

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Culture, Recreation and Countryside
Date:	10 May 2018
Title:	Country Park Transformation Phase 2 Business Case and Project Appraisal
Report From:	Director of Culture, Communities and Business Services

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1. Recommendations

That the Executive Member for Culture, Recreation and Countryside:

- 1.1 Approves the Country Park Transformation Phase 2 proposals set out in this report to strengthen delivery of the approved business case underpinning the programme, and:
- 1.2 Subject to appropriate project appraisals, recommends to Cabinet that £1.8m is included in the capital programme for 2018/19 and £0.5m in 2019/2020 to be funded from Departmental reserves.
- 1.3 Subject to £1.8m being included in the Capital Programme, gives authority to procure, spend and enter into the necessary contractual arrangements to implement the schemes set out in this report.

2. Executive Summary

- 2.1. This report presents the next phase of the Country Parks Transformation Programme (CPT). It outlines specific proposals for the Empire Room at Royal Victoria Country Park, the farm attractions at Staunton and Manor Farm and for Queen Elizabeth Country Park.
- 2.2. Phase 1 of the programme was approved by the Executive Member for Policy and Resources (EMPR) in December 2013 and allocated £5.7m capital funding. Approval was also given for the sale of selected Countryside managed assets at an approximate valuation of £3m. A target of £4.2m was set to achieve external funding towards the programme; giving a total budget of £12.9m for phase 1. The total budget for phase 1 has risen to £16.1m, an increase of £3.2m or 25%. This is due to the success of the programme in exceeding the external funding income target of £4.2m by £2.8m, which has allowed a significant increase in the scope of the

programme towards preserving the heritage at Royal Victoria and Staunton country parks.

- 2.3. The programme is progressing well with both Lepe Country Park and the Chapel project at Royal Victoria Country Park due to complete in the summer. Running along side these projects will see the introduction of a new car parking system, which will improve the compliance rating from 62% to 95%. It will also provide all visitors (including blue badge holders) with better price banding, options to pay (chip and pin, contactless, via an app) and enable payment at the end of a visit rather than the beginning.
- 2.4. The proposals for phase 2 would see a total of £900,000 allocated to the Empire Room at Royal Victoria to refurbish and preserve the heritage of the building and create a restaurant that will increase the income generating opportunities of catering at the park.
- 2.5. To meet the needs of transformation at Staunton Farm and deliver the improvements to meet visitor needs, the current allocation of £150,000 is insufficient. A further £500,000 in capital funding is being sought to invest in the catering, toilets, welcome area and developing the visitor offer as well as meeting condition liabilities in the glasshouse, as set out in point 5.5 of the report.
- 2.6. An opportunity has arisen at Manor Farm to create a Peter Rabbit experience based on the classic branding, which would complement the heritage setting of the farm and provide an opportunity to expand the visitor offer. In order to be in a position to take advantage of this opportunity, investment is sought to improve the capacity of the Farm to cater for increased visitor numbers through car park expansion, a weather proof play offer, improved catering and adding some bookable income generating offers especially for the out of season periods. As set out in section 6.
- 2.7. To deliver the visitor centre transformation at Queen Elizabeth Country Park and meet visitor needs a fairly significant investment must be made in upgrading drainage, electrical and mechanical services. These areas need to be addressed to support visitor requirements, but as a result has meant that the project is unable to invest in other key areas that would enhance the visitor offer and increase dwell time or provide income generating opportunities. To be able to meet the required level of transformation an additional £400,000 is required to cover priority areas. As set out in section 7.

3. Programme Context

- 3.1. The Country Parks Transformation (CPT) programme aims to develop a suite of modern 21st Century Country Parks that are operationally self financing; generating additional income to meet the current £0.5m operating costs.
- 3.2. Transformation at the Country Parks will update the basic facilities to meet customer expectations as well as providing more activities and improve catering. This will attract more people to visit, stay longer and return. This is

already evident as early delivery of improvements have had a positive impact on reducing the reliance on the cash limit.

