



**AGENDA ITEM:
SUMMARY**

Report for:	Cabinet
Date of meeting:	17 December 2013
PART:	1
If Part II, reason:	

Title of report:	Hemel Evolution: Major projects procurement and funding, Water Gardens and Bank Court
Contact:	<p>Cllr Andrew Williams, Leader of the Council and Portfolio Holder for Planning and Regeneration</p> <p>Author/Responsible Officers:</p> <p>James Doe, Assistant Director, Planning, Development and Regeneration</p> <p>Nathalie Bateman, Strategic Planning and Regeneration Team Leader for Hemel Evolution</p> <p>Shalini Jayasinghe, Strategic Planning and Regeneration Officer</p> <p>Claire Covington, Strategic Planning and Regeneration Officer</p>
Purpose of report:	<p>Major Projects procurement and funding</p> <p>To approve the reallocation of existing underspent GAF Funding currently within Strategic Planning and Regeneration to create a new contingency budget for the Hemel Evolution Major Projects (Marlowes Shopping Zone, Bus Interchange and Water Gardens improvements).</p> <p>To note the appointment of an Employer's Agent, Cost Manager, CDM Coordinator and Design Monitor to effectively manage the delivery of Hemel Evolution Major Projects.</p> <p>Water Gardens</p> <ol style="list-style-type: none"> 1. To report progress on the preparation of the Stage 2 Parks for People bid for funding to restore the Water Gardens.

	<ol style="list-style-type: none"> 2. To seek approval for the Water Gardens Stage C Masterplan including a new community building, relocated play area, restoration of heritage features and green screening of the decked car park. 3. To seek approval for the extension of the Water Gardens into the Water Gardens South Car Park, resulting in the loss of 12-14 spaces to provide a new play area in a central location within the Water Gardens. 4. To seek approval for the estimated capital and revenue contribution required by the Council as match funding to the bid, profiled from 2014/15 onwards. 5. To seek approval for submission of the Stage 2 application to the Parks for People programme for funding to restore the Water Gardens. <p>Bank Court</p> <p>To approve the regeneration of Bank Court and take forward one of the suggested options for its design to create a high quality public space and improve the connectivity of the town centre, particularly between the Marlowes pedestrianised area and the Water Gardens.</p>
<p>Recommendations</p>	<p>Major Projects procurement and funding</p> <ol style="list-style-type: none"> 1. That Cabinet recommends to Council the approval of the reallocation of £110,337 underspend from three strands of GAF Funding currently within Strategic Planning and Regeneration (£40,000 – Renewable Energy Provision (BP004); £18,500 - Maylands Business Centre – PV installation (BP005); £51,837 - Neighbourhood Centre Improvements (BP006) to create a new contingency budget for Major Regeneration Projects. 2. That delegated authority is given to the Assistant Director for Planning, Development and Regeneration to award all contracts up to the value £150,000 for Hemel Evolution Projects. <p>Water Gardens</p> <ol style="list-style-type: none"> 3. That Cabinet approves the submission of the Stage 2 Heritage Lottery Fund (HLF) Parks for People bid, as outlined in the report, to secure funding to support a programme of a maximum of £3.611 million restoration and intervention works to the registered Jellicoe Water

Gardens, including the delivery of a new community building, relocated play area, restoration of heritage features and green screening of the decked car park, and that Cabinet notes the requirement to provide match funding of up to 31%, including capital and revenue contributions across the five year period of the bid.

4. That Cabinet delegates authority for the submission of the stage 2 bid to the HLF (including the total project costs) to the Assistant Directors of Planning, Development & Regeneration and Finance and Resources in consultation with the Hemel Evolution Programme Board.

Subject to the approval of the Stage 2 bid by the Heritage Lottery Fund:

5. That Cabinet approves the extension of the Water Gardens park area into the Water Garden South Car Park to accommodate play facilities within a central community hub, with an associated loss of 12-14 car parking spaces.
6. That Cabinet notes the need for a management plan to control the number of Canada geese within the Water Gardens, to be prepared by officers in consultation with the Portfolio Holders for Planning and Regeneration, Environment and Sustainability, and Residents and Regulatory Services.
7. That Cabinet approves the continued appointment of a part time (15 hours per week) Community Engagement Officer to promote and facilitate community involvement in the Water Gardens. This post to be funded for up to 5 years through the bid.
8. That Cabinet approves the recruitment of a full time specialist gardener from January 2016 to achieve the high standard of management and maintenance in the Water Gardens required to support the HLF/Big Lottery bid. This post to be part funded for 3 years through the bid.
9. That Cabinet approves the recruitment of up to 2 seasonal Clean, Safe and Green operatives (8 months pa) to be based in the Gardens from March 2017 to support a high standard of maintenance, with funding for 2.3 years through the bid.

	<p>10. That Cabinet approves the creation of a two year apprentice post to work in the Water Gardens from April 2017.</p> <p>11. That Cabinet notes the requirement to provide an activity plan to achieve the Parks for People Programme outcomes of increasing the range of audiences, volunteers, and improving skills and knowledge through training.</p> <p>12. That Cabinet notes the requirement for an ongoing commitment to deliver high standards within the Water Gardens after the 5 year delivery period through additional maintenance costs. These are currently estimated at £97,000, but will be kept under review as the project develops.</p> <p>Bank Court</p> <p>13. That regeneration of Bank Court is approved as a key public space and important link between the Marlowes Pedestrianised area and Water Gardens improving connectivity in the town centre.</p> <p>14. That Options 1, 2 and 3 for the regeneration of Bank Court are noted in conjunction with the proposed plan for Waterhouse Street which includes relocation of the disabled parking spaces.</p> <p>15. That Cabinet approves Option 2 as the preferred option to successfully deliver a high quality public space that improves connectivity between the Marlowes Pedestrianised area and the Water Gardens.</p> <p>16. That delegated authority is given to the Assistant Director (Planning, Development & Regeneration) to arrange a consultancy, project management and delivery solution and to award a construction contract in accordance with the Council's procurement governance arrangements for the regeneration of Bank Court.</p>
<p>Corporate objectives:</p>	<p>The Hemel Hempstead Masterplan supports the Council's vision and in particular the corporate objective of Regeneration.</p>
<p>Implications:</p>	<p>Major Projects procurement and funding</p> <p><u>Financial</u></p>

