

MID SUFFOLK DISTRICT COUNCIL

TO: MSDC Cabinet	REPORT NUMBER: MCa/18/73
FROM: Cllr David Burn, Cabinet Member for the Environment	DATE OF MEETING: 4 March 2019
OFFICER: Kathy Nixon, Strategic Director; Marc Cole, Assistant Director, Economic Development	KEY DECISION REF NO. CAB111

DEVELOPMENT OF VISITOR CENTRE AT NEEDHAM LAKE

1. PURPOSE OF REPORT

- 1.1 The development of an improved visitor offer at Needham Lake is identified as one of the Council's key priorities. This report sets out the process, timetable and estimated costings for a visitor centre following preliminary feasibility investigations at the site, outline design work, a face-to-face survey of visitors to the area and officer discussions with councils elsewhere in Suffolk that have similar facilities.
- 1.2 The report considers the realistic options for a new facility and recommends that the Council awards a 'Design and Build' contract for a high-quality building, offering enhanced catering, visitor information and public convenience facilities. This will assist the ambitions of both the Council and the community to secure the future of Needham Lake as a premier visitor, community and family destination.
- 1.3 Towards this end, the report seeks authority to approve the funding, proceed to secure planning permission and carry out a subsequent tender process, including the award of contract for the visitor centre development.

2. OPTIONS CONSIDERED

- 2.1 In order to deliver this key priority for the Council, and following the feasibility work, several delivery options have been reviewed. These have included due consideration of future sustainability in terms of ongoing revenue costs and environmental matters. The options include:
 - a. A café model operated by the Council or by a third party.

The option of a model operated by the Council was discounted as the Council has no relevant experience of running a café operation, whereas the private, voluntary and community sectors do. This would also provide an opportunity for a small business or social enterprise to run the facility. The Council would be interested in working with potential operators who were prepared to engage with the Local Authority's wider economic development and skills objectives, as set out in its Open for Business strategy.
 - b. A lease, with potential for a shared profit arrangement, or a model whereby the operator would design, build, own and operate the facility.

In order to maintain a degree of control over the project at this key strategic open space site for the Council, a lease arrangement is preferred.

- c. Other sites for the new building at the Lake were investigated and rejected principally on flood risk grounds and also because they would not deliver against the key aspiration expressed by the public for a facility which overlooks the main playground area.

2.2 Cabinet is invited to consider the content of this report and then determine via the recommendations below how to progress.

<p>3. RECOMMENDATIONS</p> <p>That Cabinet:</p> <p>3.3 Approves funding of up to £600,000 to deliver a new visitor centre development at Needham Lake.</p> <p>3.4 Agrees to proceed with the associated planning permission and to carry out the subsequent tender processes, including the award of contract, for the development of the new facility.</p> <p>3.5 Grants delegated authority to the Strategic Director, in consultation with the Cabinet portfolio holders for Environment and for Communities, to select and award the contract for the development of the new facility.</p> <p>3.6 Grants delegated authority to the Strategic Director in consultation with the Cabinet portfolio holders for Environment and for Communities to award the contract to operate the new facility.</p> <p>3.7 Agrees to continue the Member advisory working group for the development of Needham Lake Visitor Centre that includes relevant Cabinet Members and local Ward Members.</p>
<p>REASON FOR DECISION</p> <p>Improving the quality of life for the local community and increasing visitor spend in the local economy; supporting community capacity building and engagement; maximising a Council asset; encouraging increased physical activity and improved use of open space; and efficient management of the delivery of the facility.</p>

4. KEY INFORMATION

Background

- 4.1 The development of an improved visitor offer at Needham Lake is identified as one of the Council's key priorities. It is supported by local planning policies and has already secured Business Rate Retention Pilot Project funding.
- 4.2 This report considers the realistic options for a new facility and recommends that the Council awards a 'Design and Build' contract for a building of high quality, offering enhanced catering, visitor information and public convenience facilities.

This will assist the ambitions of both the Council and the community to secure the future of the Lake as a premier visitor, community and family destination.

