

**Manchester City Council  
Report for Information**

**Report to:** Resources and Governance Scrutiny Committee – 7 December 2021

**Subject:** Manchester’s Park Development Programme 2021 - 2025

**Report of:** Strategic Director (Neighbourhoods)

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**Summary**

This report provides an overview of the financial (revenue and capital) position for parks, with reference to the impact of the pandemic and an update on the programme of investment to deliver revenue savings beyond 2021.

**Recommendations**

The Scrutiny Committee is recommended to consider and make comments on the content of the report.

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**Wards Affected:** All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
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Parks by their nature contribute to the mitigation of carbon across the City and this is a key strand of the Parks Strategy. The proposals for investment in parks are being assessed against the contribution each project will make to reducing CO2.
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<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Parks are partnering in new and fruitful ways with organisations and communities to increase opportunities for personal development through volunteering, work experience, employment and training.
A highly skilled city: world class and home grown talent sustaining the city’s economic success	Parks offer a unique opportunity to engage in formal educational activity in the natural environment. Opportunities to build life skills such as communication and teamwork are offered through a wide range of volunteering activities.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Parks are at the heart of our communities, offering opportunities for community cohesion through volunteering, events and activities in a setting that is open and accessible to all.

A liveable and low carbon city: a destination of choice to live, visit, work	Parks are an essential part of our neighbourhoods and enhance positive outcomes for residents and businesses. The delivery of a vibrant programme of events and activities is increasing the number of visitors from outside of the City. Whilst parks naturally contribute to the low carbon city agenda, new ways of using and activating the estate in a way that can actively contribute to lowering or offsetting carbon emissions are being explored.
A connected city: world class infrastructure and connectivity to drive growth	Parks connect our City in many different ways, physically they are expanding to offer enhanced green corridors for people and wildlife and socially by sustaining opportunities for shared experiences and common interests.

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### Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Take a Brief Walk Through Manchester's Park Strategy 2017 – 2026
- Manchester's Park Strategy
  - Executive Summary
  - Research and Findings

- Ten Year Action Plan
- Report to Community and Equalities Scrutiny Committee – 14 January 2021, Manchester's Park Development Programme 2021 – 2025

## 1.0 Introduction

- 1.1 This report provides an overview of the current financial (revenue and capital) position and an update on the programme of investment into Parks in the context of delivering the park strategy and the drive to reach a sustainable funding model for the service. The report also updates the committee on the programme of investment for parks, commonly referred to as the Parks Development Programme (PDP) and the contribution this investment will make to raising new income or reducing expenditure and therefore responding to the Council's overall budget challenge.

## 2.0 Background

- 2.1 In December 2017 a ten-year strategy for Manchester's Parks was launched to guide their investment, upkeep and activation. The strategy set out the vision, key themes and actions that were needed to ensure parks and green spaces continued to serve the needs of communities across the city, providing popular and attractive open spaces for play, sport and informal recreation. There was a focus on 4 key themes:
1. **Parks at the Heart of Neighbourhoods** looks at the physical role of parks in neighbourhoods across the city, as well as their size, accessibility and character.
  2. **Vibrant Parks, Vibrant Communities** considers the use and activities that take place in parks to ensure they are a focus of community life, providing opportunities for exercise and sport, and a wide variety of events that can generate additional income for the benefit of parks.
  3. **A Manchester Quality Standard** sets out a good-quality standard for managing and maintaining parks.
  4. **Productive Parks in Partnership** describes ways to deliver park services in a more collaborative and fruitful manner with communities and local organisations, not just the Council.
- 2.2 Prior to the last service redesign in 2015/16, parks were generating £440k of income per annum and this was being reinvested back into the service to enhance the offer. In parallel with this, approximately £1.5m of Clean City funding was directed into a variety of projects as a one-off investment to stabilise the service and move towards a more sustainable future. Five years on, this investment combined with enhanced contracting and partnering arrangements has resulted in the service growing income year on year, whilst making progress towards achieving a consistently good quality offer across the City.
- 2.3 Following the development of the Parks Strategy in 2017, a Parks Development Programme (PDP) investment bid was submitted to the Capital Strategy board, the proposal for investment into the PDP was approved, in principle, with a view to progress to a priority status based on the development of viable business cases for investment. The investment was initially proposed in three workstreams (Heaton Park, Wythenshawe Park and Citywide) in order to support the objective of reducing future revenue pressures and insulating

the service from the impact of future potential savings requirements. The PDP set a range of commercial investment opportunities to close the gap on ongoing income and expenditure in the revenue budget. The proposal set out a Manchester City Council (MCC) capital contribution of £12.5m with the aspiration to partner and match funds through external bodies (e.g. National Lottery Heritage Fund, Sport England).

