

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet

2 July 2009

AUTHOR/S: Chief Executive

CAMBRIDGE SPORTS LAKE TRUST (CSLT): REQUEST FOR GRANT AID

Purpose

1. To consider a request from Cambridge Sports Lakes Trust for a grant towards the extension and improvements to the Milton Country Park Visitor Centre.
2. This is a key decision because it would result in the Council incurring expenditure which is significant. This was first published in the Forward Plan in May 2009. If Cabinet is minded to approve a grant, for which there is no budget approval, then Council will be asked to agree the necessary funding at their meeting on 16 July 2009.

Background

3. The Milton Country Park Visitor Centre was designed, built and opened in 1993 as part of the Council's project to develop the park for the benefit of the community.
4. The Park was managed by the Council for fifteen years; however, in July 2007, a decision was made by Cabinet to outsource the management of the Park and this went out to tender. Following a competitive interview process, the Council's Member and Officer Project Team selected Cambridge Sports Lakes Trust (CSLT) to manage the Park on a 99 year lease. Subsequent negotiations between the Council and CSLT resulted in agreement for a one-off revenue endowment of £250,000 and the transfer of two members of staff.
5. At that time both parties were aware of the limitations of the design of the visitor centre, which in particular restricted income generation through café activities and hire of space. It was also acknowledged that, with its lakeside view and attractive setting, the building offered potential to provide a more commercial service.
6. As part of further negotiations, the Council made a verbal offer to CSLT inviting them to return at a later date with a request for a capital grant and a detailed proposal to extend and improve the visitor centre, to enable it to become more financially viable.
7. During its first year of operation in 2008/9, CSLT achieved a reduction in actual trading deficit - £121,793, saving approximately £10,000 on a forecast deficit of £131,112. This can be compared to net costs when the Park was managed by SCDC of - £301,803 in 2005/6 and - £231,163 in 2006/7. This has given the management and Trustees of CSLT confidence in their business plan forecasts.
8. CSLT has now had the opportunity to undertake market testing and assess the full business model for managing the park into the future, and the business case for the visitor centre in particular. Their assessment concludes that the improvements are essential to making the Park financially sustainable and the profiled Business Plan for the Park (attached at **Appendix 1**) is based on improvements to the visitor centre happening in year 2 (trading year 2009/10).

9. During the last year, the Park has seen a number of improvements and an increase in activities and events. Improvements have included the development of a new natural play area for which the CSLT secured a grant of £55,000 from the Dept Children Schools and Families. CSLT has launched a number of new sports development initiatives including junior triathlon competitions, rowing and water sport courses, which have stimulated new interest in the Park.
10. As part of these improvements, a pontoon is being constructed at the lakeside, to facilitate water sports lessons and this will be particularly suitable for beginners and people with a disability. The facility will improve overall access to the Park and increase opportunities for sports participation in a number of sports including rowing and canoeing. The pontoon will also provide essential access for the safety boat.
11. In 2008/9, SCDC awarded a capital grant of £10,000 to CSLT towards the pontoon, which is part of the overall water sports facility which will also include boats and equipment, funded through other external funding sources.
12. There is also a wide range of cultural and environmental events for all ages and the Park will host an event on 26 July to launch the 3 year count-down to the 2012 Olympics. The CSLT web site, www.cambridgesportlakes.org.uk features the latest information.

Considerations: The Scheme

13. The project comprises of a ground floor extension to “open out” the visitor centre creating a large, open and inviting space for the public to use. On a day-to-day basis this space will be used to provide a variety of seating for an extended café area. The space will also provide the flexibility to be used for other functions, either in conjunction with the upstairs area or on a stand-alone basis.
14. The existing Ranger office and visitor toilets will be captured into this new larger space and these elements will be moved into the new extension, including an increase in public toilets.
15. The existing café preparation area and shutter will remain in place but the café servery will be extended by the creation of a new built-in counter, running from the existing servery to the corner of the entrance of the new extension. This will enable the café to double up as a front of house/point of sale for the whole facility.
16. The project also includes new windows, including velux windows, to increase the natural light to both floors, a new platform lift to improve disabled access to the first floor and a new partition to segregate the ground and top floors, to increase the opportunity for hiring the spaces out separately.
17. The project received planning approval in March 2009.
18. The construction of the project has been discussed in detail with local building contractors, who have visited the site and provided advice and cost estimates. The proposal is for a 2 stage tendering process and the preferred contractor is still to be appointed.
19. The costs are estimated at £285,686 (including 15% VAT, 66% of which may be re-claimed). This includes all fixtures, fittings, furniture and external landscaping.

20. CSLT would like to progress the scheme as quickly as possible, subject to the funds becoming available from the Council.

Considerations: The Business Plan

21. CSLT has provided its Base Model Business Plan and an “uplifted model” Business Plan, both based on different assumptions, with the uplifted model showing greater use of the improved visitor centre/café. The two models have been combined into a 5 year Profiled Business Plan from 2008/9 which is attached as appendix 1, based on the assumption that the trading of the Park would be phased into the uplifted budget during the second and third years of operation by CSLT.
22. The profiled business plan shows a trading loss reducing over the 5 years from £131,112 in 2008/9 to £17,701 in 2012/13.

