

# Report to Business and Transformation Scrutiny Panel

Agenda Item:  
**A.6**

Meeting Date: 14th September 2017  
Portfolio: Finance, Governance and Resources  
Key Decision: Yes: Recorded in the Notice Ref: KD.21/17  
Within Policy and Budget Framework: Yes  
Public / Private: Public

Title: Bitts Park – Flood Reinstatement  
Report of: The Corporate Director of Governance and Regulatory Services  
Report Number: GD.54/17

## Purpose / Summary:

The Purpose of this report is to outline proposals for the reinstatement of flood affected assets in Bitts Park.

The Panel is invited to consider the proposals, and provide observations and comments on the report for consideration by the Executive at its meeting on 25 September 2017.

## Recommendations:

The Panel note the proposals and consider and provide any observations and comments for consideration by the Executive in order to inform the way forward.

## Tracking

Executive:	25 September 2017
Scrutiny:	14 September 2017
Council:	

## **1. BACKGROUND**

In December 2015, Storm Desmond caused wide spread damage across Carlisle, Cumbria and other parts of the North West. Bitts Park suffered extensive flooding with the Council's buildings (Pavilion, public toilets and depot) all suffering significant damage.

Working closely with WYG (commissioned for all flood recovery projects) officers reviewed all flood affected assets in the park and it quickly became apparent that the Pavilion was beyond repair. Substantial damage was also sustained to the depot and public toilets. With the park keepers lodge, vacant at the time of the floods, escaping with only minor flooding to the basement areas.

It became clear that the destruction caused by Storm Desmond presented an opportunity to redevelop the park facilities to provide an enhanced offer. Consultations with service users allowed the plans and proposals presented below to be developed.

## **2. PROPOSALS**

### **2.1 Bitts Pavilion:**

A location was sought for a replacement pavilion. Initially replacing the building on the existing site was considered, however the low-lying nature of the site meant that flood resilience would be virtually impossible.

Consideration then turned to the former lodge, the building sits in an elevated location within the flood defences constructed following the 2005 floods and is now unsuitable for residential occupation. However, as the building suffered only minor flooding to the basement during the 2015 floods, the lodge offers significant resilience advantages over the current pavilion location. The building is also an important feature within the park and its retention is seen as important.

Working closely with our service users we looked at what facilities were desired in the park. The former pavilion provided very limited catering options, the coffee culture prevalent in all city centres is now observed in parks across the country and we felt that an enhanced café facility could be an attractive addition to the park facilities. The public toilet provision in the park was poor with many incidents of vandalism and anti-social behaviour.

Having considered the location and user requirements, plans were then devised to redevelop the former lodge into a new pavilion facility. A new single storey addition would be built to the rear of the existing lodge and would encompass an enhanced café area with decked area overlooking the park, together with an integrated toilet facility within the building which would effectively be self-policed and only open when the facility was open, thus reducing the risk of anti-social behaviour.

The new pavilion would also deal with all bookings for the tennis courts and provide basic changing rooms with back office accommodation and storage at first floor level. The single storey extension has been kept to the rear of the building to preserve the appearance of the lodge from the front and extensive glazing has been used to allow visitors to view the park from the café area. Flood resilience measures would be incorporated into the design to minimise the risk of future flooding. Shutters would be included within the structure to secure the building when closed to reduce the risk of vandalism. Plans and visuals of the proposed layouts are contained in appendix 1.

The redundant buildings (toilets and former pavilion) would be demolished as part of the proposals.

## **2.2 Depot:**

Use of the depot has changed over the years and is now restricted to that of a depot facility. A basic reinstatement of the ground floor of the depot is proposed to reflect the current use of the facility.

## **2.3 Timescales**

It is anticipated that all works would be complete by late Spring 2018. This is of course subject to the decision-making timetable identified at the beginning of this report and a successful tender process.

## **2.5 Financing proposals**

Following the significant flooding event in December 2015, all re-instatement work to assets affected by flood has followed a traditional route whereby the City Council's Loss Adjuster and Insurer have been fully involved in the scoping and pricing schedules leading up to the tendering and awarding of contracts. They remain involved during the re-instatement work to deal with any unexpected issues which may not have been included in the original scope so that any additional costs can form part of the insurance claim negotiations.