- 2.4 Following the declaration of the Covid-19 Pandemic, it was agreed that the proposed PDP would be reviewed alongside all capital investment planned over the next 5 years. During 2020, consultation was completed with members and stakeholders and further work was undertaken on commercial master planning. This work concluded that better value for the overall Parks Strategy would be realised by establishing a wider remit for investment. It was agreed that this would be undertaken as a collaborative approach with members and stakeholders, supporting community investment, with the principle of developing proposals that deliver a clear return on investment from an ongoing revenue perspective, rather than ring fenced to specific parks. The revised approach was agreed and the four new workstreams that were adopted are set out in section 3 of this report.
- 2.5 As part of the 2021/22 budget process Parks approved savings were £427k and in order to protect existing parks expenditure budgets, the approved savings are to be achieved through growing income and the PDP is available to support achieving these targets. The annual targets that were approved by Executive are as follows:

Financial Year	Annual Approved Savings £000's	Cumulative Approved Savings £000's
2021/22	£127k	£127k
2022/23	£100k	£227k
2023/24	£100k	£327k
2024/25	£100k	£427k

### 3.0 Capital

- 3.1 The investment approach for the PDP is now set out across four workstreams, open to all parks across the City. Workstream 1, the Parks in Partnership Fund is being administered as an open fund with £0.96m made available this year for small scale capital projects in parks. £30k has been allocated to each ward of the City enabling elected members to champion projects that raise standards and help to close the gap between income and expenditure.
- 3.2 Workstreams 2, 3 and 4 of the PDP are more intensely focused on closing the gap between income and expenditure, requiring projects to provide a more substantial return on investment and for partnering arrangements to deliver the strongest outcomes, with match funding and with minimal risks. As at September 2021 it is forecast that there will be slippage of £0.3m in 2021/22 within the PDP budget of £3.14m, this was due in the main to contractor delays because of the pandemic.

3.3 Further detail on the Parks Development Programme can be found in the report to the Community and Equalities Scrutiny Committee on 14 January 2021 titled Manchester's Park Development Programme 2021 – 2025. Follow this link:

<https://democracy.manchester.gov.uk/documents/s22315/Manchesters%20Park%20Development%20Programme%202021%20-%202025.pdf>

3.4 Additional Investment in the capital programme for parks has also been secured from other sources including S106 funding, developer contributions and strategic partners. Whilst these investments do not need to be directly aligned to growing new income or reducing expenditure, projects are still considered with this as a guiding principle.

3.5 **Live Projects** - There are five live projects in the delivery phase, totalling £3.056m, including match funding of £0.5m, these are:

- Parks in Partnership Fund (PDP Workstream 1) - £367k of funding has been approved across 39 projects. A further £245k of funding has been applied for across 35 more projects, applications are currently being assessed for approval and there is potential for this number to fluctuate as the service gathers greater cost certainty. The forecasted spend in year as at the end of period 7 is £0.75m.
- Improvements to prime the activation of Wythenshawe Hall – due to start on site in November and anticipated to be completed by late January 2022. The total project budget is £211k, and this is forecast to spend to budget.
- Refurbishment of play area at Whitworth Park - It is anticipated that the project will be completed before the end of February 2022. The latest forecast spend in year is £60k.
- Accessible changing and toilet provision for the sports hub at Wythenshawe Park - It is anticipated that the project will be completed before the end of March 2022 and the latest forecast spend in year is £485k.
- Subject to funding confirmation from British Cycling, new cycling facilities including a learn to ride area, pump track, woodland trails and a circuit of the park. The whole scheme cost is £1.55m (inclusive of £0.5m match funding from British Cycling). This project is programmed for completion in July 2022. The forecasted spend this year is £0.853m with the balance being spent in 2022/23.

3.6 **Pipeline Projects** – Over the last 12 months several other short-term and medium-term projects have started to emerge and are now being considered and included in the pipeline for delivery. These projects are currently going through detailed feasibility and are summarised below:

3.6.1 **Short-term – To be delivered within 15-18 months:**

- Rationalisation of infrastructure to support travel to parks and circulation to key visitor attractions that generate secondary income.

- Enhanced infrastructure located at play and food and beverage outlets to raise the quality of the visitor experience and increase dwell time.
- Futureproofing the infrastructure at event and activity sites to support a more vibrant programme, including better drainage and the provision of access to utilities and grid power to eradicate the use of generated power.
- Partnership investment with MCR Active to lever funds from sport's national governing bodies to raise the standard of sports facilities at strategic sites to protect and enhance existing provision.

### 3.6.2 **Medium-term – To be delivered within 2 to 3 years:**

- Rationalisation of building stock to ensure that assets are being used to their maximum potential, this will include investment in buildings to bring them to a standard where they can be managed by the community or repurposed.
- Family attractions that will increase visitor numbers and secondary spend, whilst continuing to support an offer that is free at the point of access.
- Works to support the usage of sports facilities in the City for national competition.

