

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 3 June 2024

Portfolio:	Streetscene
Subject:	Holly Hill Woodland Park Restoration
Report of:	Director of Neighbourhoods
Corporate Priorities:	Respond to climate change and protect the environment Leisure opportunities for wellbeing and fun

Purpose:

This report seeks approval for a capital programme allocation towards a programme of improvements to Holly Hill Woodland Park to preserve and enhance this important heritage, ecological and recreational site.

Executive summary:

Holly Hill Woodland Park is a 19th century water garden designed by Henry Milner in the 1880s, superseding an earlier design by Joseph Paxton. The park consists of a number of terraced lakes and ponds. The waterfalls, cascades and grotto are made in Pulhamite - a patented anthropic rock material invented by James Pulham that was widely used for rock gardens and grottos in the last quarter of the 19th century.

This 36-hectare woodland park is Fareham's largest public open space and, as such, is an important site for the Council's carbon mitigation, in addition to the many recreational and health benefits that the site provides.

In 2021, Executive approved an interim mitigation scheme focusing on green space provision and enhancements in the Borough to relieve recreational disturbance in the New Forest and, as part of this scheme, a landscape architect was appointed to oversee a design masterplan for the management, restoration, conservation and enhancement of the pond, sunken garden and lake system of Holly Hill Woodland Park.

Findings from the initial survey work showed that much more work than was originally considered necessary would be required to stabilise the banks, rebuild important historical landscape features, and slow down the silting of the lakes. This work would also help to reduce any future safety risks on site that are likely to develop without this intervention.

An Expression of Interest was submitted to the National Heritage Lottery Fund in February 2024 and the Council has now been invited to submit a full application for the project.

Recommendation:

It is recommended that the Executive:

(a) Supports initial public consultation and the submission of an application to the National Heritage Lottery Fund to restore the important heritage and infrastructure features at Holly Hill Woodland Park;

(b) Approves a new capital allocation of £2,046,000 for the restoration works at Holly Hill Woodland Park;

(c) Approves the use of £425,000 of unallocated S106 contributions that have already been received and are relevant for this project and £436,000 in future CIL receipts, in addition to the £195,000 New Forest mitigation funding already allocated, to match fund the Major Works Scheme if the lottery application is successful;

(d) Approves the use of up to £425,000 of unallocated S106 contributions, in addition to the £195,000 New Forest funding already allocated, for silt removal works on the site and the sunken garden refurbishment, should the lottery application be unsuccessful.

Reason:

To undertake a programme of improvements at Holly Hill Woodland Park that will enhance the visitor experience, preserve one of the largest and most visited open spaces in Fareham and deliver the objectives of the Council's interim New Forest mitigation scheme, adopted in 2021.

Cost of proposals:

The total estimated cost of the Major Works Scheme recommended is estimated at £2,046,000. The cost of undertaking the silt removal works, initial design and the sunken garden refurbishment only is estimated at £620,000.

£195,000 of New Forest mitigation funding has already been allocated for the initial design and survey work and the restoration of the sunken garden.

The Council has been invited to apply for £990,000 from the National Lottery Heritage Fund for the Major Works Scheme. If successful, the Council would be required to contribute an additional £861,000 as match funding. This would be funded by £425,000 from unallocated S106 contributions and £436,000 from future CIL receipts.

If unsuccessful, the initial design, silt removal works and sunken garden refurbishment is estimated at £620,000 and a contribution of £425,000 would be required from the unallocated S106 contributions.

