

## TRAFFORD COUNCIL

**Report to:** Executive  
**Date:** 26<sup>th</sup> February 2024  
**Report for:** Decision  
**Report of:** Executive Member for Economy and Regeneration

### Report Title

Longford Park 'People, Place and Nature' National Lottery Heritage Fund (NLHF) Grant.

### Summary

In September 2023 the Council learned that its bid to the National Lottery Heritage Fund (NLHF) for grant funding for Longford Park was successful. NLHF needs to grant formal 'Permission to Start' by 20<sup>th</sup> March 2024, 6 months after the grant notification letter was issued. To gain this permission, the Council needs to submit a number of documents covering governance arrangements, cashflow, evidence of match funding, funding plan to bridge any identified gap, plus evidence of the Council's formal acceptance of the grant offer.

This report provides an overview of the position and seeks approval to accept the grant offer and to progress activities to secure permission to start from NLHF.

### Recommendation(s)

It is recommended that the Executive:

- (i) Accepts the NLHF Delivery Grant Offer, approves the proposal to progress activities to secure permission to start from NLHF, and approves acceptance of the NLHF Delivery Grant on the terms set out in this report;
- (ii) Agrees that in the event of a shortfall in match funding, that priority be afforded to making up any shortfall from within the Capital Programme, which is likely to require a reprioritisation of funds from existing approved schemes;
- (iii) Delegates authority to the Corporate Director of Place, in consultation with the Director of Finance and Systems and Executive Member for Economy and Regeneration, to agree the final details relating to project management and match funding; and
- (iv) Delegates authority to the Director of Legal and Governance and Monitoring Officer to enter into legal agreements as required to implement these recommendations.

Contact person for access to background papers and further information:

Name: Paul Farrand

Extension: x5504

Background Papers: None

Appendices: None

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| Relationship to Policy Framework /Corporate Priorities | The project meets the Corporate Plan Priority 'Addressing our Climate Crisis', with strong links to the Council's Sport and Physical Activity Strategy, Strategic Outcomes Planning Model (Sport England), VCSFE Strategy, Trafford Locality Plan, Operational Estates Strategy, Inclusive Economy Recovery Plan, draft Local Plan and The Civic Quarter Area Action Plan.   |
| Relationship to GM Policy or Strategy Framework        | The project meets the GM 5 Year Environment vision of a clean, carbon neutral, climate resilient city region with a thriving natural environment, plus draft GM Places for Everyone policy priorities under Sustainable and Resilient Places and Greener Places.   |
| Financial Implications                                 | The NLHF Grant offer is up to £3,118,260, claimed back from NLHF upon completion of phases of work. The Council's match funding is set out in Section 4, which also covers the creation of new posts. The total scheme cost is £6.1m which requires £3.0m of match funding, currently of which £1.4m is secured, £0.6m expected to be secured and £0.8m identified but not secured. This leaves a funding gap of £0.4m still to be identified. The ability to meet the overall match funding requirement is an identified risk in the delivery of the project. The acceptance of the grant offer will require the Council to ensure that spending against this project does not become a financial risk to the Council. Therefore, it may be necessary to submit further bids via the Council's capital programme, which is already under significant pressure. Resources may then need to be re-prioritised from existing approved schemes. |
| Legal Implications                                     | The future operating model for the long barn will need to be the subject of additional work during the early part of the Delivery Phase to achieve a fit-for-purpose model that can be sustained post lottery funding.   |
| Equality/Diversity Implications                        | Equality and Diversity are key aspects of the Audience Development and Activity Plan being prepared as part of the bid and in the consultation and engagement carried out to date.   |
| Sustainability Implications                            | The project contributes to GM-level work on Biodiversity Net Gain, Green Infrastructure and Nature Based Solutions, with a Natural Capital approach employed throughout the bid.   |
| Carbon Reduction Implications                          | The project meets Carbon Neutral Action Plan priorities under Natural Environment and Our Buildings and Workplaces. Low carbon measures form part of the designs for the long barn, along with Electric Vehicle Charging Points and LED lighting.  |