### 3.7 **Development of the Pipeline** - To ensure that the pipeline projects are viable, contribute to the Council's key strategies, have a strong return on investment and the potential support of delivery partners willing to underwrite risk, the Parks Team are developing a number of background studies that will ensure that climate resilience, travel planning, conservation of historic and ecological features play a leading role in the development of propositions. The following feature in the work programme:

- Heritage Landscape Plan - Land Use Consultants are developing Heritage Landscape plans to inform the history and sensitivity of various parks in partnership with Historic England which will inform options for investment and provide the platform to set all future external funding bids for the built environment and associated landscape. Due for completion November 2021.
- Transport Plans – In partnership with Highways. This will provide active travel plans, external and internal infrastructure requirements and traffic management plans will be completed by March 2022.
- Strategic plan developed for existing building stock – To identify the opportunities for investment and the appetite in the market from potential delivery partners.

## 4.0 **Revenue**

4.1 The parks current approved 2021/22 revenue budget is gross expenditure £3.727m offset by income of £1.622m to give a net budget of £2.105m, this is net of the £127k approved 2021/22 savings and will be subject to further reductions of £100k per annum for the 3 years 2022/23 - 2024/25.

4.2 Since 2016 the income budget has increased from £0.927m to £1.622m in 2021/22, this is a 74% increase in income generated by Parks and, the service

is forecast to exceed the current year's budget by around £268k. The growth in income has not only contributed to the Councils overall savings requirements it has quickened the pace of delivering the strategic objectives, by enabling investment in parks to raise the standards at key sites and the growth of the service across the wider estate, this has included approximately £230k investment in the workforce. This supports the delivery of the strategy with a focus on enabling, communication, good standards and sustainability which are building on existing good practise and creating capacity for the service to deliver a good visitor experience and ensure assets are working hard and adding value to the experience.

4.3 There is confidence that the service will continue to generate opportunities for improved revenue income, based on the track record and progress made over the last 5 years, this includes:

- Generating income from contracting arrangements, such as park cafes.
- By continuing to increase visitor numbers.
- Offering a more vibrant programme of events and activities; and,
- through the addition of new or improved attractions, such as children's play, that would increase dwell time on site and increase visitors' secondary spend.

4.4 To achieve this, it is important that the service is able to keep pace with other visitor destinations and work flexibly with partners.

4.5 The investment in the workforce has supported the service to close the gap between income and expenditure. Since 2016 there has been a strong focus for investment on workstreams that delivered to the park strategy and support a more sustainable future for the service. Investment has been focused on parks that have the most opportunity in terms of increasing visitor numbers and more effective programming of the calendar of events and infrastructure.

4.6 Understandably, the costs of delivering services during the pandemic have temporarily risen, whilst several income streams were curtailed or ceased. During the financial year 2020/21 trading income was heavily reduced due to restrictions and the Council released £0.5m in additional revenue to balance the Parks budget, ensuring that activity could continue safely. Whilst the service has remained dynamic in its approach to operations due to the ongoing impact of the pandemic, the majority of trading activity has resumed. Income generation is forecasted to grow to £1.89m by year end, exceeding pre pandemic levels by 12.5%, the forecast overachievement has provided additional revenue funding that has helped fund further investment in year. Thus the latest forecast as at the end of September is a balanced budget.

4.7 The longer-term financial challenge as a result of the pandemic has required the Council to find different ways of reaching a balanced budget and accelerating some of the actions set out in the Parks Strategy. Despite the challenges, the Council has responded positively building on the strong track record for investment in parks and the progress that has been made in closing the gap between income and expenditure. In 2016/17, the income generated

within the service contributed 15% of the overall cost of service provision, this has now risen to a contribution of 27%, with approximately 78% of the income generated through trading income in Heaton Park.

4.8 The deliverability of the PDP set out in section 3 and the associated savings is subject to several important factors, these include:

- Covid-19 Restrictions remaining stable and the service being able to continue trading. This will impact on existing income streams as well as identifying new opportunities. Experience to date is that there are a higher concentration of events and activities in a smaller window of opportunity and more intensive usage of assets.
- Priorities being agreed following local stakeholder engagement.
- Planning approval being granted, where appropriate.
- Delivery partners willing to underwrite financial risk.
- The stabilisation of costs as the cost of construction materials continue to rise.

4.9 The Parks team have reviewed the main challenges in the delivery of capital projects in parks over recent years and the learning has been considered in mapping out the pipeline for delivery in terms of costs and timescales.

## **5.0 Conclusion and Next Steps**

5.1 Despite the financial challenge ahead, the alignment to the strategic themes laid out within Manchester's Park Strategy will remain. The pace at which progress is made in terms of closing the gap between income and expenditure will be a crucial factor in building back the service as the city emerges from the pandemic. The Parks Development Programme will:

- Unlock the potential to generate additional funds, with an anticipated £427k income growth by 2024/25.
- Progress the delivery of a consistently good quality standard.
- Increase the number of visitors and enable more stakeholders to play an active role.
- Offer opportunities for our residents through the programmes commitment to generating social value.

5.2 Delivery of the programme of investment will continue with the following key steps:

- Continue to gather and explore proposals for investment in workstreams 2, 3 and 4 through the development of park plans and ward coordination.
- Progress live feasibilities for projects in the pipeline to inform business cases and checkpoint submissions.