Appendices: None

Background papers:

- Executive Report 7 December 2021 - Implications of Natural England advice on New Forest Recreational Disturbance

Reference papers: None

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BOROUGH COUNCIL

Executive Briefing Paper

Date:	3 June 2024
Subject:	Holly Hill Woodland Park Restoration
Briefing by:	Director of Neighbourhoods
Portfolio:	Streetscene

INTRODUCTION

1. Holly Hill Woodland Park is a 19th century water garden designed by Henry Milner in the 1880s, superseding an earlier design by Joseph Paxton. The park consists of a number of terraced lakes and ponds formed by damming two streams that issue into the Hamble. The waterfalls, cascades and grotto are made in Pulhamite - a patented anthropic rock material invented by James Pulham that was widely used for rock gardens and grottos in the last quarter of the 19th century. In addition, a sunken garden was laid out within the site by George Winn in the 1930s next to Holly Hill Mansion.
2. This 36-hectare woodland park is Fareham's largest public open space and is an important site for the Council's carbon mitigation due to the large area of established mature woodland present on site, in addition to the many recreational and health benefits that the site provides.
3. The main entrance to the park lies off Barnes Lane in Sarisbury. The site is owned and managed by Fareham Borough Council.
4. The site has historically been managed and maintained as a conservation resource. The heritage and infrastructure elements need investment to ensure they remain valuable assets for future recreation and education. This includes the repair and preservation of the Pulhamite structures, the lake edges and islands, de-silting of the water bodies, conservation of the site's collection of rare trees and plantings, enhancement of the site's biodiversity value and to adapt the site to the impact of climate change.
5. The lakes are prone to silting up due to the erosion of the islands, the banks of the lakes and from silt deposited from upstream. This requires periodic removal approximately every 10 years to keep the site safe and help prevent flooding and subsequent habitat loss.
6. The cost to remove the silt is expensive due to the haulage and landfill cost involved and was last carried out over 10 years ago when the cost was around £120,000. The cost was comparatively low at the time as most of the silt was distributed around the site. This is no longer a viable option unless it is used to stabilise the banks and islands

as part of the larger work project because the previous removal utilised the few places on site that could facilitate the silt deposits without compromising habitat and the health of the site's trees.

7. Recent estimates suggest removing the silt off site could now cost up to £500,000 and would be necessary every 10 or so years. This frequency may increase if the banks and islands are not stabilised, especially if as predicted storms and downpours increase and exacerbate the current rate of erosion on site.

NEW FOREST MITIGATION RESPONSE

8. In 2021, the Council developed an interim scheme to help reduce the impacts of recreational disturbance from residents of new developments in Fareham on the New Forest.
9. This has secured a financial contribution, as of April 2024, of £281,266 from developers towards improving the open spaces and country parks in the Borough so that Fareham residents can choose to visit local open spaces and reduce the number of visits to the New Forest.
10. Holly Hill Woodland Park was identified as the site with the most potential to achieve the above outcome due to its location at the western end of the Borough, the size of the site, the similar woodland environment and the ability to attract and accommodate more footfall. The important and popular historical woodland park needs restoration and currently has only limited maintenance budgets in place. £195,000 of the New Forest mitigation funding was allocated towards the project for the initial feasibility, design and survey work at Holly Hill Woodland Park and the restoration of the sunken garden.
11. A landscape architect, Arkwood Ltd, was appointed to oversee a design masterplan for the management, restoration, conservation and enhancement of the pond and lake system and surrounds of the park.

INITIAL DESIGN AND APPLICATION STAGES

12. Initially, the design team was tasked with a series of surveys to ascertain the condition of the site, the site constraints, its value and opportunities. The surveys included:
 - an arboriculture survey to look at the condition of the tree stock and identify important and historic species;
 - a hydrology survey to assess the integrity of the existing lakes, dams and water features, water flow and drainage issues;
 - an archaeological survey to look at the history of the site, the wider local area and to give context to the heritage of the site; and
 - an ecology survey that is currently underway to provide an update of the site's importance for nature conservation and to assess the criteria for habitat protection and improvement, including the potential for biodiversity net gain to be included as part of the project outcome.
13. It became clear that much more work than was originally considered necessary would be required to stabilise the banks, rebuild important historical, landscape features, and

to slow down the silting of the lakes that is threatening their existence and would lead to increasing safety concerns at this popular destination.