Needham Lake

- 4.3 Needham Lake is a 13-hectare (32-acre) country park owned and managed by Mid Suffolk District Council. It is a former gravel pit from the 1970s that supplied aggregate for the construction of the A14 dual carriageway. The facility attracts in excess of 300,000 visitors per annum and is purported to be the second most visited free attraction in the East of England. It is particularly popular with young families and throughout the year hosts a number of family events. Needham Lake is the venue for a weekly local Park Run and considered to be one of the most successful in the area. Local schools also currently run day trips to the Lake.
- 4.4 The current catering offer is provided via a small refreshment kiosk offering ice creams and coffees but does not have any indoor space. The kiosk is owned and operated by a local business on a licence arrangement and operates only at peak times and in good weather. In the school summer holidays, the same provider also operates an ice cream cart in the Creting Road car park.
- 4.5 Public conveniences are provided at the other side of the Lake in a purpose-built building that also houses a small visitor information room.

Feasibility Study Outcomes: Business Case and Outline Design

- 4.6 As previously outlined, various options for the development of a new visitor centre at Needham Lake were considered and discounted during the feasibility study process. These included the development of a Council owned and operated café facility, a private or third sector owned and operated café facility and alternative sites around the Lake. The first option was discounted because the Council has no relevant experience in operating such facilities. The second because it would potentially limit the Council's control over this project and any related future developments at one of its key strategic open space sites. Finally, alternative sites were discounted both on flood risk grounds and also because they did not deliver on the public's preference for the enhanced catering facilities to be located close to the main playground area.
- 4.7 The preferred option is for a new Council-owned facility, located on the site of the existing kiosk and operated by a private, voluntary or community sector provider. This would offer enhanced catering, visitor information and public convenience facilities in a lower flood risk area adjacent to one of the main lakeside car parks but also next to the main playground.
- 4.8 Specialist consultancy, Concertus, has been commissioned to carry out grounds and utility studies and to develop outline design and costings for the project. They have designed a flexible layout which accommodates seasonal fluctuations in patronage through the incorporation of a partitioned floorplate. The partitioned area may also be used to accommodate school groups and/or private hire adding to the sustainability of the new development.
- 4.9 The detailed build costs are set out in Appendix A (exempt from the public as it contains financial information).

- 4.10 It is envisaged that the visitor centre will be a high-quality building of approximately 120 sqm in size, that also offers external WC access to allow non-customers to use the facilities. The future of the existing WC block would form the subject of a separate report after due assessment of the asset.
- 4.11 The ground conditions, potable water and drainage costs associated with the new building are complicated given the building's lakeside location. At the time of writing Concertus is still working on this element of the design. Consequently, in some of the key areas (such as water supply and drainage) the stated costs are initial estimates and thus potentially subject to change. However, the £600,000 figure in the report's recommendations are intended to cover all the costs outlined and allow for contingencies. That said, until Concertus and Anglian Water formulate final figures for the ground condition, potable water and drainage costs this does remain a project risk.
- 4.12 With regard to other investigations and specification, the site is more straightforward. An electricity supply already serves the kiosk (included in the operator's licence fee). A separate project is already underway to install two electric car charging points in the car park adjacent to the kiosk, so at the same time the opportunity has been taken to incorporate additional electricity capacity to support that required for a future visitor centre.

Indicative Delivery Timescale

- 4.13 Subject to Cabinet agreement, the visitor centre project will go out to tender for the build over the summer period. Planning permission and other preliminary works would take place in parallel and it is envisaged that the initial preparatory works would commence at the cessation of the current kiosk operator's arrangement at the end of September 2019. Off-site works could take place during winter 2019/20 with on-site works beginning in the spring 2020.
- 4.14 Expressions of Interest for the premises lease would also be sought in summer/autumn 2019, with a view to the lease being agreed by the Spring of 2020. This would ensure that the potential operator would have some opportunity to influence the final design and specification. It is anticipated that the new visitor centre could open in time for the 2020 summer season.

5. LINKS TO JOINT STRATEGIC PLAN

- 5.1 The Needham Lake visitor centre project clearly delivers against the Council's key priority:

'Lead and shape the local economy by promoting and helping to deliver sustainable economic growth, which is balanced with respect for wildlife, heritage and the natural and built environment.'

- 5.2 It contributes towards the key strategic outcomes of:

- Community capacity building and engagement – All communities are thriving, growing, healthy, active and self-sufficient.
- Assets and investments – Improved achievement of strategic priorities and greater income generation through use of new and existing assets.

6. FINANCIAL IMPLICATIONS

- 6.1 The Council has already committed £20k from the Growth and Efficiency Fund to undertake feasibility work.
- 6.2 Cabinet is requested to approve up to £300,000 from the Growth and Efficiency Fund to add to the £300,000 already committed from the Business Rate Retention Pilot programme (creating a total fund of up to £600,000) to deliver the facility at Needham Lake.
- 6.3 The detailed financial information is confidential and as such is exempted from this report. This can be found in Appendix A.