<p>'Value For Money Implications'</p>	<p>Work on all the Major Regeneration Projects has been progressing steadily. As they progress, consultation responses, lessons learnt for efficiency and good practice, and professional recommendations have increased the scope and requirements of many of these projects. Given the size, scale and locations of these projects, as we move on to the construction phases, it is likely that unforeseen circumstances beyond our control (as identified in the Risk Register) could further increase the requirements of these projects.</p> <p>There is an underspend of £110,337 in three strands of GAF (Growth Area Fund) funding which we recommend reallocating to create a contingency budget to support increased requirements of the Major Regeneration Projects.</p> <p>The three budgets that are recommended to be reallocated are:</p> <p>Renewable Energy Provision (BP004) - £40,000 Maylands Business Centre – PV installation (BP005) - £18,500 Neighbourhood Centre Improvements (BP006) - £51,837</p> <p>The Renewable Energy Provision budget was originally allocated to deliver a Combined Heat and Power (CHP) unit in Maylands. However, after working with Renewables East, this was found to be not viable due to prohibitive costs of retrofitting the heating element of the scheme and lack of new developments coming forwards.</p> <p>The photovoltaic panels (PV) on the Maylands Business Centre and the Neighbourhood Centre Improvements projects were both delivered with underspends.</p> <p><u>Value for Money</u></p> <p>The Council is investing significant sums of money in each of the Major Regeneration Projects to achieve the vision of the Hemel Hempstead Town Centre Masterplan to deliver an appealing, attractive and sustainable destination with a thriving economic centre and a high quality environment. The reallocation of these funds create a contingency budget for the delivery of the Major Regeneration Projects and will support marginal additional costs that will make a big difference to delivering a high quality result.</p> <p>Water Gardens</p> <p><u>Financial</u></p> <p>In December 2012 the Heritage Lottery Fund granted the Water Gardens a stage 1 pass for a proposed restoration project of £3.3 million. This would be funded by a £2,311,000 HLF grant, £23,100 volunteer contribution, and Dacorum Borough Council contribution of £967,450 to support capital</p>
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and revenue costs for a five year period commencing in June 2014.

In December 2012, Capital Strategy Steering Group approved funding of £997,500 to support the total capital project costs for both Stage 1 and Stage 2. An additional allowance to the HLF bid of £95,000 was included as a contingency for the Gardens to meet the requirements of the Water Framework Directive within a sensitive scheme acceptable to English Heritage.

The Stage 1 bid included development costs of £152,000 to prepare the proposals up to Stage 2. As part of the Stage 1 pass, the HLF has awarded £106,000 towards this programme. Since the Stage 1 submission, the total development costs have increased and are now anticipated to be £165,000, setting Dacorum Borough Council's contribution at £59,000. The increased cost to Dacorum Borough Council is £13,000 and this can be funded from balances in established budgets within the SPAR service.

Through the development process, the restoration project costs have been assessed against a detailed works specification, activity and management plan produced by the appointed design team. The total project costs are now calculated at £3,611,022. This is a worst case scenario and further evaluation of all project costs is underway to ensure accuracy and value for money. It is anticipated that the total project costs will be reduced as a result of this exercise. HLF advised at the stage C meeting held on 27 November 2013, that any costs above the £3.3 million agreed at stage 1 should be split equally between Dacorum Borough Council and the Heritage Lottery Fund. This would set the maximum funding contributions at

Dacorum Borough Council	£1,037,386
Volunteer time	£23,100
Increased management & maintenance (funded by DBC)	£84,800
HLF grant	£2,465,736
Total funding	£3,611,022

The plan includes the provision of a new building to provide welfare facilities for both site based operatives and volunteers, schools and learning organisations activities in the Gardens. This is costed at £220,000 to include the removal the existing brick building in the entrance of Water Gardens north car park from Combe Street which is currently used by Clean, Safe and Green. The costs of maintaining the building will have a minimal impact on the existing revenue budgets, with responsibility for cleaning to form part of the site operatives' role.

As part of the scheme, it is proposed to extend the Gardens into the Water Gardens (south) car park to provide space for a

new play area within a central location. This will result in a maximum reduction in car park income of £37,200 per annum at current ticket prices. These figures have been confirmed by the parking service. It is envisaged that the displaced usage would be accommodated within the Water Gardens (north) car park which currently operates under capacity, with the potential to minimise any loss in revenue. HLF has recommended this as a demonstration of Dacorum Borough Council's commitment to the scheme. The demand for Water Gardens car parks is likely to increase in the future due to regeneration proposals and property development in the immediate vicinity.

Staff costs.

The development phase included funding for a Community Engagement Officer for 9 months. Through the Stage 2 bid a maximum of a further 5 years of funding is sought for this post, after which it would be added to Dacorum Borough Council's establishment costs. Additional site based maintenance staff proposed through the bid comprise a lead gardener from January 2016, 2 seasonal maintenance operatives (8 months pa) from March 2017 and an apprentice from April 2017. Following advice from the HLF the level of required staffing will be considered further. The maximum additional maintenance staff costs which will be proposed through the bid up to June 2019 is £215,900. These figures have been confirmed by the finance service. Staffing needs will be reviewed as the project progresses.

