risks associated with this project. A project risk register has been developed which is monitored by the project board. This has identified the following key risk that requires reporting and that suitable measures are in place and being implemented to mitigate the risk.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An initial Equality Impact Assessment (EIA) has been carried out by the service area for the proposals. No issues have been identified which impact on a particular group and therefore a full EIA is not required.

10 DATA PROTECTION IMPACT ASSESSMENT

10.1 The collection and sharing of data with the successful contractors will be in accordance with the General Data Protection Regulation (GDPR).

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 The design brief indicates professional services should consider crime and disorder and where possible design out any potential risks. The Police have been consulted as part of the project.

11.2 The capital improvements to the park infrastructure include complementary youth facilities that will contribute to an overall reduction in youth crime and disorder within the area.

11.3 The pavilion and key historic features within the park will be monitored by CCTV cameras and the main drive will be illuminated by low energy consuming LED lighting columns.

11.4 The project includes a designated area near to the pool for overnight fishing, resulting in an increased presence within the park over the evening period.

11.5 The planned work to the perimeter of the park has been designed to utilise horticultural planting to restrict unauthorised access and encampments.

12 SUSTAINABILITY OF PROPOSALS

12.1 Sandwell Leisure Trust has been awarded the contract for the operation and ongoing service delivery for the new pavilion and existing Sons of Rest (William Lees Building). The contract is for 10 years with an option to break in year 5. For the first 5 years of the contract the provider will be supported by the Heritage Lottery Fund grant specifically relating to the delivery of activities in the park and pavilion. After year 5 the operation and ongoing service delivery of the pavilion will be expected to be self-funding.

12.2 The development of this site will be guided by the Local Planning Authority in accordance with approved planning and development guidance. This will seek to achieve a development of a quality that sets the highest architectural standards. In addition, the new building will be up to current Building Regulations and will provide high quality accommodation that will be energy efficient and sustainable contributing to reduced energy costs. This contributes to the aims of the Environmental Policy for Sandwell.

12.3 The construction of the scheme will be managed by Urban Design Providerships Team and delivered by the selected Provider. The construction and development costs associated with the project will be partly met from within the General Fund and grant from HLF.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 The new pavilion Provider will host a number of healthy activities focusing on the park as a venue for promoting health and physical activity and making the local area a better place to live. A number of these activities have commenced and have been extremely successful for example the couch to 5k had over 300 attendees

13.2 Volunteers have already contributed 529 hours of volunteering in the park from May 2019 up to March 2020

13.3 The delivery programmes to date have been attended by nearly 3,500 members of the public

13.4 The Provider will deliver a range of activities both within the new pavilion and the park itself to meet the conditions of the HLF grant, and will include the following examples.

Outdoor activities

- Walking activities – nature walks, couch to 5k;
- Physical activities including running, cycling, boot camp, gym sessions;
- Children’s activities – toddler tumble, after school club; and
- Sports activities - football, rugby and netball.

Indoor activities

- Healthy eating and healthy living;
- Physical activities including martial arts, dance; and
- Children’s activities – mobile soft play.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 Upon its construction, the new community pavilion will be added to the Council Asset Management Register.

14.2 Existing historical features will be refurbished as part of the restoration project, including the airmen memorial, James Chance Memorial, drinking fountain and all the remaining gateway features.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 To access the Heritage Lottery Fund 'Parks for People' grant of £4.5 million toward the £5.2 million re-development of West Smethwick Park, the Council will be required to financially support the scheme by an additional £673,777 by re-allocated resources within the capital programme currently for West Bromwich Car Parking (£581k) and utilising existing S106 monies specifically for West Smethwick Park (£93k). The remaining shortfall in the tender returns of £448,415 has been found by value engineering out elements of the project and support from Heritage Lottery in bringing forward project contingencies.
- 15.2 To seek approval to award and enter into separate contracts with contractors to deliver: contract 1 historic features and pavilion construction and; contract 2 landscape restoration of West Smethwick Park on behalf of the Council.
- 15.3 The procurement of these contracts will allow the Council to access the grant from the Heritage Lottery Fund, thereby providing significant investment in to West Smethwick Park.
- 15.4 Work has already commenced on the historic features of this park including the Chance memorial, however due to the original company going into administration these features are currently only part complete
- 15.5 The council has entered into a 10 year partnership agreement with SLT to manage the proposed pavilion on behalf of the Council and deliver the HLF funded activities.
- 15.6 The Community Engagement officer who is part funded by HLF has been recruited and has already delivered activity programmes that have been attended by nearly 3,500 members of the public
- 15.7 The park is located close to the site of the Sandwell aquatic's centre and there is an intention to have this project completed in time to complement the games, therefore works need to commence early 2021 to ensure that this is the case.
- 15.8 The successful grant award will have a positive impact on a number of the Council's 2030 Ambitions:
- Ambition 2 (Healthier for longer and safer)
 - Ambition 5 (Lowering crime and ASB)
 - Ambition 7 (New homes) Sale of depot land
 - Ambition 8 (Create environments in the six towns where people chose to live)

15.9 Without approval, the Council will not be able to access the grant from HLF and the lack of investment would have a negative impact on West Smethwick Park, resulting in community dissatisfaction. The 2030 Vision Ambition 8 will also be adversely affected and there will be missed opportunities associated with both the community and commercial aspects of the project.

Alison Knight
Executive Director – Neighbourhoods