14. It was also apparent that this more extensive work would likely exceed the funding secured from the New Forest Mitigation Fund and an Expression of Interest was submitted to the National Heritage Lottery Fund (NHLF) to see if the project would meet the criteria for match funding. The Council was subsequently invited to submit a full application for the project.
15. The project will be required to meet the NHLF's "four principles of investment": saving heritage, protecting the environment, inclusion, access and participation, and organisational sustainability.
16. To meet these principles the project will focus on the restoration of the water gardens laid out by Henry Milner in the 19th century and the repair of the Pulhamite cascades, waterfalls and grotto that make the site distinctive. The project will also restore the 1930s sunken garden as a horticultural gem.
17. In addition, the project will identify the rare tree collection across the site, helping to develop a planting succession strategy to protect these specimens and replace them over time. It will identify and record the distinctive horticultural and plant elements that survive from the original design and plan for the propagation of these.
18. The project will use the survey process to enrich the functionality of the woodland and the species and habitats that it supports (e.g. through clearing creation and coppicing). It will consider the impact of tree pathogens and climate change on the woodland and take steps to address these issues through future management of woodland succession.
19. The project will also consider the site in its broader geographical context to maximise green infrastructure connectivity to the Hamble estuary and reduce visitor pressure on the New Forest by providing a Suitable Alternative Natural Greenspace (SANG) at Holly Hill. A SANG is a recreational site, created to attract residents of new developments away from designated sites that are protected for their valuable ecology and are sensitive to recreational activities such as dog walking. This will help satisfy Natural England of the project outcome aligning with the New Forest mitigation funding and strengthen the argument for Lottery funding approval. A project outcome will include work to build the capacity and skills of the 'Friends' group, whose involvement in the management of the woodland is critical to future management. An Activity Plan for the site will be developed that will involve working with external partners (including Southampton Archaeology, Hampshire and Isle of Wight Wildlife Trust and local schools) to increase participation and an understanding of the Park's significance. Works to paths including drainage will enhance access for people with mobility issues.
20. The NHLF application will be a competitive process, with the Holly Hill project competing against applications from across the South East region. The appointed design team are experienced in this regard and have a good track record of success with NHLF bids.

MAJOR WORKS SCHEME PROJECT TIMELINE & COST BREAKDOWN

21. If the Major Works Scheme funding is approved, public consultation will begin in the summer of 2024 and the full project development and detailed design stage, including further public consultation, will commence in the autumn of 2024. The sunken garden project will also commence in 2024, with completion due in 2025. It is anticipated that the full design will take around 18 months to complete up to RIBA design stage 3. RIBA stage 4, the works tender stage, would commence in the summer of 2026 with the main works estimated to start on site in early 2027.
22. The estimated total cost for the project is £2,046,000. £195,000 of New Forest Mitigation Funding has already been allocated from this total for the initial design and survey work and the restoration of the sunken garden. The remaining figure of £1,851,000 covers construction cost, design risk, contractor preliminaries, professional fees, activity costs and an allowance for inflation.
23. Design risk has been added at this early stage in the project as the costing has been based on a high-level assessment only. More detailed proposals would be based on a detailed survey and costing as part of the main design stage. Until these surveys are carried out, a contingency sum is required to cover unknowns.
24. In common with other sectors in the economy, construction industry costs are subject to inflation over time. The outline cost proposal includes a 5% allowance for inflation over the four-year period of the project.
25. Professional fees are the fees for the professional team to design the project and to administer the construction contract on site.
26. Activity costs: a NLHF-funded project must include an activity programme that engages the local community. This is typically around 10% of the overall cost for the works element.
27. The below table sets out the main stages of the project and the estimated expenditure required at each stage. As can be seen in the table there is minimal spend in 2024, 2025 and 2026 with most of the investment not required until 2027.

