Committee(s): Hampstead Heath, Highgate Wood and Queen's Park	Date: 25/11/2020
Committee	Public
Subject: Revised Tender Timeline for the Parliament Hill, Golders Hill Park, Parliament Hill Fields Lido, Highgate Wood, Queen's Park Cafés, and the Heath Extension Kiosk.	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	4, 5, 10
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of:	For Decision
Superintendent of Hampstead Heath	
Report author: Richard Gentry	

Summary

This report seeks Members agreement on a revised timeline for the tendering of the Parliament Hill, Parliament Hill Fields Lido, Golders Hill Park, Highgate Wood, Queen's Park Cafés, and the Heath Extension Kiosk.

Officers are also seeking Members agreement to further extend the leases for the Parliament Hill, Parliament Hill Fields Lido Cafés to January 2023.

Recommendations

Members are asked to:

- Note the feedback and recommendations from the Golders Hill Park Café User Engagement - outcome report (appendix 1).
- Agree the extension of the leases for the Parliament Hill Café and the Parliament Hill Fields Lido Café by 24 months, as outlined in para 9.
- Agree the revised tender timeline as outline in para 10.
- Agree that future leases will be for a period of ten years, as proposed in para 15.

Main Report

Background

- The leases for the Parliament Hill Café, Parliament Hill Fields Lido Café and Golders Hill Café are due to expire on 12 January 2021. Due to COVID-19 and the subsequent impact on Officers workload, the tenders for the cafés have been delayed.
- 2. Highgate Wood Café and Queen's Park Café are currently operating on a Tenancy at Will.
- 3. In leasing the Cafés with the longer terms that are now available under section 6 of the City of London Corporation (Open Spaces) Act 2018, greater investment is being sought to improve the social, environmental and economic outcomes of the Cafés.
- 4. Members must have regard to the desirability of ensuring that the service or facility is provided to a satisfactory standard throughout the duration of the lease. Before granting a lease, the Hampstead Heath, Highgate Wood and Queen's Park Committee (HHHGWQPC) must consult such persons or bodies as it thinks appropriate. Part II of the Landlord and Tenant Act 1954 (which provides security of tenure for commercial tenancies) does not apply.

Current Position

- 5. At the 9 September 2020 meeting of this Committee, Members agreed that the leases for the Parliament Hill Café and Parliament Hill Fields Lido Café are held over for 12 months to 12 January 2022 enabling a tender process to be undertaken during 2021.
- 6. The lease holder for the, Golders Hill Park Café notified the City Corporation of their intention to end their lease in November 2020. However, the lease holder has agreed to remain in situ as a tenant in the café at Golders Hill Park until January 2022.
- 7. In relation to the Golders Hill Park Café, a Consultant was appointed to undertake user engagement, to establish the views and opinions of Park visitors. As part of the engagement the Consultant ran two online focus group meetings, which were attended by 20 participants. An online questionnaire ran between 28 July 17 August 2020 and received 866 responses. The results of this engagement can be found at appendix 1.
- 8. The main observations and feedback from the user engagement were that the café:
 - should be unique and managed in such a way that reflects the character of the local community.
 - should provide a simple, healthy, homemade offer.
 - should cater for all members of the community.

- should feel inviting and make the most of its space and location in the Park.
- 9. Since Members agreed to extend the leases for the Parliament Hill and Lido Cafés a second National Lockdown has been imposed between 5 November 2 December 2020. Therefore, Officers propose to increase the lease extension for the Parliament Hill and Lido Cafés by 24 months, until 12 January 2023. This will enable Officers to prioritise the tenders for the Golders Hill Park, Highgate Wood, Queen's Park Cafés as these facilitates are currently operating outside of long-term lease arrangements. It is also proposed to prioritise the tender for the Heath Extension Kiosk, as this presents a new business opportunity.

Timeline

- 10. A revised timeline for the delivery of the café tenders is set out below:
 - Winter 2020 User engagement and consultation Highgate Wood
 - January 2021 Update HWCG & QPCG
 - **24/02/2021** Update HHHWQPC
 - 25/03/2021 08/05/2021 commence tender Golders Hill Park Café and Heath Extension Kiosk
 - 18/04/2021 29/05/2021 commence tender Queen's Park Café and Highgate Wood Café
 - **19/04/2021** update HHCC on progress
 - 21/04/2021 update QPCG & HWCG on progress
 - 09/05/2021 23/05/2021 evaluate compliant Golders Hill Park Café and Heath Extension Kiosk bids
 - 26/05/2021 update HHCC
 - 30/05/2021 13/06/2021 evaluate compliant Highgate Wood Café and Queen's Park Café bids
 - 06/09/2021 present update report HHCC, HWCG & QPCG
 - 29/09/2021 report recommendations following evaluation HHHWQPC
 - 30/09/2021 award leases for the Golders Hill Park Café, Highgate Wood Café, Queen's Park Café and the Heath Extension Kiosk
 - October 2021 lease execution
 - **13/01/2022** lease commencement
 - Winter 2021/22 User engagement and consultation Parliament Hill Fields Café and Lido Café
 - January 2022 Update HHCC
 - February 2022 Update HHHWQPC
 - Spring/Summer 2022 commence tender Parliament Hill Fields Café and Lido Café
 - April 2022 Update HHCC
 - May 2022 Update HHHWQPC
 - Summer 2022 evaluate compliant Parliament Hill Fields Cafe and Lido Café bids
 - Autumn 2022 present update report HHCC
 - Winter 2022 report recommendations following evaluation HHHWQPC

- Winter 2022 award leases for the Parliament Hill Fields Café and Lido Café
- Winter 2022 lease execution
- **13/01/2023** lease commencement
- 11. Throughout the tender process the Superintendent of Hampstead Heath will engage with Members and the Hampstead Heath Café Working Group.