- 3.3. Two major transformational projects at Lepe Country Park and Royal Victoria Country Park are on schedule to complete and will be formally opened this summer.
- 3.4. A major element of the Country Park Transformation is to change the way that visitors park and pay at the parks. The new Automatic Number Plate Recognition system will improve the honesty rating from 62% to 95%. It will also provide all visitors (including blue badge holders) with better price banding, options to pay (chip and pin, contactless, via an app) and enable payment at the end of a visit rather than the beginning.
- 3.5. The outcomes of the programme can be summarised as:
 - Financially self sustaining parks
 - Improved play, activities, facilities and learning
 - Increased visitor numbers, satisfaction and spend
 - Improved partner/community relationships

4. Royal Victoria Country Park (RVCP)

- 4.1. RVCP was the first of the country parks to successfully receive a grant of just under £2m from the Heritage Lottery Fund to enable transformation of the Chapel. This demonstrates the importance of conserving the heritage of the former hospital through renovation of the building and installation of interpretation; to encourage more people to visit, explore and learn about the park's history.
- 4.2. As part of phase 1 of the programme a small amount of funding was allocated to the play area, trails and the restaurant. Following initial feasibility work it became clear that the £145,000 allocated to the restaurant would not be sufficient to address the condition liability (mainly electrical and ventilation), upgrade the kitchen and enhance the front of house area. Consequently, an investment of £900,000 is required.
- 4.3. The Empire Rooms are a collection of rooms that make up the Grade II listed building, built as the YMCA building relating to the wider hospital complex. It is constructed using timber donated by members of the Timber Trade Federation, to illustrate types from all over the British Empire. The building currently houses the restaurant, an event space and office. The event space is now known as the Empire Room.
- 4.4. The Empire Room is a large indoor space which is connected to the existing restaurant. It is currently underused and is also in a tired state of repair. The condition survey identified investment required in the region of £450,000 to upgrade the electrical circuits for the whole building, which support the office accommodation and soon to be installed ANPR car parking system.
- 4.5. The Empire Room has been identified as an opportune space to create a large restaurant for the park in order to meet the requirements of visitors. The existing restaurant has space for 50 covers and regularly reaches

capacity on peak days (mainly school holidays and dry weekends) between Easter and October. In 2015 analysis was undertaken by external consultants who identified that based on the then existing visitor base the restaurant should provide approximately 110 covers.

- 4.6. The remaining £450,000 would be invested in a new larger servery area and kitchen equipment, toilet upgrade to meet accessibility requirements, repairs to the original Grade II listed wooden panelling and flooring and new furniture that can be reconfigured and moved to create a hireable space.
- 4.7. An estimated breakdown of the £900,000 capital investment is as follows:

Electrical upgrade	£450,000
Kitchen/servery	£260,000
Repairs to Panelling	£90,000
Toilets	£50,000
Furniture	£50,000

- 4.8. HC3S have produced a financial forecast showing a potential annual increase of £88,000 by 2020/21 from current net income of £45,000 per annum in 2016/17 (based on an opening year 1 April 2019).

5. Staunton Country Park

- 5.1. There are two elements to the transformation of Staunton. One focusses on the Parkland, to restore key elements of the parkland heritage in this priority area of Hampshire; and to create new car parking to encourage visitors to explore the country park. To achieve this, the project has been successful in securing £2.85m from the Heritage Lottery Fund. In addition the funding will enable us to create a new visitor centre and catering offer in one of the heritage buildings, improve the interpretation and encourage the community to be involved in running of the park.
- 5.2. The other element is transformation of the farm attraction. An investment of £300,000 has been made to improve the paths and play equipment. With a further £150,000 currently allocated to the restaurant, which is poorly laid out and uninviting. It is an area that has the opportunity for greater income generation with redecoration and a better configuration. The farm would also benefit from a mobile catering unit and improved signage and interpretation to help visitors navigate the site and spend longer enjoying the attraction.
- 5.3. Visits to the glasshouses are minimal and have had limited internal maintenance since it was open to the public in 1993. Investment is required to bring the temperature and humidity under control. Analysis undertaken in the August 2016 showed that only 3% of visitors made use of this area as part of their visit, demonstrating that it is underutilised. With some investment it has the potential to become an exciting feature that could increase dwell time and attract new visitors.
- 5.4. Additional funding is now sought to refurbish the toilets, which are in a fairly poor state of repair and an essential facility for visitors. With an increase in visitors forecasted, this will place further demand on these facilities.

Improvements are also needed to the farm visitor entrance area to create a better sense of welcome.

- 5.5. The £150,000 allocated is insufficient to meet the needs of transformation and deliver the improvements to meet visitor needs. A further £500,000 in capital funding is being sought to invest as follows:

Glasshouse repairs and animal expansion	£175,000
Catering requirements	£150,000
Toilets	£125,000
Welcome area	£50,000