Green Infrastructure Strategy

23. The Strategy is a 20-year vision for Green Infrastructure across the County, developed by Cambridgeshire Horizons in partnership with the six local authorities plus key partners including English Heritage, Forestry Commission, Natural England, Environment Agency, National Trust, Wildlife Trust and Cambs Preservation Society. The Green Vision aims to respond to planned population growth by creating a network of green infrastructure that will provide areas for leisure and recreation whilst increasing habitats for wildlife.
24. The Strategy is a living document and is being reviewed to reflect new opportunities and the fast growing green agenda; as part of this, the plan will be extended to 2031 and beyond and it is anticipated that the review may lead to it developing more formal status. The review will be completed by March 2010 will focus on extending the geographical coverage, identify existing features and connections, reflect planning, funding and delivery changes, develop stronger links to neighbouring studies, show how the Strategy can support climate change mitigation and adaptation, provide opportunities to support people’s physical and mental health and continue to improve the quality of life for Cambridgeshire residents. For more information see www.cambridgeshire.gov.uk/greenvision.
25. Milton Country Park is included as part of the major Wicken Fen Vision, providing part of the green “wedge” from Cambridge City, up through the proposed Sports Lakes, Waterbeach and Denny Abbey towards Burwell and Wicken Fen. As such the Cambs Sports Lakes Trust are part of the review steering group.

Implications

26. CSLT has advised that, without these capital improvements to the visitor centre, Milton Country Park is not expected to be a sustainable facility beyond 2010. In these circumstances, CSLT would not, as a registered charity, be able to legally continue to trade MCP on an insolvent basis, therefore the lease would have to revert back to SCDC.
27. CSLT is currently in discussion and negotiations with SCDC Legal Office regarding the Sports Lakes Planning Application and Section 106 Agreement. The representatives from CSLT will provide a verbal update to Cabinet on the Sports Lakes Project including overall progress, the fund raising programme and the Section 106 negotiations.

28. Financial	The total request is for £261,000, assuming 66% of the VAT is reclaimed. The grant would come from the General Fund (revenue). This could result in a loss of interest of around £13,000 per annum and will bring forward the time when the general fund reaches its minimum balance.
Legal	It would be lawful to award a grant for this purpose under well-being powers.
Staffing	There are no direct staffing implications.
Risk Management	The main risk is the Park's long term sustainability and the potential loss of a highly valued community facility
Equal Opportunities	The project will further improve disability access to the visitor centre

Consultations

29. The Local members for Milton have been consulted and have the following comments

Cllr Richard Summerfield

"The application has my support. I cannot see how Milton Country Park can reach break even unless the visitor centre is enlarged to generate increased revenue. At the time of the tender process for MCP, the CSLT were encouraged to apply to us for a grant towards the visitor centre"

Cllr Hazel Smith

"I am happy to support this scheme. I believe it was part of the original plan for handing over the Park that SCDC would try to find money to give a grant for building improvements to the visitor centre. CSLT has run the Park well in the last 15 Months and at £10,000 less of a loss than budgeted for. I have been involved as a "Friend" in helping at the Park in the last few years and I do feel that CSLT is doing its best to make the Park self sufficient, which this would help to achieve"

30. The Company Secretary of the CSLT has maintained informal contact with Council officers about CSLT's plans and the timescale for this funding request.
31. The Council also continues to support healthy walks, play facilities, sports development and cultural initiatives in the Park and officers maintain very positive links with Park staff. The facility offers a valuable green space for recreation and biodiversity.

Effect on Strategic Aims

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| Commitment to being a listening council, providing first class services accessible to all. |
| Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all. |
| The Park provides an important green space offering a great variety of sport, recreational activities and relaxation. This benefits the health and well being of the community. |
| Commitment to making South Cambridgeshire a place in which residents can feel proud to live. |
| The Park is a valued asset for South Cambridgeshire |

Commitment to assisting provision for local jobs for all.
The extension will provide new job opportunities for local people
Commitment to providing a voice for rural life.

Conclusions/Summary

33. The long-term viability of Milton Country Park relies on the successful delivery of this project, along with a positive marketing strategy and strong business plan. The CSLT performance in its first year of operation is very promising; they have introduced new ideas, activities and initiatives, have been successful in attracting external grants and have exceeded the business plan projections for 2008/9.
34. It was understood, at the time of transfer, that improvements to the visitor centre were required to help make the Park financially viable into the future. This has been confirmed by CSLT following its first successful trading year, during which time it has shown great commitment to making the Park a success, continuing to strive for improvements whilst increasing income.

Recommendation

35. That Cabinet recommend to Council that a revenue grant of £261,000 be awarded to Community Sports Lakes Trust towards the cost of an extension and improvements to the Visitor Centre at Milton County Park.

Background Papers: the following background papers were used in the preparation of this report:

Funding request from CSLT March 2009, Business Plan and assumptions information, Planning application

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