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| Resource Implications e.g. Staffing / ICT / Assets | Addressed in the main body of the report relating to park buildings and new posts associated with the project.   |
| Risk Management Implications                       | RIBA Stage 3 designs were completed and costed for the Delivery Phase bid in May 2023. Further design and cost refinement up to RIBA Stage 4 will be undertaken as part of the Delivery Phase via appointed consultants. The project Risk Register identifies risks regarding inflation, construction costs, VAT and market conditions.<br>The identification and confirmation of the match funding is a key risk to be managed before the Council commits spending on the scheme which may result in a budget pressure. |
| Health & Wellbeing Implications                    | Major investment at Longford Park will create a venue for increased levels of physical activity through improved and enhanced facilities alongside a targeted programme of engagement including green social prescribing meeting strategic priorities in line with Trafford Moving and Trafford Locality Plan.   |
| Health and Safety Implications                     | Securing major capital and revenue investment into Longford Park would enable the Council to address backlog maintenance issues relating to park infrastructure and in particular built heritage assets that have continued to decline due to the lack of available funding and sustainable uses.  |

## 1.0 Background

- 1.1 The Longford Park ‘People, Place and Nature’ project has the potential to contribute significantly to a number of key Council strategies and priorities relating to physical and mental wellbeing, sport and physical activity, biodiversity and access to nature, climate change adaptation and mitigation, skills development, green economy and volunteering.
- 1.2 The project also complements major local place shaping at Stretford Town Centre and The Civic Quarter, providing the primary major public park to meet the needs of planned residential growth, with strong physical and partnership links to the countryside of The Mersey Valley.
- 1.3 Following Executive approval in February 2023, a Delivery Phase bid for c£3.12m was submitted to the National Lottery Heritage Fund in May 2023 as part of a project with overall project costs of over £6.1m. This represented an increase in total project costs of £700k from the figure reported in February 2023 due to a second phase of detailed cost development being undertaken ahead of bid submission; the impact of inflationary pressures since the previous detailed costs were prepared in September 2022 and the need to provide additional activity planning resources within the project for the Delivery Phase on the advice of NLHF case officers.
- 1.4 After being considered at the NLHF Northern Funding Committee in September 2023, a decision was taken to offer Trafford Council a Delivery Grant of £3,118,260 based upon the payment percentage of 51%, a percentage figure consistent with the Development Phase grant.
- 1.5 The ‘Approved Purposes’ of the project were carried forward from the Delivery Phase and are used by NLHF to monitor progress, amended to reflect changed priorities:

### Approved Purposes

- (i) Repair and conversion of Long Barn into a volunteering, training and skills hub
- (ii) Improvements to Pets corner, cafe and Firswood Community Centre

- (iii) Sports improvements (tennis courts, football pitches, cricket and disc golf), BMX pump track and youth zone
- (iv) Extensive children's play area improvements
- (v) Improvements to lighting, footpath, roads, entrances and access points across park,
- (vi) Restoration of Longford Hall footprint and portico, ha-ha and grand lawn restoration
- (vii) Restoration of art deco shelters, formal gardens (landscape and toilet block), walled gardens and community allotment
- (viii) Creation of a shared use space for Scouts and community use at the Shippon building
- (ix) New furniture, seating, signage, litter bins and cycle parking
- (x) Tree stock improvements, wildflower meadow creation, tree and shrub planting and enhancement of wildlife garden and pond
- (xi) Longford Brook de-culverting and daylighting
- (xii) Creation of 2 new posts. One Senior Engagement Officer (FT 3.5years), one Community Engagement and Volunteer Coordinator (0.6 FTE 3 years)
- (xiii) Delivery of a 4-year engagement programme of activities and volunteering

## 2.0 Delivery Phase Requirements

2.1 NLHF Standard Terms of Grant include the key definitions and requirements, ranging from achieving the approved purposes to project monitoring, procurement and publicity to grant payment and potential repayment.

