

Committee(s):	Dates:
Epping Forest and Commons Finance	8 July 2013 23 July 2013
Subject: Progress Report – Branching Out (Heritage Lottery project) update Number 9	Public
Report of: Superintendent of Epping Forest	For Decision

Summary

Dashboard

The Branching Out projects are broadly on track, with all key elements having commenced and the spend profile matching the programme.

The focus during the next six months is on: Jubilee Pond landscaping; the design of Gateways and a standard approach to Forest furniture; installation of cattle grids, associated fencing and other elements of the Forest Transport Strategy; and, cattle winter housing; recruiting three apprentice arborists for the fifth and final year of the scheme. We are also progressing with the Volunteer Improvement Plan and working on the evaluation and legacy for Branching Out projects.

Brief description of project

Branching Out is a series of projects in Epping Forest, designed to improve access to and interpretation of the historic landscape. The total budget for the project is £6.83 million over five years, supported by a grant of £4.76 million from Heritage Lottery Fund (HLF). Budget variances must be approved by HLF in addition to your Committee.

Recommendation:-

- It is recommended that the budget variances, which balance and therefore do not affect the overall budget total, be approved; and
- a new contract is awarded to Cod Steak Limited to the value of £250,000. encompassing the design, manufacture and supply of Gateways and Forest furniture (signage, bins, benches, etc.), waiving the requirement to seek further tenders for this work in accordance with Regulation 15 of the City's Procurement Regulations 2012

Overview

1. Success Criteria	<p>Car Parks and Access - Creation of four visitor hubs and 20 gateways to the Forest. Accessible paths, way-marked trails, and car park resurfacing at High Beach, Connaught Water, Chingford and Jubilee Pond. Forest Transport Strategy includes road closure, traffic calming, speed reduction, cattle grids and improved public transport links.</p> <p>Grazing and Trees –implementing a long term grazing strategy to enhance wood pasture landscapes. Managing ancient trees with the help</p>
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	<p>of apprentices and new equipment.</p> <p>Coach House - Redevelopment to provide an Interpretation Centre with improved education and learning facilities as well as a shop. Delivery of: a three-year education programme Discovering Epping Forest, community liaison, volunteers; and cataloguing and conservation of the Epping Forest archives.</p> <p>Butler's Retreat - Refurbishment to provide an improved restaurant facility with a display on the history of the Listed building.</p>
2. Project Scope and Exclusions	<p>Branching Out is a series of projects in Epping Forest, designed to improve access to and interpretation of the historic landscape, as listed above.</p> <p>The project incorporates elements of the Forest Grazing Strategy and Epping Forest Transport Strategy.</p>
3. Link to Strategic Aims	<p>Volunteering and community involvement are included in the Open Spaces Business Plan 2012-2015, one of the strategic aims of which is to "Celebrate a sense of place by involving local communities in the care and management of our sites". Objectives include encouraging use of the Open Spaces by underrepresented groups and developing volunteering opportunities at all sites. The City of London Corporation as Conservators of Epping Forest hold the land in trust for the recreation and enjoyment of the public.</p> <p>The proposals address "The City Together Strategy: The Heart of a World Class City" 2008-2014.</p>
4. Within which category does the project fit	<p>4. Substantially reimbursable</p> <p>7.a) Asset enhancement/improvement (capital)</p>
5. What is the priority of the project?	B- Advisable
6. Governance arrangements	<p>Project board chaired by the Director of Open Spaces with representatives from Town Clerks, Chamberlains, City Surveyors and the Epping Forest division.</p> <p>Quarterly Monitoring meetings are held with the Heritage Lottery Fund (HLF) monitor(s) with representatives from the Epping Forest division.</p> <p>Progress reports are submitted to Epping Forest and Commons Committee and to Finance Committee on resourcing</p>
7. Resources Expended To Date	<p>Spend to the end of March 2013 for Stage 3 totals £4,920,735 (or £5,044,015 including sunk costs, and £5,355,015 including Stage 2 development costs of £311,000). This represents an HLF grant value of £3,659,401 (74.37%). Thus 77% of the budget has been spent at 70% of the way through the project. It is anticipated that the full project budget of £6,518,592 (or £6.8 million including development costs) for Stage 3 will</p>