Activity plan

To deliver the Parks for People programmes outcomes of increasing the range of audiences and volunteers and improving skills and knowledge through training, a detailed activity plan has been prepared with an associated budget provision of £77,450.

The anticipated revenue costs, profiled across the five year delivery project, are set out in appendix 2 of the report. These will be further revised to reflect the HLF's requirement that costs above £3.3 million are funded equally by Dacorum Borough Council and the HLF, and through the detailed costs review process.

The ongoing commitment from Dacorum Borough Council following the 5 year delivery programme was reported in January at £61,100 pa from 2019 onwards to include the costs of the lead gardener, community engagement officer and building operating costs. The uplift in maintenance costs from 2019/20 has been recalculated to include the costs of the seasonal operatives, apprentice, Canada geese management plan, the maintenance of the green screen and ongoing equipment, tools and materials requirements. These are now anticipated to be approximately £97,000, as shown in appendix 2. Further consideration will be made as to what costs will be essential to retain the high quality of the Gardens

	<p>following the delivery period.</p> <p><u>Value for Money</u></p> <p>The Parks for People programme provides the opportunity to secure significant capital funding for major restoration works set within a community development project. The bid to the HLF will seek up to a 70% contribution towards the overall project costs for a five year period.</p> <p>Bank Court</p> <p><u>Financial</u></p> <p>There is provision in the draft Capital Programme for 2014/15 for £539,500 to undertake the regeneration of Bank Court as an extension to the improvements along the Marlowes Pedestrianised area. This will be considered by Council in February 2014. This report seeks approval to undertake this regeneration and to procure suitable consultancy, project management and construction, installation and works to complete the proposed works subject to the Council's procurement rules. The cost of this work will be tested through the procurement process and it expected to be capitalised against the above provision as an essential cost of this capital project.</p> <p><u>Value for Money</u></p> <p>The regeneration of Bank Court will provide an opportunity to add value to the investments in regenerating the town centre and other major projects, particularly the Marlowes Pedestrianised area and the Water Gardens projects.</p> <p>Value for money will also be achieved through the procurement process.</p>
<p>Risk Implications</p>	<p>Major projects procurement and funding forms part of separate projects with their own PIDs</p> <p>Risk Assessment to be developed as part of the PID process for Bank Court following the approval of the regeneration strategy.</p> <p>Risk Assessment included within the Water Gardens PID for this area of work.</p>
<p>Equalities Implications</p>	<p>Major Projects procurement and funding</p> <p>Major projects procurement and funding forms part of separate projects with their own equalities impact assessments.</p>

	<p>Water Gardens An equality impact assessment has been completed as part of the Hemel Hempstead Water Gardens Restoration Project Implementation Document.</p> <p>Bank Court The removal of disabled parking spaces in Bank Court has been mitigated by the relocation of an equal number of spaces in the adjacent Waterhouse Street.</p> <p>We believe that the delivery of a high quality public space which will benefit the use of not only Bank Court but improve access to the Water Gardens and Marlowes pedestrianised area for all including elderly and disabled (through the provision of a de-cluttered, more accessible route) will benefit all.</p> <p>An equality impact assessment is being prepared as part of the Bus Interchange project and Marlowes Pedestrianised area. As the plans move forward, further assessments will be carried out as necessary.</p>
<p>Health And Safety Implications</p>	<p>Major Projects procurement and funding Major projects procurement and funding forms part of separate projects with their identified health and safety implications.</p> <p>Water Gardens No other implication for the Water Gardens project.</p> <p>Bank Court If the recommended Option 2 for the design of Bank Court were to be selected, 12 disabled parking spaces will be relocated. These spaces are being relocated to adjacent Waterhouse Street formalising disabled parking along Waterhouse Street.</p>
<p>Monitoring Officer/S.151 Officer Comments</p>	<p>Monitoring Officer: The Monitoring Officer's comments have been incorporated into the report.</p> <p>Deputy S.151 Officer</p> <p>Water Gardens Members should note that the detailed financial analysis included within this report requires significant refinement.</p> <p>The salient points that Members should bear in mind when</p>

	<p>considering the above recommendations are:</p> <ul style="list-style-type: none"> • The Council is not entering into a financial commitment at this stage – approval is sought only to submit the Stage 2 bid; • The Stage 2 bid to be submitted in February will refer to a maximum project cost of £3.6m, which is £300k more than the indicative figure approved by Cabinet on 22 January 2013. If this were the final cost, the Council's contribution would increase by an additional £150k over and above the £1m currently in the Capital Programme; • The ongoing revenue costs that must be met solely by the Council after the project funding is exhausted are increasing, and will need to be closely scrutinised by Finance before the Council enters into any financial commitment. <p>It is absolutely imperative that the Regeneration team works closely with the Finance team throughout January if officers are to provide assurance to Members and deliver a robust bid in February. This will require additional meetings between the two teams in order to work through those elements which are too detailed for the Hemel Evolution Board to address.</p> <p>If the Stage 2 bid is approved by the HLF, Members will have the opportunity to review a refined financial analysis before the Council enters into a financial commitment.</p>
<p>Consultees:</p>	<p>Ben Hosier, Group Manager, Commissioning, Procurement and Compliance</p> <p>James Stammers, Transformation Programme Manager for DBC, and Consultant at V4 Services</p> <p>Richard Baker, Regulatory & Financial Accounting Team Leader</p> <p>Yaqubul Islam, Accountant (Housing and Regeneration)</p> <p>David Austin, Assistant Director, Neighbourhood Delivery</p> <p>Chris Taylor, Group Manager Strategic Planning and Regeneration</p> <p>Mike Evans, Group Manager, Commercial Property and Assets</p>
<p>Background papers:</p>	<p>Major Projects procurement and funding</p> <p>None</p>