6. Manor Farm

- 6.1. Manor Farm is a popular farm attraction enabling visitors to meet and greet animals in a historic farmyard environment. This, along with the River Hamble Country Park, will also play an important role in housing livestock that is required to graze other sites managed by the Countryside Service.
- 6.2. To meet visitor needs, play is an important feature of any attraction. Through revenue income the farm has made a small investment in play, which has been very popular and demonstrated the need for further investment to fully enhance the experience to attract visitors to return more often, particularly during the wet weather.
- 6.3. More recently an opportunity has arisen in discussion with Penguin Books, to create a Peter Rabbit experience based on the classic branding, which would complement the heritage setting of the farm. Several places within the site lend themselves to particular books, making Peter Rabbit an excellent fit with the site and provide an opportunity to expand our visitor offer. Proposals that will meet the brand requirements at Manor Farm are currently being developed.
- 6.4. In order to be in a position to take advantage of this we need improve the capacity of the Farm to cater for increased visitor numbers. A budget of £500,000 would enable car park expansion, a weather proof play offer, improved catering and adding some bookable income generating offers especially for the out of season periods:

Multi-use building to develop external letting opportunities, expand the catering offer and provide a dry play space.	£410,000
Car parking improvements to increase spaces and income	£60,000
Improved drainage and trail routes	£30,000

7. Queen Elizabeth Country Park (QECP)

- 7.1. QECP is a key gateway to the South Downs National Park and, due to the large forest and open grassland areas, a major recreation site serving the A3 corridor and beyond.
- 7.2. The project will deliver a transformed visitor centre including improving the welcome entrance, increasing and refurbishing the catering offer to create a more enjoyable experience, outdoor sheltered spaces and well planned and

effective workspaces. The project will enable the park to become a major flagship visitor attraction for the south east and local area, helping to ensure it thrives as a self-financing tourist business.

- 7.3. In addition to the visitor centre transformation, the park was successful in securing £163,000 in funding from the Armed Forces Covenant to develop an assault course, dog activity trail and improved play. This was completed in January 2018 and has received excellent visitor feedback. Car parking receipts in that area of the park (Juniper) trebled in February 2018 half term compared with the previous year. Juniper would make an excellent secondary hub, but the services need upgrading to meet visitor needs for catering, toilets and car parking.
- 7.4. In the autumn of 2016 we submitted a bid to the Enterprise M3 LEP for £1.2m. Unfortunately due to the number of bids the available funding was oversubscribed with the result that they were not able to support the project, despite very positive feedback.
- 7.5. To deliver the visitor centre transformation and meet visitor needs a fairly significant investment must be made in upgrading drainage, electrical and mechanical services. These areas need to be addressed to support visitor requirements, but as a result has meant that the project is unable to invest in other key areas that would enhance the visitor offer and increase dwell time or provide income generating opportunities. The team have been investigating other sources of funding and have submitted an application to the RDPE Tourism Infrastructure Fund for £168,000 to develop the bike trails to enable a bike hire business to be operated from the park.
- 7.6. The sale of Bottom Cottage, a former ranger residence, has necessitated the need to relocate the workshop and yard area and expand to include facilities that will enable volunteers to work more effectively.
- 7.7. In order to meet the required level of transformation an additional £400,000 is required to cover the following priority areas; that support the operations of the site, meet visitor needs and support income generation:

New kiosk to support catering income	£80,000
Workshop to improve staff and volunteer work space and welfare	£80,000
Play to meet visitor needs	£50,000
Refurbishment of hire spaces	£50,000
Further car parking improvements to increase spaces and income	£50,000
Bike hub match funding to support bike hire opportunity	£40,000
Landscaping	£30,000
Temporary visitor offer during refurbishment to maintain park income	£20,000

Overall Capital Breakdown

PROJECT	HCC TOTAL	EXTERNAL SOURCES TOTAL	TOTAL
	£'000	£'000	£'000
Royal Victoria	1495	2254	3749
Lepe	1950	1028	2978
Queen Elizabeth	1750	208	1958
Titchfield	50		50
Manor Farm	30		30
River Hamble	800	55	855
Staunton	1100	3447	4547
Programme team	584		584
Other programme costs	387		387
Car parking system	950		950
Phase 1 Total	£9,096m	£6,992m	£16,088m
Empire Room	900		900
Queen Elizabeth	400		400
Manor Farm	500		500
Staunton Farm	500		500
Phase 2 Total	£2,300		£2,300
Total Funding	£11,396m	£6,992m	£18,388

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Transforming our Country Parks – Case for Future Investment	5362	12/12/13
Royal Victoria Country Park Chapel	6424	12/03/15
Project approval for Lepe and Royal Victoria wider park	6939	20/10/15
Country Parks Transformation Project Approvals	7726	09/11/16

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a. The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b. Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c. Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

Equality impact assessments will be completed as part of each project start-up.

2. Impact on Crime and Disorder:

2.1. No significant impact has been identified in the development of this report.

3. Climate Change:

3.1. This will be considered as part of each park project.