2.2 The first key milestone and deadline relates to obtaining formal *Permission to Start*. For Longford Park, this must be achieved within six months of the date of the grant offer, meaning that the deadline for the Longford Park project is **20<sup>th</sup> March 2024**. Obtaining Permission to Start involves submission of documents confirming:

- revised cash flow
- cost breakdown
- timetable
- proof of matched funding
- funding plan
- project management structure
- method of buying goods, works and services (procurement and recruitment)
- evidence of land ownership/ management agreements
- details of any statutory permissions already required and obtained
- bank statement or paying in slip
- form signatories for both partners
- evidence that the Council accepts the grant

These documents will need to be submitted well in advance of 20<sup>th</sup> March, to give NLHF enough time to review them before giving permission to start by 20<sup>th</sup> March.

2.3 Once Permission to Start has been obtained, there are further requirements to

- formally request the grant payment
- provide a *Completion Report* and *Final Payment Request* form and an *Evaluation Report* following project completion

## **2.4 Grant Payment and Repayment**

- 2.4.1 The grant payment and repayments terms stipulate that the stated grant value will not be increased as the result of overspending or for any other reason. A key role of the Lead Landscape Consultant and Council Project Management team will be to ensure that the cost plan remains under regular review, with any adverse impacts or issues highlighted through the governance arrangements. Contingency has also been built into the Delivery Phase budget at 10% for capital works in line with NLHF guidance, plus £75k for the Activity Planning component. The allowance for inflation has also been increased for the Delivery Phase up to 8% (£320,028) from 4% (£176,000) at the Development Phase.
- 2.4.2 The Council would need to repay any Delivery Phase grant received, with any future grant instalments stopped, if the Council failed to make good progress with the project or were viewed as unlikely to complete the project or achieve the agreed outcomes. This point relates to the issue of match funding and risk highlighted in the financial implications sections (see head of report boxes and 7.2)

## **3.0 Additional Grant Conditions**

Further conditions are applicable to the Longford Park project.

### **(i) Local Authority Grantee**

The Council must provide a certified copy of the document recording the decision authorising acceptance of the Terms of Grant, alongside a statement including:

- the power (statutory or otherwise) used to accept the Terms of Grant
- an extract of that part of the policy framework under which the Council have accepted the terms of grant
- the executive arrangements under which the decision to accept the Terms of Grant was made
- the considerations taken into account in using the powers and the procedure under which any consultation took place and the decision was made
- the authority under which the Declaration forming part of the Application has been signed

### **(ii) Letting Clause**

The Council may lease or let part or parts of the property (The Long Barn) for purposes which are consistent with the approved usage and for any periods first approved. Unless expressly agreed otherwise, the leases or lets must always be at a full market rent and the rental income must be used for the purpose of carrying out the approved purposes or generally for the benefit of the property.

### **(iii) Restriction on Title**

Within 28 days of the date of Permission to Start, the Council must apply to the Land Registry for a restriction to be entered using the following wording:

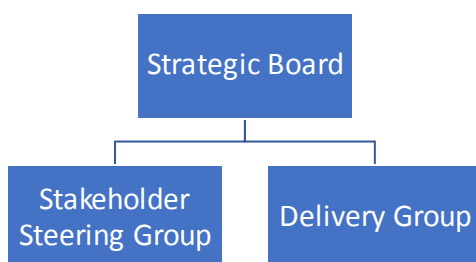
“No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the Trustees of the

National Heritage Memorial Fund of 4th Floor, Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA or their conveyancer.”