	<p>be spent.</p> <p>There will be no additional revenue costs upon completion of the project, as staff are on fixed term contracts.</p> <p>Funding from HLF is 74.37% of total spend at Stage 3 (excluding the Stage 1 sunk costs of £123,280). The remaining 25.63% of the total Stage 3 budget of £6,395,314 has been met by grants from our partners and the Local Risk budget. The Tubney Trust have contributed £270,658 Essex County Council £300,000, the latter towards the Forest Transport Strategy. Development costs of £311,000 were spent and claimed at Stage 2.</p> <p>See Appendix 1 below for more detail of funding and budgets.</p>
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Progress

8. Reporting Period	The Epping Forest and Commons Committee received, and approved, the eighth Branching Out project update report at its meeting of 5 November 2012.
9. Summary of progress since last report	<p>Landscaping</p> <p><u>Defects</u> rectified for Connaught Water and Bury Road. Revised proposal for solving drainage at High Beach and relaying of resin bonded path at Chingford Hub to resolve snag due in July.</p> <p><u>Jubilee Pond.</u> Branching Out works due to start 17 June for three months, following pond relining (City Surveyor project). We are liaising with the local Lakehouse Lake amenity group, which will help with planting and construction of the dipping platform.</p> <p><u>Gateways.</u> The install is due to commence in winter 2013. The design and build company, Cod Steaks Limited, submitted Gateway designs as part of the tender process for the exhibition at The View. Of the four companies which tendered, Cod Steaks were selected for their designs and as the only organisation to properly address the gateways element of the brief. As Cod Steaks has delivered a much admired exhibition to time and budget, and drafted appropriate design proposals for Gateways, we would like to extend their commission by £250,000 to encompass the design, manufacture and supply of Gateways and Forest furniture (signage, bins, benches, etc). On advice from the Comptroller & City Solicitor, it is proposed that, subject to approval by the Committee, a new contract is awarded to Cod Steaks for this work, rather than extending the existing contract, as the latter was drafted primarily to cover installation of the exhibition rather than the supply of Forest furniture. This work will take place in parallel to the Open Spaces graphic identity exercise.</p> <p><u>Forest Transport Strategy.</u> Money committed to the Forest Transport Strategy in Essex may be used for road crossing and traffic calming</p>

in addition to the four cattle grids currently being installed by Essex County Council. This represents a slight change in scope and is dependent on HLF approval. Timber and invisible (buried) fencing is currently being installed. A solution for Rangers Road crossing requires further consultation with the London Borough of Waltham Forest (LBWF) and HLF, further to an initial meeting where crossing proposals were discussed. The holiday Sunday shuttle bus has been postponed this year due to problems finding an alternative supplier - Community Link decided not to run the service due to cut backs in Essex County Council.

The View (Coach House)

Redevelopment. The defects liability period is complete with some defects outstanding and the City Surveyor is seeking resolution with the contractor. The outturn report is awaiting final account verification. Installation of exhibition and snags complete, including destination posters. The new visitor centre is a winner in the International Green Apple Awards for the Built Environment, has received accreditation under the Visitor Attraction Quality Assurance Scheme and a Gold standard in the Green Tourism Award.

Community Liaison. Outreach events are on target, with repeat visits from St John's School, which has found conservation activities particularly beneficial for their more challenging classes. Results from the 2012 Visitor Survey were the subject of a report to the Epping Forest and Commons Committee in May 2013 and the 2013 Visitor Survey has commenced.

Learning. The Discovering Epping Forest final evaluation report, video and learning resources are now online. Consultants have submitted a final report entitled *Review of Learning Provision in Epping Forest*, which will inform the legacy of the project.

Volunteers. A total of 21,730 hours of volunteer activity were donated during financial year 2012/2013, which is an 11% increase in volunteer hours on 2011/12. Volunteer training has included chainsaws and brush cutters for the first time. There is increased involvement from Forest keepers in leading conservation tasks with local groups. We are working on an improvement plan, resulting from an Open Spaces review to improve the quality as well as the quantity of volunteering. Further detail is available in the report submitted to the Epping Forest and Commons Committee in May 2013.