	<p>Water Gardens</p> <p>Hemel Hempstead Town Centre Masterplan adopted 2013</p> <p>Heritage Improvement Study</p> <p>Report to Cabinet 29 November 2011</p> <p>Report to Cabinet 24 July 2012</p> <p>Report to Cabinet 22 January 2013</p> <p>Water Gardens Study, Hemel Hempstead – Report by Allies and Morrison Urban Practitioners and The Landscape Partnership, October 2011</p> <p>Water Gardens Design Development Report 2012 (HTA Consultants)</p> <p>Water Gardens Stage C Design Report, November 2013</p> <p>Water Gardens Stage C Activity Plan, November 2013</p> <p>Water Gardens Stage C 10 Year Management and Maintenance Plan, November 2013</p> <p>Comparator and Competition Analysis Report September 2013</p> <p>Bank Court</p> <p>Hemel Hempstead Town Centre Masterplan, 2013</p> <p>Dacorum Core Strategy, 2013</p> <p>Marlowes Shopping Zone Improvement Strategy, 2011</p> <p>Marlowes Shopping Zone – Public Realm Improvements 2013-15, Bank Court Costs paper by Broadway Malyan (Appendix 3)</p> <p>Waterhouse Street design (Appendix 4)</p>
<p>Glossary of acronyms and any other abbreviations used in this report:</p>	

Background to Hemel Evolution

1. The Council is making a large investment in Hemel Hempstead town centre to ensure the vision outlined in the Masterplan is delivered, *“By 2021 Hemel Hempstead Town Centre will be an appealing, attractive and sustainable*

destination with a thriving economic centre and a high quality environment. The regeneration and evolution of the town centre will emphasise the natural and cultural assets of the town and celebrate its New Town history and rich heritage”.

2. Under the framework of the Hemel Hempstead Town Centre Masterplan and the Hemel Evolution marketing brand, we are currently in the process of designing and implementing several Major Regeneration Projects across Hemel Hempstead Town Centre. These include improvements to the Hemel Hempstead Old Town, the Marlowes Shopping Zone pedestrian area, creation of a new Bus Interchange on Bridge Street and Marlowes, and improvements to the Water Gardens.
3. Other work is underway to engage a developer partner to bring forward a major leisure scheme on Market Square and a new Public Service Quarter together with additional housing. Morrisons’ supermarket and a new college are also expected to the north of the Gade Zone.

Hemel Evolution Major Projects’ procurement and funding

4. The budget allocations for the Hemel Evolution projects currently include:
 - £1.1 million for Hemel Hempstead Old Town improvements;
 - £2.9 million for Marlowes Shopping Zone improvement;
 - £2.2 million for the Bus Interchange;
 - Around £1 million for the Water Gardens improvements – further information on costs under Water Gardens Section.
5. With the exception of the Old Town, which is now well under way, the other projects are beginning to near implementation phase – particularly on the Marlowes Shopping Zone improvements which is scheduled to commence in Spring 2014. To ensure that project management arrangements are as robust as possible, it will be necessary for the Council to appoint a team of consultants to carry out very specific roles to help delivery of the projects in terms of cost, timing and quality.
6. The advice required includes the following roles to support Officers managing the projects:
 - a Cost Manager;
 - an Employer’s Agent (Administration of the Construction Contract)
 - a Construction, Design and Management Consultant (CDMC) – Health and Safety advice
 - a design monitor – to check technical specifications and advise on the quality of construction works
7. The costs for the first 2 roles are dependent on the overall construction costs for each of the schemes and are as follows:
 - 2-2.5% for a Cost Manager (around £100k for the Marlowes Shopping Zone Improvements & Bus Interchange)

- 0.9% for Employer's Agent (around £50k for the Marlowes Shopping Area Improvements & Bus Interchange)
8. The CDMC role will cost around £2000 per project and the design monitor is dependent on technical requirements within the schemes but should not exceed £10-20k for both the Marlowes Shopping Zone and Bus Interchange.
 9. Costs for these appointments will come out of the existing budgets for the delivery of both the Marlowes Shopping Zone and Bus Interchange programme and every effort will be made to value engineer the schemes accordingly. However because of the scale of these costs and the need to deliver robust high quality regeneration schemes, we have identified some underspends within Strategic Planning and Regeneration budgets we would like allocated to a Hemel Evolution contingency fund.
 10. The underspends amount to £100,337 in three strands of allocated GAF funding as follows:
 - Renewable Energy Provision (BP004) - £40,000
 - Maylands Business Centre – PV installation (BP005) - £18,500
 - Neighbourhood Centre Improvements (BP006) - £51,837
 11. The Renewable Energy Provision budget was originally allocated to deliver a Combined Heat and Power (CHP) unit in Maylands. However, after working with Renewables East, this was found to be not viable in the current economic climate due to prohibitive costs of retrofitting the heating element of the scheme and lack of new developments coming forwards.
 12. The photovoltaic panels (PV) on the Maylands Business Centre and the Neighbourhood Centre Improvements projects were both delivered with underspends.

Water Gardens

13. On 29 November 2011, Cabinet agreed to support in principle a submission to the Heritage Lottery Fund Parks for People programme to secure funding for restoration works to the Water Gardens. The regeneration of the registered Jellicoe Water Gardens and surrounding area is a key aspect of the Hemel Hempstead Town Centre Masterplan, and would provide a high quality community space for residents and visitors, and act as a catalyst for the wider regeneration of the town centre.
14. As a Registered Park and Garden designed by the foremost 20th century British landscape architect Geoffrey Jellicoe, the Water Gardens is a strong candidate for funding under the Heritage Lottery Fund (HLF) Parks for People programme. Jointly funded by the HLF and the Big Lottery Fund, this

programme offers grants for projects that regenerate designed public parks of national, regional or local heritage value. Applicants must demonstrate the following criteria:

