

Cheltenham Borough Council
Cabinet Meeting – 8th March 2016
Report of Cabinet member for Clean and Green Environment
Virement of Funds to Pittville Park Play Area Project

Accountable member	Councillor Chris Coleman, Cabinet member for Clean and Green Environment
Accountable officer	Tracey Crews, Director of Planning
Ward(s) affected	Pittville Ward
Key/Significant Decision	No
Executive summary	<p>This report has come to Cabinet to ask for approval of a virement of £99,500 from the council's Section 106 contributions and green space operational budget to the Pittville Park Play Area project budget. This virement is required <i>because</i> the external funds originally anticipated have not been fully achieved. It is therefore proposed that the council use up to £99,500 of existing approved budgets to ensure this important project is delivered by Summer 2016.</p> <p>It was agreed to include the refurbishment of the aviaries as part of the project, this was approved as a delegated Cabinet Member Decision on 14 September 2015 increasing the project value to £535,500. The value and scope of the contract needs to be varied to include these works.</p> <p>This project has generated unprecedented levels of positive public opinion and interest and continues to do so as the scheme evolves.</p>
Recommendation	To approve the virement of funds from Section 106 contributions (£62,000) and Parks & Gardens operational revenue budgets (£37,500) into the Pittville Play Area budget and to approve the variation to the contract with our supplier EIBE.
Financial implications	<p>The budgets proposed for virement have not been spent during 2015/16 and are available to recycle into the Pittville Park Project.</p> <p>Contact officer: Nina Philippidis , nina.philippides@cheltenham.gov.gcsx.uk, 01242 264121</p>

Legal implications	<p>The current contract does not cover the entire scheme and so a contract variation is being proposed; this will avoid a new procurement having to be carried out. The S106 contributions must be spent in accordance with the terms of the agreements under which they were provided</p> <p>Contact officer: Sarah Halliwell, sarah.halliwell@tewkesbury.gov.uk, 01684 272692</p>
HR implications (including learning and organisational development)	<p>No Implications</p> <p>Contact officer: Julie McCarthy, Julie McCarthy@cheltenham.gov.gcsx.uk, 01242 264355</p>
Key risks	<p>Inability to utilise the funding and consequently vary the contract value will mean the play area will be unable to be completed until alternative funding is secured and cost more in the long run</p>
Corporate and community plan Implications	<p>The play area redevelopment forms part of our environmental outcomes within the corporate action plan for 2015/16 (env4), and has been highly publicised and supported by councillors and the residents of Cheltenham. The work is on track to be completed by June 2016 and any delay to this would impact access to the extended play area by both able bodied children and those with disabilities.</p>
Environmental and climate change implications	<p>No implications arising from this report</p>
Property/Asset Implications	<p>Funding for the aviary refurbishment is secured and this work will proceed.</p> <p>Contact officer: David Roberts</p> <p>David. Roberts@cheltenham.gov.uk 01242 264151</p>

1. Background

- 1.1** The purpose of this report is to seek approval of a virement of £99,500 made up of £37,500 from the council's play enhancement and green space operational budgets and £62,000 from Section 106 contributions, to the Pittville Park Play Area project budget. The contractor is currently on site, however to deliver the scheme within the agreed timescales of the project, officers require authorisation to vire the sum of £99,500 into the Pittville Project before a contract variance can be issued.
- 1.2** The completed play area will be more accessible for people of all ages with a range of disabilities and will provide a destination for families all year round. It will benefit residents from all over the borough and visitors, as the new scheme is designed to meet the needs of children of all ages including young adults up to 14 – 16 years making a place that can be enjoyed by the whole family.
- 1.3** The completed play area will include the refreshment kiosk which will generate in excess of £6,000pa and provide a manned presence on the site to aid security.
- 1.4** The original report pertaining to the funding of the play area, as part of the Asset Management Plan, approved by Council on 14th April 2015, identified a budget of £300,000 from the capital budget, and another £190,000 to be sourced from other funders. A further £50,000 was approved as a delegated decision by the Cabinet Member in September 2015, to bring forward monies intended to support the refurbishment of the aviaries and include within the project. Total fundraising has provided £32,200, of which £25,000 is from a Gloucestershire Environmental Trust grant and £8,200, is made up from donations through Friends of Pittville, from their crowdfunding and other fundraising vehicles. A number of smaller funding bids remain outstanding and it is hoped these, if successful will also help bridge the gap.
- 1.5** The council has applied for a grant of approximately £54,000 from the County Council's Active Together fund and are expecting a decision on this imminently. Positive feedback has been received on the grant bid to date. Completing the scheme in line with the current timeframe not only will benefit users of the play area and Pittville Park as a whole, avoiding the inconvenience caused by closing off all or part of the play area at another time to enable a phased scheme to be implemented, but will also prevent the Council incurring the additional set up and programme management costs associated with undertaking this work at a separate point in the future through a phased delivery of the scheme.