Butler's Retreat

The defects liability period is complete with remaining snags being resolved by the contractor under the direction of the City Surveyor. Repair of render has been undertaken via the existing Bolt and Heeks contract. The repair of wainscoting is to be funded from the Local Risk maintenance budget, as it is not attributable to the contractor. The Outturn report is awaiting budget reconciliation.

	<p>Grazing and Trees</p> <p><u>Grazing.</u> Four calves have been born, one of which is female. This is the start of a breeding herd, in accordance with the Grazing Expansion Plan. There are plans to purchase further cattle this year and a bull has been with the cows over winter. Construction of more winter housing is required to increase capacity and HLF have agreed to help fund it from the project contingency.</p> <p><u>Keystone Trees.</u> We have worked 100 keystone trees this winter, following revisions to the target due to the impact of the 2011/12 drought. We are planning to catch up with the original target using funds agreed by HLF to extend machine hire during 2013. While the more recent, high rainfall has improved the health of beech trees, we are reviewing the health of the oaks, which have also been impacted on by unfavourable weather conditions.</p> <p><u>Apprentices.</u> The fourth year of the apprenticeship scheme is progressing well and we have our first female apprentice arborist.</p>
<p>10. Programme</p>	<p>All projects are on track to complete in November 2014.</p> <p>The next progress report is due in November 2013.</p>
<p>11. Budget</p>	<p>Variances between capital and revenue budgets are listed in Tables 2 and 3 of Appendix 1. The figures mainly reflect approved contingency claims from HLF to cover:</p> <ul style="list-style-type: none"> • Wood chip corral to expand cattle over wintering facility at Great Gregories. Part funding of £36,200. This is being reported as a separate capital project. • Teupen hire to catch up shortfall in keystone tree works, where weather conditions affected health of trees. £6,000. • Volunteer travel and expenses budget reviewed annually. £10,000.
<p>12. Risk</p>	<p>Risk registers are maintained for the various aspects of the project and an overview is reported to HLF to accompany the drawdown claims. Where costs have been incurred, these have mainly been met from the HLF contingency budget.</p> <p>Overall risk is low, as this is a technically straightforward project, although unusual in the number of different elements, and the project is moving towards the final stages. Risks are regularly reviewed to mitigate their impact.</p>
<p>13. Communications</p>	<p>The involvement of a local group, Lakehouse Lake Project, at Jubilee Pond has been helpful in gaining public support for the large-scale works.</p> <p>Installation of the cattle grids remains controversial and Essex County Council is handling the public relations.</p>

14. Benefits achievement	<p>New visitor centre and exhibition at The View, which has received excellent feedback and has more than doubled the number of visits received last year, as well as increased shop sales.</p> <p>Completion of car parks and access trail at three visitor hubs.</p> <p>Delivery of Discovering Epping Forest learning project to 2,025 pupils over three years.</p> <p>Increase in quality and quantity of volunteering.</p>
15. Lessons	<p>To be reported in the Outturn reports. Feedback and lessons learned are being gathered throughout the project and will be included in the Outturn and HLF reports, including the results of Evaluation Workshops.</p>

Appendices

Appendix 1	Funding and Budgets
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Appendix 1 Funding and Budgets

Table 1 Funding Sources

Funding Sources Table	£	Claims to Mar 2013	Status
Heritage Lottery Fund Stage 3	4,756,000	3,659,401	Claimed six monthly in arrears
Heritage Lottery Fund Development Grant	231,500	231,500	Claimed
Essex County Council (cattle grids & FTS)	300,000	290,981	Evidence to be provided quarterly
City Contribution All Stages*	1,251,436	1,095,901	See breakdown below
London Borough of Waltham Forest	20,000	20,000	Expended on highways works
Tubney Trust	270,658	270,658	Fully paid in 2012
Total	6,829,594	5,568,441	
*analysis of City Contribution	£	Claims to Mar 2013	Status
Stg 1 bid prep (sunk cost)	123,280	123,280	Expended
City Contribution Development Stage 2	79,500	79,500	Expended
Local Risk	765,436	657,915	Allocated annually
Sub-Total Local Risk	968,216	860,995	
Payments in-kind (volunteers, etc)	283,220	235,206	Claimed with evidence
Total	1,251,436	1,095,901	