- The community values the park as part of its heritage
- The park meets local social, economic and environmental needs
- The parks management actively involves local people.
- Increasing the range of audiences
- Conserving and improving the heritage
- Increasing the range of volunteers
- Improving skills and knowledge through learning and training
- Improving management and maintenance

15. A scheme was subsequently prepared and the Water Gardens Design Development Report – Draft was presented to Cabinet on 24 July 2012. Approval was given for a stage 1 bid of approximately £3.5 million for restoration and intervention works which would meet the Parks for People outcomes and achieve Dacorum’s aspirations for the Gardens to be a valued and vibrant community space, in keeping with its historical significance. The project costs included capital, revenue and development costs to December 2018 (based on an August 2013 Stage 2 submission). This included match funding by Dacorum Borough Council of up to £1,050,000 to support the bid on a 30% basis. The report highlighted the need for an ongoing revenue commitment to operate the Gardens to high levels of maintenance and management during and after the completion of the project. These revenue costs were estimated at £61,100 per annum at current prices.
16. In August 2012, the stage 1 bid was submitted to the Heritage Lottery Fund and in December 2012, Dacorum Borough Council was informed that this had been successful. A development phase grant of £106,000 was awarded by the HLF to support the project to Stage 2 submission, with £43,250 match funding being contributed by Dacorum Borough Council. The stage 1 bid set out delivery costs of £3,301,550 and anticipated a 70% contribution (£2,311,000) grant from HLF, leaving a maximum exposure to Dacorum Borough Council of 30%.
17. The outcome of the stage 1 bid was reported to Cabinet on 22 January 2013 and permission sought to prepare the stage 2 bid. Cabinet also approved the recruitment of a part time (15 hours per week) Community Engagement Officer (Water Gardens) to promote and facilitate community involvement in the Water Gardens, jointly funded through the bid. The decision on the submission date was delegated to the Assistant Director of Planning, Regeneration and Development.
18. In December 2012, Capital Strategy Steering Group approved funding of £997,500 towards the restoration of the Water Gardens as match funding to the bid. With the project costed at the stage 1 submission at £3,548,050, this set Dacorum Borough Council’s contribution at 28% and within the 30% contribution reported to Cabinet on 24 July 2012.

Project development

19. A consultancy team and project programme was set in place to prepare the project through to the stage 2 submission, now planned for February 2014.
20. A consultation programme was undertaken to gather community views on the Water Gardens and their priorities for the future. In addition to a general visitor survey, schools were approached regarding their need for outdoor environmental projects, a volunteer survey was undertaken and separate surveys were targeted at young people and centred around play and activities. Two Hemel Evolution consultation days took place to promote awareness of the project and gather views, on 10th August and 15th September 2013. The consultation on 15th September incorporated a special heritage event in the Water Gardens with a display on the history and significance of the Gardens, guided tours by the Hertfordshire Gardens Trust and a model boat display.
21. The Water Gardens 'Stage C' Design Report was subsequently prepared, informed by technical investigations, a consultation programme with visitors and stakeholder groups, and detailed discussion with English Heritage and the Environment Agency. The Stage C Masterplan is attached as appendix 1. The key components of the restoration are as follows.
 - Restoration of the historic fabric within the Gardens including bridges, balconies, riverbank treatment and flower garden terrace widening
 - Environmental enhancements through the introduction of fish passes at each of the four weirs within the Gardens and removal of silt from the watercourse and wildfowl management
 - Provision of new community building in the northern section of the Gardens with a growing and display bed area
 - Creation of a shared surface across Bridge Street to physically and visually link the northern and southern sections of the Water Gardens
 - Relocation of play provision to the Water Gardens south car park through an extension to the flower garden area
 - Re-planting of soft landscaped areas in keeping with Susan Jellicoe's original design aesthetic through the flower garden and Lovers' Walk
 - Reducing the impact of later additions to the Gardens by felling of trees along eastern bank, removal of two islands from the lake and addition of a green screen along the decked car park
22. To be successful at stage 2, the project needs the endorsement of the Environment Agency and English Heritage. The Environment Agency's concern is that the restoration supports the European Water Framework Directive, which requires all river basins to achieve good ecological and chemical status by 2015. The River Gade is currently ranked as of 'moderate' status, with the aim of achieving 'good' by 2015. A review of the Water Gardens' ecology, hydrology and silt analysis Gardens has been undertaken, to support the development of a Water Framework Directive Compliance Assessment and Fish Pass Viability

Report which have been issued to the Environment Agency. The restoration project proposes a series of fish passes to the side of each of the four weirs to enable fish to travel through the Gardens and the removal of 1000m³ of silt (approximately two-thirds of the silt within the Gardens). The River Gade through the Water Gardens suffers from low flow and an over widened channel; as a result the fish passes will only be viable during high flow periods. The sustainability of the river may be improved by changes to the flood relief culvert at Bury Mill. For the future a reduction in abstraction levels and the redirection of underground spring and drainage catchment water into the main channel in Gadebridge Park may also increase viability. The Environment Agency has responded positively to the reports and supports the measures proposed.

23. The Water Gardens is a grade II registered park and garden and a highly significant example of post war twentieth century Modernist landscape. The approval of English Heritage is required for both the restoration and new interventions in the historic fabric. English Heritage has informally written in support of the stage C masterplan, stating that the proposed new interventions are appropriate in scale and justified in purpose. They support ecological enhancements provided they unobtrusive and reflect the Gardens design aesthetic. Of particular interest to English Heritage is the retention of the core features of Jellicoe's design in their original form. As a result it is not possible to adapt structures such as the arched bridges to comply with modern DDA (Disability Discrimination Act) standards.
24. An access and movement assessment has been undertaken of the Water Gardens. To improve accessibility the timber bridge in the north of the Gardens will be replaced by a new DDA compliant concrete bridge and new footpath links from the car parks to the lime terraces will be provided. The Gardens are divided at Bridge Street, where there are two kerbs and the highway to negotiate without safety or access aids. It is proposed to create a shared surface across Bridge Street by the vehicle entrance to the Water Gardens car parks, which will visually and physically unify the northern and southern sections of the Gardens. These interventions will provide accessible routes north - south along the length of the Water Gardens, to each of the car parks and around the flower garden.