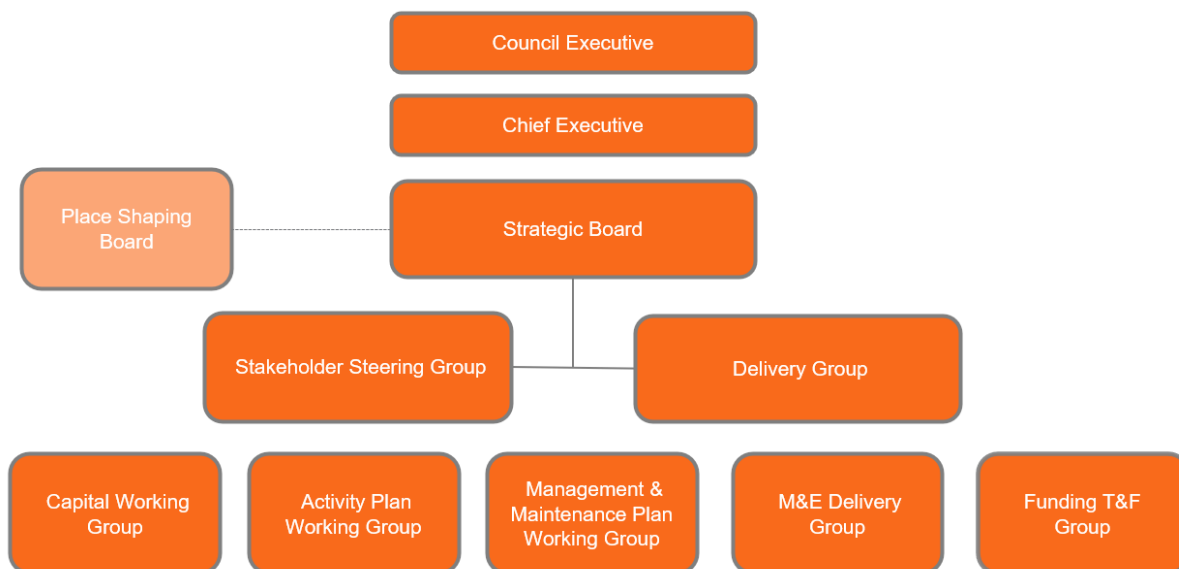
The Council must forward updated Office Copies once the restriction has been registered at HM Land Registry as soon as possible.

#### 4.0 Project Management and Governance

4.1 Proposed governance arrangements were submitted as part of the Delivery Phase bid, which proposed a Strategic Board consisting of relevant Directors and Heads of Service overseeing a Stakeholder Steering Group and a Delivery Group. The Stakeholder Steering Group would comprise VCSFE partner organisations and Council service partners focused on delivering the Activity Plan, whilst the Delivery Group would feature Council lead officer and project management input working alongside the lead consultant and team, focusing on detailed design, cost development, procurement and delivery of capital works on site as well as internal reporting and reporting back to NLHF.



4.2 Following further internal discussions and discussions with NLHF representatives, proposed governance arrangements have been updated to ensure consistency with other major place shaping projects in conjunction with the Council's Modernisation and Development and Estates services, drawing up their expertise and experience.



4.3 A key element of the governance arrangements will be an internal overall project manager (PM), a departure from the delivery phase bid, which foresaw an external project management role. As a result of discussions between relevant service areas and with NLHF case officers, this role will now be placed with the Modernisation team for a minimum of 3 days per week at Band 9. NLHF is strongly supportive of bringing this key role in-house.

4.4 The overall PM will be supported by other roles:

- External lead landscape consultancy support – in the development phase this was carried out by TEP, but this role for the delivery phase will need to be tendered.
- Two stakeholder engagement roles to be recruited in City of Trees.
- As a result of further internal discussions, the need for additional construction sector project management expertise has been identified in order to assess and challenge the capital costs and related project timetable and risk register, highlighting any concerns and need for value engineering or prioritisation to the Strategic Board. This post will be based within the Development and Estates Team for one day per week via an extension of the duties of a new member of staff joining the Estates and Development team from March 2024.

**5.0 Procurement**

5.1 As the overall PM and construction PM roles will be in-house, the only roles that will need to be procured are the lead landscape consultant and the two stakeholder engagement roles in City of Trees. NHLF procurement regulations state that procurement cannot proceed until permission to start has been granted. We will prepare everything so that we are ready to go out to procurement as soon as permission to start is granted.

**6.0 Timescale and milestones**

The table below illustrates the overall indicative timescales for the Delivery Phase of the Longford Park NHLF bid:

| <b>Task</b>  | <b>Target Date</b>             |
|--|--------------------------------|
| • Executive Report   | 26 <sup>th</sup> Feb 2024      |
| • NLHF Permission to Start   | 20 <sup>th</sup> March 2024    |
| • Procurement of lead consultant   | March/April 2024               |
| • Procurement of contractor (tender pack, contract documents, ITT and PQQ plus tender evaluation)                            | November 2024                  |
| • Commencement on site   | March 2025                     |
| • Completion of capital works  | May 2026                       |
| • Senior Community Engagement Officer Appointed  | May 2024                       |
| • Community Engagement and Volunteer Co-Ordinator appointed  | July 2024                      |
| • End of NLHF revenue funding  | Autumn 2027                    |
| • Complete the Approved Purposes of Delivery Phase and submit Completion Report, Final Payment Request and Evaluation Report | 31 <sup>st</sup> December 2027 |