Table 2 Budget variations since last progress report

Item	Budget Oct 12 for HLF ddn 7	Budget Jun 13 & c HLF ddn8	Variance (£)	Reason for significant variation & transfer details
COACH HOUSE			0	
Capital Costs	1,761,574	1,761,574	0	
Staff: Community Liaison	179,421	176,620	-2,801	balancing below
Staff – Archivist	37,573	40,374	2,801	to reflect actual
Conservation work	11,032	11,032	0	
Recruitment (+int expenses)	4,427	4,427	0	
Measuring Project Success	20,000	20,000	0	
Education Programme	297,560	297,530	-30	To Contingency
Materials, Equipment, Travel for CLO & PM	5,904	11,904	6,000	Teupen hire from Contingency
Volunteer equipment + travel + events	38,781	48,781	10,000	Estimate for Yr5, applied for annually from Contingency
Events – catering, launches	5,000	5,000	0	

Item	Budget Oct 12 for HLF ddn 7	Budget Jun 13 & c HLF ddn8	Variance (£)	Reason for significant variation & transfer details
Revenue Costs	599,698	615,668	15,970	
Coach House	2,361,272	2,377,242	15,970	
BUTLER'S RETREAT			0	
Refurbishment	546,000	546,137	137	From below: hlf d cs constr; QS; Surveys; planning fees + CS staff costs
HLF Bid preparation Stage 1	19,403	19,403		
Professional fees	73,635	73,498	-137	To above hlf 5 cs wks butlers
Capital Costs	639,038	639,038	0	
Revenue Costs	0	0	0	
Butler's Retreat	639,038	639,038	0	
CAR PARKS & ACCESS			0	
Capital Costs	2,082,978	2,082,978	0	
Revenue Costs	183,523	183,523	0	
Car Parks and Access	2,266,501	2,266,501	0	
GRAZING & TREES				
Fencing (forest grazing)	106,000	142,200	36,200	Cattle housing - wood chip corral from Contingency
Equipment	21,300	21,300	0	
Vehicles	164,282	164,282	0	
HLF Bid preparation Stage 1	3,727	3,727	0	
Capital Costs	295,309	331,509	36,200	
Revenue Costs	692,333	692,333	0	
Grazing and Trees	987,642	1,023,842	36,200	
Volunteer Hours	153,150	153,150	0	
Contingency	110,989	58,819	-52,170	transfer to items above
<i>Develpmt Cost (phases D-E)</i>	<i>311,000</i>	<i>311,000</i>	0	
Non project specific	575,139	522,969	52,170	
ALL PROJECTS	6,829,592*	6,829,592	0	
<i>All projects minus devpt costs</i>	<i>6,518,592</i>	<i>6,518,592</i>	0	
HLF Bid preparation Stage 1	123,280.00	123,280	0	
HLF App cost (less sunk & devt costs)	6,395,312	6,395,312	0	
HLF payment 74.36695%	4,755,998	4,755,998	0	

Table 3 Capital and Expenditure Summary Budgets

a) Capital/Expenditure approved November 2012

Project	Capital costs Phases F-L (£)	Revenue costs (£)	Other costs (£)	Total All Years (£)
1. Coach House	1,761,574	599,698	0	2,361,272
2. Butler's Retreat	639,038	0	0	639,038
3. Car Parks and Access	2,082,978	183,523	0	2,266,501
4. Grazing and Trees	295,309	692,333	0	987,642
Volunteer Hours	0	0	153,150	153,150
Contingency	0	0	110,989	110,989
TOTAL	4,778,899	1,475,554	264,139	6,518,592
Development Cost	0	0	311,000	311,000
Total inc Development	4,778,899	1,475,554	575,139	6,829,592

b) Capital/Expenditure updated June 2013

Project	Capital costs Phases F-L (£)	Revenue costs (£)	Other costs (£)	Total All Years (£)
1. Coach House	1,761,574	615,668	0	2,377,242
2. Butler's Retreat	639,038	0	0	639,038
3. Car Parks and Access	2,082,978	183,523	0	2,266,501
4. Grazing and Trees	331,509	692,333	0	1,023,842
Volunteer Hours	0	0	153,150	153,150
Contingency	0	0	58,819	58,819
TOTAL	4,815,099	1,491,524	211,969	6,518,592
Development Cost	0	0	311,000	311,000
Total inc Development	4,815,099	1,491,524	522,969	6,829,592