Community building

25. The restoration plans include the provision of a new building which will be a focus for learning and volunteering within the Gardens and an opportunity to add heritage value. The stage 1 bid in August 2012 proposed a new community facility to be inserted into the lower deck of the Water Gardens south car park by Bridge Street to support activities within the Gardens. A provision of £410,000 was included within the capital costs of the bid for this element. Types of use suggested included space for meetings, workshops, exhibitions and small functions, and public toilets.
26. Concern was subsequently raised as to the viability of a building of this scale within the Water Gardens, given its proximity to the town centre and the number

of visitors. The demand for a potential facility and an evaluation of the local market was undertaken. The resulting Comparator and Competitor Analysis report demonstrated that though there is interest in a café facility, the level of demand, number of competitors and current market conditions does not make it a viable proposition. Similarly a community meeting room facility for general hire would be a risk operationally both to DBC and other facilities within the wider town, some of which are owned by DBC. As a result the scale and function of the building was reconsidered to focus on volunteering, training and maintenance functions. The provision of public conveniences within the town centre will be considered separately to the Water Gardens project.

27. The Water Gardens are a compact site with limited opportunities for members of the public to become involved. The new building will be a vital part of the activity plan required by the HLF to achieve the targets set for the range and number of audiences, volunteers and learning and training opportunities. The building will provide storage, refreshment and toilet facilities for school groups, the Friends of the Water Gardens, volunteers, and learning and training organisations, enabling greater use of the Gardens. Within the building a separate area will provide welfare facilities for the gardener and site operatives. The internal layout of the building will be flexible to enable it to be reconfigured in the future, should needs change or alternative uses arise. The building will be simple in design, following 1960's modernist principles, in keeping with the Gardens. It will be clad in a weathering steel to provide a low maintenance and durable finish which will rust to a striking antique appearance. Feature decorative panels will commemorate the history of the Water Gardens and Hemel Hempstead New Town, and be backlit to add interest to the Gardens during the evening. The building will be located in the northern section of the Gardens where the current play area is located.
28. The provision of £220,000 in the overall proposed project budget includes the removal of the existing brick building used by Clean, Safe and Green. To support the Water Gardens restoration there may be opportunities in later phases to reconfigure the vehicle entrance to the Water Gardens car park from Combe Street allowing more space within the Gardens for a demonstration and growing area. Minimal revenue costs are anticipated, as the cleaning of the building will form part of the site operatives' role. A figure of £8,500 has been included within the bid to cover total operating costs up to June 2019.

Play area and Flower Garden

29. The stage C design report proposes a new play area located in the Water Gardens south car park by the pleached lime avenue. The current play area in the northern section was added following the decking of Water Gardens North car park many years ago, and does not form part of Jellicoe's original design. The play equipment is dated and heavily shaded by trees, making the space dark, uninviting and reducing visibility from the Gardens. In the consultation undertaken to support the restoration project, 80% of respondents to the Play and Activity Survey supported relocating the play area to a more central location.

30. The new play area would be part of a central community hub, set adjacent to the flower garden with attractive herbaceous and perennial planting displays, and more seating areas. As part of the works services and surfacing will be incorporated to support a future coffee cart style operation set within the lime avenue. This would result in a small future revenue stream to support the future operating costs of the Gardens. The terrace to the front of the flower garden will be restored to its original dimensions and new feature seating added.
31. Extending the Gardens into the Water Gardens south car park to accommodate the new play area will result in the loss of 12-14 spaces. This will result in a reduction in car park income of approximately £37,200 per annum at current ticket prices. It is envisaged that the displaced usage would be accommodated within the Water Gardens (north) car park which currently operates under capacity. In the medium term demand for the Water Gardens car parks is likely to increase as a result of Dacorum Borough Council staff's use as part of the decant process and property development taking place in the immediate vicinity of the area, reducing spare capacity for vehicles displaced due to the relocated play area. HLF has commended this approach as a demonstration Dacorum Borough Council's commitment to the scheme.

Canada Geese Management

32. The Water Gardens are regularly used by flocks of Canada geese, which alternate between the Gardens, adjacent green spaces such as Heath Park, and the fishing lakes further along the river corridor. The management of geese is an emotive issue, with many visitors enjoying feeding and interacting with the birds as part of their visit to the Water Gardens. However geese are also recorded as a nuisance through the Water Gardens visitor survey (with 61.9% of respondents citing bird droppings as a reason for their dissatisfaction with the Gardens) and many additional comments made asking for control measures to be introduced. Geese are encouraged to visit the Gardens from the surrounding area as a result of feeding by members of the public and numbers are now significantly above the 8-10 individuals that would naturally be sustained by an area the size of the Water Gardens. Feeding causes the geese to lose their natural fear of humans, they can become aggressive and also suffer from the condition of angel wing, caused by a high protein diet. The geese overgraze and damage the grassed areas in the Gardens, particularly evident to the eastern bank and around the southern lake. Their droppings add a nutrient load to the river, impacting water quality and are unsightly and a nuisance on the footpaths, causing difficulties for pushchairs and wheelchair users.
33. In recent years Clean, Safe and Green has introduced a programme to educate members of the public about the impact wildfowl feeding has in the Gardens, through press releases, leaflets, signage and articles in Dacorum Digest. However wildfowl feeding and related damage to the Gardens continues to be an issue.