## 7.0 Financial implications

### 7.1 Breakdown of Costs and Income

The Delivery Phase grant offer is for up to £3,118,260, representing 51% of the overall project work totalling £6,077,856 as submitted to NLHF in the May 2023 Delivery Phase bid. The split of costs is as shown in Table 1 below:

**Table 1**

| <b>Cost Heading</b>   | <b>Amount (£)</b>          |
|---|----------------------------|
| Capital Cost (preliminaries, repair and conservation, new building, fees)   | 4,565,346                  |
| Activity Costs (new staff, training, events and fees)   | 366,102                    |
| Other costs (publicity, evaluation, contingency, inflation, increased maintenance, volunteer time)                  | 1,146,408                  |
| <b>Total Project Costs</b>  | <b>6,077,856</b>           |
| <b>Income</b> (Council, other public sector, sponsorship, S106, fundraising, increased maintenance, volunteer time) | 2,959,596                  |
| <b>Grant (Total Project Costs – Income)</b>   | <b>3,118,260<br/>(51%)</b> |

### 7.2 Match Funding

- 7.2.1 As part of the Delivery Phase bid, the Council agreed to underwrite the potential unsecured capital match funding component up to a value of £1.374m (as reported To Executive in February 2023). This decision was taken in the expectation that much of the required funding would be secured ahead of project commencement and during the Delivery Phase.
- 7.2.2 The position with respect to match funding changed over the period leading up to Delivery Phase submission in May 2023, and again as part of the clarification period ahead of the bid's consideration by NLHF Committee in September 2023. Although the overall level of secured match funding has increased since the February 2023 Executive Report from £917,503 to £1,382,000, there have been changes in evidence requirements and levels of grant offer as part of the various funding streams that comprise the match funding aspect. For example, the reduction in the Lawn Tennis Association's offer for Longford Park as part of the wider Parks Tennis Improvement Project, along with the need to submit additional evidence to United Utilities in order to secure Green Recovery Fund following modelling work relating to Longford Brook.
- 7.2.3 Table 2 illustrates the most up to date position regarding secured and unsecured match funding. This illustrates a funding shortfall currently of £389k assuming all the funding sources set out are ultimately secured. Current secured match funding is £1.382m, leaving a funding gap of £1.578m to be underwritten by the Council, although it should be noted that £68,000 takes the form of monetised volunteer hours. However, there is £620k of match funding which is expected to be secured but not yet confirmed. In addition, unsecured match funding of £568k has been identified to support the scheme and work will continue to secure this funding as well as further opportunities to cover the overall unidentified funding gap of £389k. The funding plan to be submitted as part of the evidence for permission to start will set out how we plan to close the remaining funding gap.
- 7.2.4 Overall, the level of unsecured match funding to be underwritten in order to gain Permission to Start from NLHF has therefore risen by £203,596 since the February 2023 Executive Report, despite the increase in the level of secured matched funding, for the reasons explained in 1.3 (increase in overall project costs) and 7.2.2 (changing match funding picture).



7.2.3 The ability to fund the overall match funding requirement is an identified risk in the delivery of the project. The acceptance of the grant offer will require the Council to ensure that spending against this project does not become a financial risk to the Council. Therefore, it may be necessary to submit further bids via the Council's capital programme, which is already under significant pressure. Resources may then need to be re-prioritised from existing approved schemes. ***Given the pressure on the Council's capital and revenue budget it is imperative that this scheme does not add to the financial pressures on the Council.***

