

Committee: King Georges Fields Trust	Date: 16 th Oct 2013	Classification: Unrestricted	Report No:	Agenda Item: 6.2
Report of: Corporate Director CLC Originating officer(s) Steve Murray Head of Arts parks and Events		Title: Update on Mile End Park Wards Affected: Bow West Mile End East		

REASONS FOR URGENCY

The report asks for decisions which have implications for income generation and any delays may result in lost income the Trust. The delay in completing the report on time was due to determining sufficient information to inform the financial comments, in particular around the Pavilions. This element then remains in the body of the report but indicates that income projections cannot be given until further work has been done and this will then be reported back to the Board.

1. **SUMMARY**

- 1.1 To provide an update on Mile End Park including proposals for reviewing the Arts Strategy and developing income streams for the two Pavilions

2. **RECOMMENDATIONS**

The King Georges Fields Trust is recommended to:-

- 2.1 To note the updates on Mile End Park
- 2.2 To agree to the letting of the small office space formerly used by parks staff on a commercial basis to generate income for the Trust
- 2.3 To adopt the principle that car parking charges be levied on the car park adjacent to the Green Bridge and for the Trustees to consider a report on the charging regime at their next meeting
- 2.4 To agree to the tendering of a contract for the operation of the car park described in 2.3 above

- 2.5 To authorise officers to negotiate with Meads for the renewal of their lease at 391 Mile End Road
- 2.6 To authorise officers to register both Pavilions as a venue for marriages and civil partnerships

3. BACKGROUND

- 3.1 The Parks service was merged with Arts and Events in April 2013 creating a new service Arts Parks and Events.
- 3.2 A key objective of the new service is to improve income generation from the assets in Mile End Park whilst maintaining high standards of the facilities there and good community engagement
- 3.3 This report is an update on aspects of asset management and community engagement.

4. BODY OF REPORT

- 4.1 Mile End Park has retained its Green Flag status in 2013
- 4.2 The reassignment of Unit 4, 389 Mile End Road, formerly Roasters coffee shop, has now been completed. This has ensured minimum loss of rental income.
- 4.3 It is proposed that a small office space formerly used by parks staff but no longer required for this purpose will be let out to generate additional income. Estimated rent of up to £7,000 per annum
- 4.4 It is proposed that the car park space next to the Green Bridge which is owned by the Trust but currently does not charge for parking should be tendered out to private car park companies in order to generate income and properly manage this park asset. . It's not possible to estimate potential additional income at this stage but tender process would ensure that there would be no net cost to the park.
- 4.5 Meads the estate agents who currently occupy 391 Mile End Road have a lease which ends on September 2014 and they have indicated they wish to start negotiations for renewal.
- 4.6 The annual review of the Mile End Park Arts Strategy due to take place in December 2013 is being brought forward to October. This is to enable the development of new booking systems for both Pavilions in time to start taking bookings for 2014.
- 4.7 The aim is to increase income generation from both pavilions which in turn will allow for subsidising community access. Until we have completed our research, benchmarking and market testing we cannot give clear forecasts of what the additional income achievable would be. An update will be provided to the Board at a later date with more detailed plans.

- 4.8 The park will continue to host arts exhibitions and the current hanging systems are being reviewed and improved to allow for more flexibility
- 4.9 Members agreed in March 2011 to register the Ecology Pavilion as a venue for marriages and civil partnerships. It is now proposed to register both pavilions to allow for weddings to take place there. The intention is to have a fixed upper limit of weddings per annum which will increase income but still allow for arts exhibitions and community usage.
- 4.10 We intend to draft clear criteria and guidelines for free and subsidised usage of the Pavilions and the Park for the Trustees to consider at a future Board meeting.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 This report provides an update on improving the income generation from various facilities and assets within Mile End Park. The report further considers the potential opportunities that are to be pursued for increasing income through the efficient utilisation of those assets. A further report will need to be brought back that fully appraises the Board on the extent to which the income generating opportunities are achievable.
- 5.2 The income generated contributes to offsetting the costs of the Park. The aim of increasing the income generation is to allow for subsidising community access and community access to arts activity whilst reducing the dependence on General Fund resources. The extent to which any additional income generated is realised and used as a subsidy will need to be considered alongside the Council's Medium Term Financial Plan as part of the budget process.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 On 28th February 2000 the Charity Commission approved a scheme for the management of the Trusts assets. The 2000 Scheme makes provision for limited disposal of land. Under Clause 5(1)(a) the Scheme restricts the use of the Trust land. The Council may let part or parts of the Park Lands on leases not exceeding 10 years to provide recreational facilities to the public or to provide such services to the public ancillary to recreation as are mentioned in Article 7 of the Greater London Parks and Open Spaces Order 1967 on the terms mentioned in that article. The Council may let the Shop Units to raise moneys for the upkeep of the parkland.
- 6.2 As Trustees the Council are under a fiduciary duty to protect the assets of the charity for the public benefit and so need to obtain the best consideration from any leases. They are entitled to rely on professional advice in order to discharge their duties

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 Mile End Park is an important community asset that is open to all.

7.2 The intention in reviewing our bookings policies for both the Park and its buildings is to better reflect the priorities of One Tower Hamlets and in particular how these assets can support and promote community cohesion.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 The management of Mile End Park is focussed on providing good quality green spaces in a sustainable way.

8.2 The commercial aspects of the park directly link to supporting the maintenance of this key green space.

9. RISK MANAGEMENT IMPLICATIONS

9.1 The proposals within this report are in part focussed on diversifying the income streams into the park that help to guarantee good quality maintenance for the future and mitigate against any fluctuations in the market for rentals and hires.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 Mile End Park forms part of the boroughs facilities that help to engage young people in healthy outdoor and indoor activity.

11. EFFICIENCY STATEMENT

11.1.1 The bookings for both pavilions and the open spaces in the park have improved in recent years but are deemed to still be some way from maximising their capacity for income generation.

11.2 As part of the proposed review we will be carrying out bench marking against similar facilities in the area to ensure we remain competitive

Local Government Act, 1972 Section 100D (As amended) List of “Background Papers” used in the preparation of this report

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
To be completed by author	To be completed by author ext. xxx