7. LEGAL IMPLICATIONS

- 7.1 The site is owned by Mid Suffolk District Council. Existing rights of way, wayleaves and easements and a sewer run under the land, so the appropriate local, environmental and drainage searches will be required as part of the legal due diligence. There does not appear to be any covenants against the title which would prohibit development and any development would need to avoid disturbing the rights identified.
- 7.2 Planning permission will be required for a new café/visitor centre, however, the principle of a facility has been established in extant Local Plan policy, as well as a previous lapsed permission. The officer working group includes representatives from several services including Development Management, and it is not anticipated that there would be complications from the planning process.
- 7.3 The existing kiosk arrangement and any new lease arrangement on the new facility can be managed by the Council's Strategic Asset Management Team in the normal way.

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Council's Corporate/Significant Business Risk No. 2a "We may not understand the needs and aspirations of our businesses". Key risks and mitigation are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Risk 2a - We may not understand the needs and aspirations of our businesses	Unlikely	Noticeable	The operator's lease will be negotiated early enough for the operator to ensure it is fit for purpose. The operator will fit out their own kitchen and front of house to their own specification.
Failure to secure an operator	Unlikely	Noticeable	Soft market testing indicates strong interest from a range of commercial operators.
Failure to achieve financial targets	Unlikely	Noticeable	Strong market interest indicates a desirable trading location that can command a premium rental yield.

Risk Description	Likelihood	Impact	Mitigation Measures
(e.g. rental income and costs savings)			Potential savings from closure of the existing toilet block (if this were to be a future decision) would depend on the future of the building which is outside the influence of this report.
Costs creep/ abnormal or contingency costs.	Unlikely	Noticeable	Concertus investigations are under way to establish final detailed costs and the initial costs available at the time of writing are mitigated by the contingency figure included within the total budget figure.
Potential negative impact on the high street (coffee shops/cafes) from loss of trade.	Highly unlikely	Minimal	Analysis shows that few users of Needham Lake visit the town centre as it has a different market role/share. However, part of this project will seek to increase linked visits and encourage Lake users into the town centre.
Delay to scheme – Summer 2020 opening target (peak season)	Unlikely	Noticeable	Appointment of specialist contractors to deliver the facility with contractual commitments.

9. CONSULTATIONS

9.1 In the summer and autumn of 2018, the Council undertook a programme of on-site face-to-face surveys which yielded over 400 responses. The principal outcomes were:

- a. Overwhelming support for a new café and that it should overlook the main playground (replace the kiosk);
- b. Provide quality, well-maintained toilets within the café, replacing or adding to the existing building; and
- c. Build an architecturally-interesting building, but nothing outlandish. ‘Quality’ was the word most used.

9.2 Soft market testing with commercial operators has also revealed market interest in a new café from a variety of operators, each with interest in expanding the trading hours and season. One of the key outcomes of these informal discussions was insight into the ‘back of house’ design of the facility to ensure it is fit for purpose.

10. EQUALITY ANALYSIS

10.1 An Equality Impact Assessment is not required. The proposed facility will be available for general public use and be built to existing Building Regulations which incorporate accessibility regulations.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 Ecology at the Lake is well understood. An ecological report has been commissioned to support a future planning application and early feedback is that there would be little to no direct negative impacts from the visitor centre/café replacing the existing kiosk.
- 11.2 The development of a new building will have minor impact on the intensity of activity within the immediate vicinity of the building. It is likely that a short section of the car park screen planting will need to be removed to deliver the construction site. Alternative replacement planting will be provided on-site.
- 11.3 It is proposed that the building will incorporate existing technology and methods such as solar panels, passive solar gain and low power lighting to ensure it is sustainable in the long term.
- 11.4 The current policy at Needham Lake is to provide no refuse bins on site as users are requested to take waste home. It is anticipated that the café will lead to a reduction in littering as much of the waste generated from catering will be retained within the building. As part of the lease the operator will be required to undertake site cleaning and maintain refuse bins in the vicinity of the building.
- 11.5 Environmental implications of the proposed development will be fully addressed through the normal planning application process.

12. APPENDICES

Title	Location
(a) Confidential Financial implications	Restricted access due to financial information
(b) Indicative location plan	Attached

13. BACKGROUND DOCUMENTS

- 13.1 Results from survey of users of Needham Lake.