Consultation

- 12. The Café Working Group were consulted with on 09/10/2020 by email with copies of the public reports prepared for the HHCC meeting on 19/10/2020.
- 13. The Parliament Hill Café Action Group responded and raised the following points:
 - A. A deferral of the tender for the Cafés, allowing for the tenants to recover any lost revenue due to the impact of the COVID Pandemic. The Parliament Hill Café Action Group have suggested that a one year lease extension will be insufficient to recoup losses and have asked if the City Corporation to give serious consideration to at least a 3 year extension i.e. deferring the tendering process for at least one if not two years.
 - B. Request that the timetable be redrawn to allow for a proper consultation in the spring / summer months.
 - C. That the City Corporation acknowledges its contribution to social well-being and commit to ensuring that affordability is accorded a high degree of priority in any future tendering process.
 - D. Reassurances that the current leases will extended to the current operators on terms that are no less favourable than those currently in place
- 14. The HHCC Members and the Café Working Group were both consulted prior to the second National Lockdown. Therefore, the Superintendent will write to update the HHCC and the Café Working Group following Members decision at the meeting on 25 November 2020.

Proposals

- 15. The Superintendent is proposing that any future lease arrangements be for a period of at least ten years, with suitable break clauses and rent reviews, subject to satisfactory performance and service delivery.
- 16. The City Corporation, when developing the tender documents, e.g. the Submission Document for prospective bidders to complete, will consider the following key deliverables, these have been previously been discussed with the Café Working Group:
 - Strong links with the local community
 - Passionate about making the café an integral part of the community
 - Environmentally aware
 - Offer quality food at affordable prices
 - Be innovative and creative

- Cater for a diverse community
- A diversity of seasonal activities
- Provide a family friendly offer
- Offer a range of payment options

Corporate & Strategic Implications

- 17. The letting of the Cafés at Hampstead Heath contributes towards the achievement of the three aims set out in the City of London Corporation Corporate Plan 2018-23: Contribute to a flourishing society, Support a thriving economy and Shape outstanding environments, in particular the following Corporate Plan outcomes:
 - (4) Communities are cohesive and have the facilities they need.
 - (5) Businesses are trusted and socially and environmentally responsible.
 - (10) We inspire enterprise, excellence, creativity and collaboration.
- 18. It also meets the three objectives and outcomes set out in the Open Spaces Department Business Plan 2020-21: (a) Open spaces and historic sites are thriving and accessible, (b) Spaces enrich people's lives and (c) Business practices are responsible and sustainable.
- 19. Tendering the catering facilities provides the opportunity to ensure the Cafés support the Hampstead Heath Management Strategy 2018-2028 Strategic Outcomes A: The Heath is maintained as a flourishing green space and historic landscape, B: Improved quality of life for Heath visitors, C: The Heath is inclusive and welcoming to a diverse range of visitors and D: Greater number of and diversity of People taking care of the Heath.

Risk implications

20. Previously, the tender of the Hampstead Heath Cafés, in particular the Parliament Hill Café and the Golders Hill Park Café generated media interest. Officers will liaise with the City Corporation, Media Team and inform and update Stakeholders and visitors throughout the tender process.

Financial implications

21. The provision of Café facilities provides income that contributes to the maintenance of Hampstead Heath, Highgate Wood and Queen's Park and the cafés must be let on the best terms that can reasonably be obtained for the charity, in order to comply with the duties of the Trustee. However, the cafés are also fundamentally part of the experience provided to users and the HHHWQPC may consider the wider social and environmental benefits that they bring to the Heath.

Legal implications

- 22. Legal implications have been responded to in this report under para 3.
- 23. Hampstead Heath (number 803392), Highgate Wood and Queen's Park Kilburn (number 232986) are registered charities for which the City of London Corporation is the Trustee. The purpose of the charity is the preservation of Hampstead Heath for the recreation and enjoyment of the public. The

HHHWQPC manages Hampstead Heath on behalf of the City of London Corporation and must take decisions in the best interests of the charity.

Equalities implications

24. An initial screening exercise of the equality impact for the Café tendering proposals and timeline has been completed. At this stage, it is considered that there are no negative impacts on the protected characteristics.

Climate implications

25. Environmental outcomes have featured highly in previous user engagement, with visitors seeking an offer which is environmentally aware, either though sustainable sourcing, packaging or management of waste recycling and use of energy resource. Environmental outcomes will be incorporated into the tender documentation.

Conclusion

26. The City of London (Open Spaces) Act 2018 provides the opportunity of a longerterm lease allowing greater continuity of service, investment in the facilities and development of the business.

Appendices

Appendix 1 – Golders Hill Park Café User Engagement – Outcome Report.

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