2. Section 106 Contributions

- 2.1** The Council has access to funding from Section 106 contributions, allocated to youth and adult play which is a pooled borough wide fund. Given key items of play equipment specifically incorporated into the Pittville scheme to facilitate youth play it is wholly appropriate to utilise these monies enabling the scheme to be delivered as a whole.

Operational budgets

- 2.2** The request to allocate operational budgets arises from funds still available in this year's budget. Funds that would normally be utilised for playground equipment and infrastructure improvements across the borough have not been fully utilised as the priority of the green space team for 2015/16 has been the Pittville Play Area scheme. However, the green space team have still delivered planned improvements over this year and have ensured that health and safety standards have been met. This means budget are available at year end to support completion of the scheme, if agreed by Cabinet. Whilst the level of funding and commitment shown in fund raising, particularly from our partners, The Friends of Pittville, has been outstanding the target amount has proved to be challenging within the time available. Operational funds now available provide the opportunity to bridge the gap and continue to deliver the completion the project.
- 2.3** Should we be successful in our bid for Active Together funding and other grant applications that are currently in progress, the requested virement coupled with fundraising to date and with utilisation of operational budget available will be sufficient to complete the scheme. However, if that is not the case we may need to come back to Cabinet at a later date, for approval to utilise

further Section 106 funding to fully complete the Play Area within agreed timeframes .

3. Reasons for recommendations

- 3.1** To utilise the s106 contributions to support a variation of the contract with EIBE to incorporate provision of a new refreshment kiosk, and all the play equipment in line with the scheme for which planning consent was granted within the agreed timescales.

4. Alternative options considered

- 4.1** To stop work until funding has been secured from other sources. However, this is impractical and would have a huge impact on access to the play area, would result in some or all of the play area having to be closed again to carry out the additional works when the funding was available and incur additional costs and impact on the council reputation.

5. Consultation and feedback

- 5.1** Consultation feedback from the initial consultation demonstrated overwhelming support for the project. Respondents to the survey demonstrated that Pittville Play area had a healthy, even catchment across the whole of the borough and into residential areas beyond Cheltenham as well as attracting visitors to the town.

6. Performance management –monitoring and review

- 6.1** The project is a corporate priority of the Council and is run in line with the Council's project management guidelines for which a Project group is set up.

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Appendices	1. Risk Assessment
Background Information	Cabinet Report 14/4/15 Item 12 Appendix 4 https://democracy.cheltenham.gov.uk/ieListDocuments.aspx?CId=166&MId=2268&Ver=4

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the project is unable to confirm use of funds and complete a contract variance with the supplier, then the reputation of the council as a professional organisation with which to do business would be adversely impacted.	TC	3/3/16	4	3	12	Avoid	Request approval for virement of S106 funding and operational budget underspends to play area project	8/3/16	AR	N
	If the available funds were unable to be used to complete the works in a single phase, then the opening of the park will be delayed and the council reputation will suffer.	TC	3/3/16	3	4	12	Avoid	Request approval for virement of S106 funding and operational budget underspends to play area project	8/3/16	AR	N
	If the project team is unable to use the funding available, then the scheme will need to be split between a number of phases as we strive to identify and secure more funding from other sources	TC	3/3/16	3	4	12	Reduce	Request approval for virement of S106 funding and operational budget underspends to play area project	8/3/16	AR	N
	If the project team is unable to use the funding available then officer resource will be	TC	3/3/16	3	4	12	Accept	Request approval for virement of S106 funding and operational budget underspends to play	8/3/16	AR	N

	tied up with identifying and securing alternative funding							area project			
	If the project team is unable to use the funding available then costs are likely to escalate due to phasing of work, general inflation and the costs already incurred by the supplier	TC	3/3/16	3	4	12	Avoid	Request approval for virement of S106 funding and operational budget underspends to play area project	8/3/16	AR	N
	If the project team is unable to use the funding available then the revenue from the new refreshment facility, of £6,000 per annum, will be delayed or reduced, assuming that is one of the areas in which we would delay construction	TC	3/3/16	2	5	10	Accept	Request approval for virement of S106 funding and operational budget underspends to play area project	8/3/16	AR	N
	If the project team is unable to use the funding available as Friends of Pittville have been given to understand then the strong relationship of trust and respect between the council and Friends of Pittville could be damaged	TC	3/3/16	3	3	9	Reduce	Request approval for virement of S106 funding and operational budget underspends to play area project	8/3/16	AR	N