



CABINET

Subject Heading:

Bretons Manor House, Barns & Parks

Cabinet Member:

Cllr Viddy Persaud, Cabinet Member for Public Protection and Safety

SLT Lead:

Jane West, Chief Operating Officer

Report Author and contact details:

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Policy context:

The Bretons Proposal relates to the Places theme.

Financial summary:

The report requests funding of £350k for the revenue project management costs for the continuation of the Bretons Project to October 2019. In addition a sum capped at £100k is sought from the Business Risk Reserve in relation to any legal costs arising.

Is this a Key Decision?

No

When should this matter be reviewed?

October 2019

Reviewing OSC:

Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives

Communities making Havering

[X]

Places making Havering

[X]

Opportunities making Havering

[X]

Connections making Havering

[X]

SUMMARY

The Bretons Project has been working up options in relation to Bretons Manor House and surrounding grounds and park over the last year. Cabinet is asked to approve further funding of £350k for the revenue project management costs to take forward the Project for a further year, funded from the Transformation Fund. The funding will support Phase II Development of Bretons Manor House, Tudor barn, outbuildings, walled garden, lake and parks. Phase II Development will include an architects' master plan for the site, planning permission for the totality of the site and the continuation of external funding applications for specific projects on the site.

Further, Cabinet is asked to approve an application to fund legal costs from the Business Risk Reserve as necessary to a cap of £100k.

RECOMMENDATIONS

It is recommended that Cabinet Members:

1. Agree that £350k be allocated from the Transformation Fund to fund the project management, master planning and other associated costs plus that funding to a cap of £100k be made available from the Business Risk Reserve to cover any necessary legal costs arising.
3. Delegate authority to the Chief Operating Officer, after consultation with the Leader and Cabinet Member for Public Protection and Safety, to authorise the submission of related funding applications to external bodies to a limit of £5m.

REPORT DETAIL

The Grade II* listed Bretons Manor House, Tudor Barn and walled gardens are on the 'At Risk' register with English Heritage. In addition there are a number of outbuildings, allotments, lake and 168 acres of parkland, which have been deteriorating for the last three decades. Presently, the site is accessed and used by over 50,000 residents and visitors per annum from Havering and Barking & Dagenham. Despite limited amenities, activities on the site include boys' football, archery, seniors' model railway club, model airplane club, dog walking, jogging, growing food, preschool, table tennis, PHAB (physically handicapped and able bodied) dance as well as arts and crafts. Bretons is nestled between the borders of Havering, Barking & Dagenham and within close proximity to wider East London boroughs. There has been an ongoing history of anti-social behaviour on the site, which needs to be resolved.

It is proposed that a Phase II Development project will be designed and led by a project manager who will be responsible for delivering the project and key milestones;

- Designing a project programme to deliver the project.
- In accordance with Council policies, procure specialist design architects to focus on key aspects of the project.
- In accordance with Council policies, procure planning specialists to focus on key aspects of the project.
- In accordance with Council policies, procure legal advice to address land referencing work.
- Develop a business case for the commercial business model with a view to seeking future Cabinet approval for funding, launching and managing the Great Hall, which commercially underpins the project.
- Developing proposals for future Cabinet consideration in relation to the development of 3G football pitches on the site in conjunction with the Football Foundation.
- Working through the day to day problems, including the anti-social behaviour, on the site.
- Consideration will be given to engaging partners in appropriate parts of the project, both public (eg Barking & Dagenham, the National Trust, Historic England, GLA, Sport England, Football Foundation and Heritage Lottery Funding amongst others) and potential private sector partners.

It is estimated that a complete build out of the site would require £28.96 million but could be delivered over the next 20 years, staggered as funding becomes available for various aspects of the site.

An initial business plan has been developed for a community focused, commercially sustainable business model based on local resident demographic and needs, which is aligned with wider national strategies.

Research demonstrates that for Havering:-

- 19% of population is seniors (above London average)
- 51% of population are girls & women (above London average)
- 5% of women in the borough as well as in Barking & Dagenham are self employed compared to London average of 9.4% (below London average)
- There has been an 80% Increase in lone parents in between 2001 and 2011
- There were approximately 950 young people who were NEETS, asylum seeking children, vulnerable or care leavers in the borough in 2018
- Knife attacks have recently increased by 29% with 13 known gangs in Havering
- 16.6% of children & young people in the borough are living in poverty
- 21.7% of LBH's population and 27% of LBBD's population is aged 0-17 yrs

There are growing numbers of diverse communities moving into the borough as well as an increasingly diverse young demographic. It is predicted that the largest increase in population will occur in 0-17 year olds up to 2032 and accordingly the plans for Bretons focus on targeting women and girls, as well as young people, and particularly vulnerable groups such as NEETS.

(Source: Census 2011, Star Chamber, Nomis Labour Statistics, MOPAC map 2018)

The business model is also based on the latest market trends in the following areas; wedding and venue hire, creative industries, culture and heritage, sports, health and wellbeing markets as well as local competitor benchmark analysis.