**Table 2 – Match Funding**

|  |   | <b>Cost</b>      | <b>Contributions</b> |
|--|---|------------------|----------------------|
| <b>Total project costs</b>                   |   | <b>6,077,856</b> |                      |
| <b>NLHF support</b>                          |   |                  | <b>3,118,260</b>     |
| <b>Requirement for match funding</b>         |   |                  | <b>2,959,596</b>     |
| <b>Secured match funding</b>                 | Section 106 contributions                     |                  | 695,000              |
|  | Capital Programme (NLHF Cash Match)           |                  | 300,000              |
|  | Capital Programme (Greenspace Infrastructure) |                  | 75,000               |
|  | Capital Programme (Drainage LLFA)             |                  | 30,000               |
|  | Increased Management and Maintenance          |                  | 250,000              |
|  | Defra/City of Trees                           |                  | 20,000               |
|  | ECB (cricket)                                 |                  | 12,000               |
|  | <b>Total Secured Match Funding</b>            |                  | <b>1,382,000</b>     |
| <b>Expected to be secured match funding</b>  | Section 106 additional contributions          |                  | 205,000              |
|  | Environment Agency                            |                  | 175,000              |
|  | JU Green Recovery                             |                  | 240,000              |
|  | <b>Total Expected to be Secured</b>           |                  | <b>620,000</b>       |
| <b>Unsecured match funding</b>               | Volunteer hours                               |                  | 68,000               |
|  | Non-heritage Council and partner funding      |                  | 400,000              |
|  | Commercial/Business Events                    |                  | 100,000              |
|  | <b>Total Unsecured Match Funding</b>          |                  | <b>568,000</b>       |
| <b>Total Match Funding</b>                   |   |                  | <b>2,570,000</b>     |
| <b>Shortfall in Funding to be identified</b> |   |                  | <b>389,596</b>       |

## **8 Other Key Considerations**

- 8.1 Given the nature of the project and physical restoration proposals relating to the buildings in the park, it is essential that the Council and partners develop sustainable long-term approaches to the management of the park's landscape, facilities, buildings and posts.
- 8.2 In particular, it will be important to develop an appropriate model for the future management of the Long Barn facility prior to the end of NLHF funding after year three (from autumn 2027). Work is ongoing with partners in this respect, drawing upon experience of similar examples in Trafford and as part of other lottery and external funded projects. This work will take place in the context of the principles outlined in Trafford's VCSFE Strategy, Operational Estates Strategy, and Inclusive Economy Recovery Plan.
- 8.3 Similarly, NLHF funding for the two new community engagement posts will cease after July 2027. The Council and project partners will therefore need to explore ways to secure funding

to sustain these roles and project outcomes linked to the Audience Development/Activity Plan, Business Plan and Management and Maintenance Plan.

## 9 Consultation

Extensive public and partner consultation and engagement took place over the Development Phase of the project. Consultation as part of the Delivery Phase will take place primarily through the Stakeholder Steering Group, along with updates via the project website, the publicity programme and the programme of events and activities to be delivered through the Activity Plan.

## 10 Wider Corporate Links

The project meets the Corporate Plan Priority 'Addressing our Climate Crisis', with strong links to the Council's Sport and Physical Activity Strategy, Strategic Outcomes Planning Model (Sport England), VCSFE Strategy, Trafford Locality Plan, Operational Estates Strategy, Inclusive Economy Recovery Plan, draft Local Plan and The Civic Quarter Area Action Plan.

## 11 Other Options

No alternative viable option exists to secure the necessary levels of capital and revenue funding to realise the park's environmental, social and economic potential. A do-nothing option would fail to seize the opportunity to regenerate a major cultural and heritage asset beyond that which could be achieved within current available resources for park maintenance and development, whilst failing to unlock the potential of the site to achieve cross-cutting benefits for local residents, visitors, partner organisations and businesses.

## 12 Reasons for Recommendation

A decision to accept the grant offer and to progress activities to secure permission to start from National Lottery Heritage Fund is required in order to secure grant funding in relation to the approved purposes for the Longford Park 'People, Place and Nature' project, as detailed in the report.

**Key Decision** Yes

**If Key Decision, has 28-day notice been given?** Yes

**Finance Officer Clearance** GB.....

**Legal Officer Clearance** DS.....

**[CORPORATE] DIRECTOR'S SIGNATURE**



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To confirm that the Financial and Legal Implications have been considered and the Corporate Director has cleared the report prior to issuing to the Executive Member for decision.

**Appendices:** n/a