34. After the restoration, without further management measures there is a risk that newly planted areas will be destroyed by geese, through grazing and compaction, and the quality of the re-surfaced areas will be compromised. Controlling the numbers of geese will form part of the long term management of the site, to protect the investment in the Gardens. A management plan for the control of Canada geese will be prepared by officers in consultation with the Portfolio Holders for Planning and Regeneration, Environment and Sustainability, and Residents and Regulatory Services and reported to Cabinet at a later date.

Maintenance of the Water Gardens

35. The HLF expects high standards of maintenance to be delivered as part of a Parks for People project and for the site to achieve the Green Flag Award (the national standard for parks and open spaces in England and Wales) for seven consecutive years, on completion of the capital works. Up to the 1990's, four full time operatives were based in the Water Gardens, which was then reduced to two until 2004. Within the current maintenance schedule the Water Gardens are visited daily by Clean, Safe and Green's town centre team to deal with litter, empty bins and undertake minor gardening duties. Cyclical operations such as shrub pruning and river clearance are undertaken twice a year by additional environmental operatives. The full time equivalent number of staff is 1.5. This resource is supplemented by the play area team and tree inspection officer for the maintenance of these specialist areas.
36. Through the bid it is proposed to create a lead gardener. This post will be vital to ensuring high standards are maintained in the Gardens, assist volunteers with practical horticultural tasks and act as a visible point of contact for visitors. In addition up to two seasonal operatives will be employed from March to October to assist with maintenance tasks. The project proposes employing an apprentice gardener, providing an opportunity to use the Gardens for learning and to increase the skills and resources available to Clean, Safe and Green. The total additional maintenance staff costs being considered as part of the bid up to June 2019 is £215,900. These figures have been confirmed by the finance service. The posts would be dedicated to the maintenance of the Water Gardens.

Friends of the Water Gardens

37. As part of the restoration project, a Friends of the Water Gardens group has been established. Regular meetings have taken place to engage the Friends in the project development phase and to involve them in the Gardens. Activities have included an autumn planting event in November 2012, volunteers helping out with an observation survey to record the number of people using the Water Gardens, attending a monitoring and evaluation workshop and contributing to the Heritage Open Day in the Gardens. Engaging with the community and getting more people involved is an important part of the Parks for People programme and volunteer hours can be given a monetary value and set towards the overall project costs. The Friends are supported by the Community Engagement Officer (Water

Gardens) partly funded through the development phase HLF award, whose role is to develop links with the community and investigate opportunities for volunteering and training. As part of the stage 2 bid, funding will be sought to resource this post for a further period, up to five years, to continue to support the Friends and deliver aspects of the Activity Plan.

Activity Plan

38. The Activity Plan is a requirement of the Parks for People programme and sets out how all the community engagement activities will be delivered. It provides a detailed delivery programme which aims to help as many people as possible get involved with the heritage of the Water Gardens – through audience development, community participation, volunteering, interpretation, training and learning. The action plan sets out how this will be delivered across the five years of the HLF funded project including activities such as holiday programmes, street and music performances, annual heritage and family days, and practical horticultural and bio-diversity focussed tasks. It includes support for the Friends and their activities, the development of resources for schools to use the Gardens as part of their education programme and the production of a suite of maps, trails and guides.
39. As part of the HLF stage 2 submission, targets will be set for the numbers and categories of people using the Gardens, the number of volunteering hours, and education, training and learning use. The Activity Plan will help deliver these targets, set against each of the Parks for People outcomes. To ensure the programme is adequately resourced and includes the opportunity to use local external providers such as Herts & Middlesex Wildlife Trust and the Box Moor Trust, the provision for delivering the Activity Plan has increased from £15,000 to £77,450 within the bid. The stage 1 submission included a larger scale community building, which could accommodate training workshops, and exhibitions and events. The revised building will focus on welfare and storage facilities for friends, volunteers and site operatives. To compensate for the loss of the wider community benefits the funding for the Activity Plan has been increased to fund holiday programmes, entertainment and special events within the Gardens. This is funded by the reduction in the building budget.

Management Plan

40. A 10 year management and maintenance plan has been prepared to support the stage 2 bid, as a requirement of the Parks for People programme. A formal management plan is also required for the Green Flag Award, which the Gardens will be expected to achieve for seven consecutive years following the completion of the construction works. The plan follows the format of other site management plans prepared by the Clean, Safe and Green team and assesses the Water Gardens against the eight Green Flag Award criteria.
41. After the completion of the restoration works, the management plan will be reviewed. The plan will be refreshed to take into account the Green Flag Award

judging comments on an annual basis and a new plan prepared every five years. The HLF is particularly concerned that the plan demonstrates how high standards of maintenance will be achieved in the future, and the increase in associated management and maintenance costs above the service provision prior to restoration. The resource provision will be kept under review as the project develops.

42. The additional costs have been estimated and a provision of £324,700 included within the bid for the period up to June 2019. This includes all new staff posts (£276,450), building operating costs (£8,500), equipment, tools and materials (£30,250), geese management and the maintenance of the green screen (£10,000) to the decked car park. The bid will seek a maximum contribution of 70% towards these costs from the HLF.

Finance

43. As the development phase (Stage 1) has progressed the associated costs have increased and are now anticipated to be £165,000. The additional costs relate to the management plan being prepared externally, the design costs for the shared surface at Bridge Street, and fees relating to the flood risk assessment and statutory consents. With the HLF award of £106,000, this sets Dacorum Borough Council's contribution at £59,000.
44. As part of developing the project to the Stage C HLF review meeting, the restoration project costs have been assessed against a detailed works specification, and the activity and management plan. The total project costs are now calculated at £3,611,022. This is above the £3.5 million agreed by Cabinet in December 2012 and represents a worst case scenario. These are detailed estimates carried out by the design team. Further evaluation of all project costs is underway to ensure accuracy and value for money. It is anticipated that the total project costs will be reduced as a result of this exercise. A summary of the main costs headings and associated costs prepared for the Stage C review meeting on 27 November, is detailed in the table below.