The current business plan proposals consist of three clusters, which would provide a community focused, commercially sustainable model which also retain, and enhance, the current usage of the site, thus creating a sustainable legacy for future generations. It includes repurposing the use of the buildings and surrounding area to create enhanced income as follows:-

i) Culture & Heritage Cluster

- a) Manor House: the restored Manor House to be used as a wedding/venue hire hub or even a destination restaurant with overnight rooms (all options supporting the Great Hall)
- b) Tudor Barn: restored Tudor barn, wedding venue/function room.
- c) Great Hall: large capacity venue for weddings, music concert and events.
- d) Victorian Barn: restored Victorian barn, converted museum & art gallery.
- e) Courtyard café: restored outbuildings and courtyard café.

ii) Creative Industries Cluster & preschool learning

- a) 'Youth and Female Entrepreneur led' business zone incorporating 40 creative workspaces
- b) 20 artists studios spaces
- c) A purpose built pre-school.

iii) Sports & Leisure Cluster

- a) Football Hub
- b) Olympic Heritage Sports
- c) Community leisure rooms

REASONS AND OPTIONS

A number of options have been explored in relation to the totality of the Bretons site. These include;

- Do nothing: this would still cost £4m over the next 20 years as there would need to be capital costs (approximately £100k pa) and revenue costs (approximately £100k pa) incurred over the next 20 years to maintain the site
- Sell land and buildings: this may generate a sale of approximately £2m but only if the park was included which is probably not an attractive proposition for the local community. The Council would lose responsibility for the anti-social aspects of the area but also levers of control.
- Outsource entire model through joint venture: this is not viable as there has been a lack of interest in investing in the capital costs and the returns would not be commercially viable for the council. This situation may change over time if the problems with the site are resolved.

- Deliver the model in-house and lease aspects of the site: this is the recommended approach however it requires £28.9m investment and would present a very high risk for the Council without external funding. It would involve, over time, investing in minimum viable projects (MVPs) that generate commercial returns (eg the Great Hall) or priority projects (eg the 3G football pitches) in a phased approach.

Reasons for the decision:

Due to a lack of funding at the present time, a phased approach is recommended, which would enable the development of different clusters as funding is secured. It is recommended that the Council initially invest revenue to develop a Masterplan for the site, secure planning permission for the totality of the site and to continue to submit funding bids to external bodies. The GLA have indicated that the Council should submit a bid to them for revenue development funding for this project which they consider one of just two very complex but exciting projects in London, economically and culturally.

This report requests that £350k be allocated from the Transformation Fund to fund the project management, master planning and other associated costs of taking this project forward during the period from December 2018 to November 2019 plus that funding to a cap of £100k be made available from the Business Risk Reserve to cover any necessary legal costs arising.

Additional requests for funding were considered but are not being recommended at this stage. There are projects that are close to being ready to progress but require more certainty in relation to the context for the whole site or would benefit from external funding which is currently not confirmed. These projects are:-

- The Great Hall - investment of £3.45 million would be required to build a brand new Great Hall in the grounds of the Manor House as a wedding and events venue. Such a development could activate the project and unlock the commercial potential of the site. However, the success of such a venue will partly be dependent on the Hall's surroundings and these are not currently up to the standard required. It has been concluded a bid for Council funding should be paused at this time.
- 3G Football Pitches - investment of £2.2 million is currently required for two 3G football pitches and associated changing/social facilities in the south of the site. The Football Foundation is keen on this option and would probably be prepared to fund up to £1 million of the cost. Feasibility work with the Football Foundation and Essex FA is already underway. However, this leaves a potential shortfall of £1.2 million for the Council to find or to seek funding sources from elsewhere. Veolia were approached but will not fund facilities which are, or are likely to be, run by external contractors, which is expected to be the outcome for these football pitches. It is also considered unlikely that a commercial case for the pitches can be achieved. In addition, the anti-social behaviour issues will also need to be resolved before this end of the site can be developed. It has therefore been decided not to submit a bid to the Council for funding at this stage.

IMPLICATIONS AND RISKS

Financial implications and risks:

The report requests that £350k be allocated from the Transformation Fund to fund the project management, master planning and other associated costs of taking the project forward during the period from December 2018 to November 2019 plus that funding to a cap of £100k be made available from the Business Risk Reserve to cover any necessary legal costs arising.

It should be noted that implementation of the master plan is likely to have significant financial implications in terms of capital investment and ongoing revenue costs/income. These will be set out in detail in future reports once the masterplan has been developed. With significant capital investment in leisure services, which in some instances are classified as exempt from VAT, there are likely to be significant VAT implications, including an impact on the Council's partial exemption calculation. There are mitigations for many of these implications but the approach to be adopted will be dependant on the level of capital investment, the type of services provided, whether they are run by the Council or other provider. The VAT implications of individual proposals will need to be fully assessed as part of any decision making process. It may also be necessary to seek independent specialist advice as proposals become clearer."

Legal implications and risks:

Officers are requesting funding to prepare a Masterplan that will provide the policy basis upon which to progress the project. The Masterplan will provide the justification required for seeking planning and listed building permissions. Funding is also requested for legal, planning and other advisory costs for the project including on land referencing.

Partnership funding is part of the consideration in determining applications. The overall Bretons project includes proposals to bid to a range of different funders and the Council's current direct contribution is the site.

The Council has specific powers to provide a range of recreational facilities under the Local Government (Miscellaneous Provisions) Act 1976 S19 (1) *A local authority may provide, inside or outside its area, such recreational facilities as it thinks fit* and under section 111 of the Local Government Act 1972, powers incidental to any primary powers or duties. Under section 1 of the Localism Act 2011 the Council also has powers under its general power of competence to progress and provide the services outlined in this report.

Further legal advice will be provided during the course of the project for example on land ownership and lease arrangements, securing planning permission and listed building consents.

Human Resources implications and risks:

There are no human resources implications during Bretons Phase II Development.

Equalities implications and risks:

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants. An important aspect of this project will be to develop an EqHIA in relation to the multiple users and future users of the site, plus the nearby residents who would potentially be affected by future projects on the site.

BACKGROUND PAPERS

None