This route is used when re-instatement work is 'like for like'; however, given that this was the second time Bitts Park has been affected by flood waters in 10 years, it was the opinion of officers that the buildings affected should not be fully re-instated as previously and that the alternative reinstatement proposals represent an opportunity to not only make the facilities more flood resilient but also improve and enhance the offer within the Park.

From an Insurance Risk perspective, the Council's Insurers were keen to ensure that any work undertaken was resilient to mitigate the impact of any future flooding; nor did they deem a like for like re-instatement work programme as being a sensible option. Notwithstanding the potential for future flood risk; the increased cost of Insurance Premiums, increased excesses for flood perils, and the potential for any insurance cover to be declined, are other factors which make a like for like re-instatement unrealistic.

Our insurers have undertaken Risk and Resilience reviews on several assets affected by Storm Desmond, and their recommendations and the Council's response to the recommendations had, and will continue to have, a significant impact on the Insurance terms offered.

For the reasons stated above, discussions commenced with the Loss Adjuster and Insurer to consider the potential for a cash settlement; this would provide funding so that the Bitts Park facilities need not be re-instated on a like for like basis and would afford more flexibility in terms of how the assets could operate in future. A cash settlement, in effect, means that, once and if agreed, the Insurer would pay over a cash sum and then would not have any further involvement. The Council would be free to re-instate how it sees fits and the funds could be used without any constraints from the Insurer.

Conversely and more importantly, all risk would then lie with the Council and should any unexpected and unforeseen works be required, the associated costs would need to be funded from efficiency savings identified through value engineering elsewhere in the works programme or, as a last resort, from Council reserves.

Following detailed consideration of the risks involved, negotiations commenced between Senior Managers of the Council, representatives from WYG, Marsh FACS and of course the Loss Adjuster and a representative from the Council's Insurers.

A cash figure of £670,741 has been offered from the Insurers in 'full satisfaction and discharge of all claims for property loss or damage occasioned by flood which

occurred Saturday 5<sup>th</sup> December 2015'. This sum is to cover all costs incurred to date on clearing out, and subsequent re-instatement cost required in making the facilities operational (this sum includes for play equipment, water feature, contents, fixtures and fittings and loss of income).

An 'in principle' decision has been made to accept the offered cash settlement, although this has still to be agreed formally and an Officer Decision Notice will be prepared by the Chief Finance Officer in accordance with the Leader's scheme of delegation 'to deal with all aspects of insurance including acceptance of tenders relating thereto and the settlement of any claims not dealt with by Officers'.

Should the proposals outlined in this report be agreed, the scheme for Bitts Park would be market tested following a detailed specification drawn up by WYG. Should tenders be received in excess of the available budget a value engineering exercise would then be undertaken to ensure costs remained within the budgetary provision. Likewise, any 'surplus' over the available budget/cash settlement can be utilised on other flood re-instatement work at other sites

### **3. NEXT STEPS**

Subject to member approval of the proposals the next steps will be:

- Finalise feasibility and design work
- Undertake a tender process
- Stakeholder consultation to ensure all key design considerations are taken into consideration
- Resolve any planning matters

Following these further reports will be placed before Members to gain the necessary approvals.

### **4. CONSULTATION**

Internally via the Council's corporate structures and processes.

### **5. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

The December 2015 floods have created an opportunity to enhance the facilities in Bitts Park. The proposals also offer opportunities to create additional revenue streams for the City Council.

## **6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

The proposals would improve the attractiveness of Bitts Park and encourage greater use of the facilities improving the health and wellbeing of residents.

The generation of additional income may help with the provision and support of front line services.

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**Appendices Appendix A - Concept designs and floor plans  
attached to report:**

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:**

- **None**

### **CORPORATE IMPLICATIONS/RISKS:**

**Community Services -**

**Corporate Support and Resources –** Included within the body of the report.

**Economic Development –**

**Governance and Regulatory Services –** The Council, in accordance with its fiduciary duty, must manage its resources, of which the Bitts Park facilities are one, so as to best deliver its services.

## Appendix A: Concept designs and floor plans



Front elevation



Side elevation showing new extension





Steps to new facility



Interior of new café area





Existing layout



Proposed layout