Cost Heading	Stage 1 Estimate of Costs (Aug 2012)	Stage 2 Costs (Nov 2013)	Significant Changes between draft costs at Stage 1 and revised costs at Stage 2
Fees	262,900	276,100	Clerk of works added
Capital works	2,720,300	2,855,172	Addition of Bridge St, reduction in community building, increase

			in play area, bridge restoration, fish passes and lighting
1 yr maintenance contract post construction	22,000	34,000	
Equipment, tools and materials	30,250	32,750	Addition of equipment for Friends and volunteers
Staffing costs	155,150	276,450	Increase in no years of funding for Community Engagement Officer, addition of apprentice
Costs of Activity Plan, training, and publicity materials	35,350	94,950	Uplift in activity plan
Building management	36,000	8,500	Reduced building size
Increased operations (green screen and wildfowl management)	16,500	10,000	
Volunteer time	23,100	23,100	
Total	3,301,550	3,611,022	

45. The Stage C review meeting with the HLF took place on 27 November 2013. This is a major milestone within the current development phase, and projects must pass this review in order to proceed through to the submission of the stage 2 bid. At the meeting the Stage C design report, activity plan and management and maintenance plan were discussed. The HLF was pleased with the progress of the project and design proposals for new facilities such as the community building and play area, and the project passed the stage C review. Concern was raised regarding the increase in project costs, particularly those associated with staffing and the shared surface at Bridge Street. A further cost - benefit assessment will be made of these aspects before a final decision is made on whether these are included within the stage 2 bid. The HLF also advised that project costs above the £3.3 million agreed at stage 1 should be funded equally by the HLF and DBC.

This would set the maximum funding contributions at

Dacorum Borough Council	£1,037,386
Volunteer time	£23,100
Increased management and maintenance	£84,800

(funded by DBC)

HLF grant £2,465,736

Total funding £3,611,022

As a result, DBC's contribution would increase to a maximum of 31% of total project costs.

46. The project costs comprise of a combination of capital construction costs and revenue elements including salaries, building management costs, maintenance costs and delivery of the activity plan. The anticipated revenue costs, profiled across the five year delivery period, are set out in appendix 2 of the report. These will be further revised to reflect the HLF's requirement that costs above £3.3 million are funded equally by Dacorum Borough Council and the HLF, and through the detailed costs review process.
47. The ongoing revenue commitment following 2019/20 onwards was reported to Cabinet in January 2013 at £61,100 pa from 2019 onwards to include the costs of the lead gardener, community engagement officer and building operating costs. The uplift in maintenance costs from 2019/20 has been recalculated to include the costs of the seasonal operatives, apprentice, Canada geese management plan, the maintenance of the green screen and ongoing equipment, tools and materials requirements. These are now anticipated to be approximately £97,000, as shown in appendix 2. Further consideration will be made as to what costs will be essential to retain the high quality of the Gardens following the delivery period. A strategy for the continued delivery of events and activities in the Gardens will also be considered, through sponsorship and other funding sources.
48. Subject to Cabinet's approval, the project documents will be completed to RIBA Stage D (design development) and the Stage 2 submission made in February 2014. The outcome of the bid will be received in June 2014.

Bank Court

49. This project seeks to regenerate Bank Court to create a high quality public space and improve connectivity between the Marlowes pedestrian area and the Water Gardens, extending across Waterhouse Street.
50. The Heritage Improvement Study highlighted Bank Court as a key group of buildings within Hemel Hempstead town centre and an important example of New Town planning, townscape and architecture. It recommended that Bank Court be preserved and enhanced, and east west links with the Water Gardens be reinforced.
51. Addressing improvements to Bank Court would greatly benefit the planned works to the Marlowes Shopping area and the Water Gardens, would revitalise the area and improve visitors experience to the town centre.

52. Broadway Malyan has prepared three concept plans, which will create a flexible focal area with opportunities for pavement cafes, market stalls and special events. Option 1 removes 8 of the disabled parking bays to form a gateway square, retaining the 6 bays adjacent to Waterhouse Street. Option 2 relocates all of the disabled parking bays enabling a larger piazza to be created. Option 3 retains all the disabled parking and provides an improved public space but does not provide the opportunities given by Options 1 and 2
53. Within all three options a shared surface across Waterhouse Street will give priority to pedestrians and improve the setting of Bank Court. The surfaces and materials palette from the feature areas in the MSZ pedestrian improvements scheme will be used through Bank Court to physically link the spaces and create a unified street scene. Street furniture will be rationalised and replaced to reduce clutter and improve the quality of the public realm. A new lighting scheme will highlight design features and increase visibility through the undercroft areas. New tree planting will green the area linking the bosque planting in the Marlowes pedestrian area with the Water Gardens. New infrastructure will be added to facilitate uses of the new square and new public art will be added. Overall the works will transform Bank Court into an attractive public square which will encourage active use from surrounding retail units.
54. The project will be implemented as an extension to the Marlowes Shopping Area improvements.

Appendix 1

Water Gardens Stage C Masterplan

Appendix 2

Profiled Revenue Project costs across the five year project period

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
£4,735	£9,280	£24,748	£40,074	£38,483	£75,801

Additional revenue costs post delivery phase

	19/20	20/21
Additional employment costs		
Community engagement officer	12402	12526
Lead gardener	32224	32546
Seasonal environmental operatives	14959	15109
Apprentice gardener	22439	22663
Additional Supplies & Services		
Materials, tools & equipment	7600	7600
Building services costs	2477	2539
Geese management	1000	1000
Green screen management	3000	3000
Total increase in management and maintenance post restoration	96,100	96,983