Activity	Dates	FBC contribution	NLHF contribution	Project Total
Initial design and survey work	Underway	£195,000 New Forest mitigation fund	0	
Lottery bid and detailed design and specification of sunken garden commences. Initial public consultation	June 24 - July 25	£10,797	£12,828	
Detailed design stage of major project work and ongoing consultation. Sunken garden works commence	Dec 25 – March 26	£14,396	£17,105	

Stage 2 lottery bid and tender for major works stage	April 26 – Oct 26	£21,593	£25,657	
Major works commence on site	Jan 27 – Dec 27	£786,971	£903,683	
Legacy project works	Dec 27	£26,392	£31,358	
Funding required		£860,148	£990,631	£1,850,779
Project Totals		£ 1,055,148	£990,631	£2,045,779

ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT

28. Fareham's Greener Future document states that 'We are committed to the creation and enhancement of habitat rich, well-maintained and beautiful spaces for all our residents to enjoy as well as supporting the wider natural environment.' Holly Hill Woodland Park's natural capital generates several ecosystem benefits, estimated at **£4.88m** each year, comprising:

- Carbon sequestration: £0.064 m (total value of CO2e sequestered)
- Air quality: £0.013 m (total value of PM2.5 removal by woodland)
- Annual physical health benefits: £1.71 m (total avoided medical treatment costs)
- Recreational benefits: £3.09 m (total recreation welfare value)

These metrics are based on a comparator site (Osborne House, Isle of Wight) where a full natural capital account was prepared by Arkwood in 2022. The landscape at Osborne House is of a similar scale and the site has similar visitation rates.

29. It should be noted that the above metrics do not include the following additional benefits for which an accepted natural capital accounting methodology is not currently in place:

- Biodiversity benefits
- Mental health benefits
- Value of volunteering

30. Ecosystem service flows are strongly linked to the condition of natural capital assets. Where the condition of these assets is in decline the quantum of ecosystem service flows also declines. This provides a compulsive rationale for the restoration of this important local resource.

OPTIONS APPRAISAL AND RISK ASSESSMENT

31. The potential for Heritage Lottery funding presents a real opportunity for undertaking the investment that Holly Hill Woodland Park requires to keep the facility open over the longer term. However, that opportunity comes at a significant cost for the Council and other options are available, as summarised in the table below:

Option	Cost	Funding	Risks	Outcome
Do nothing	Potential requirement to pay back £195,000 of New Forest mitigation funding Ongoing cost of managing safety of site	Existing Council budgets	Increased flooding Loss of habitat Unsafe structures Reputational loss as site declines Potential sanction from Natural England	Likely closure of some areas to the public Lower carbon mitigation Loss of heritage
Sunken Garden Works and Partial Silt removal	£620,000	£425,000 unallocated Section 106 contributions £195,000 New Forest mitigation funding	Silt removal likely required every 10 years at an estimated cost of £500,000 each time Erosion likely to increase leading to increasing costs for silt removal and site safety	After 10 years or less without further investment: Likely closure of some areas to the public Lower carbon mitigation
Major works	£2,046,000	£990,631 National Lottery Heritage Fund £425,000 of unallocated S106 contributions £436,000 funded from future CIL receipts £195,000 of New Forest mitigation funding	Lottery bid failure Budget pressure if inflation underestimated	Site remains safe and open to the public Heritage preserved and protected Woodland preserved and protected, securing carbon mitigation Education and recreation value enhanced Potential £500,000 revenue saving every 10 years because of reduced requirement for silt removal

32. **Do nothing** – This option will see the site fall into further disrepair and decisions would need to be made about closing sections of the site to the public as they become a risk. Flooding is likely to increase due to the silt build-up, which would threaten the important ecosystems and tree stock. This in turn would reduce the site’s carbon mitigation contribution. Natural England may decide to claw back the New Forest mitigation funding as a result.

33. **Minor project and partial silt removal** – A small project to restore the sunken garden and improve the main entrance access could be funded using New Forest mitigation funding as this would meet the funding criteria. In addition, partial silt removal would reduce the initial threat of flooding and potential loss of habitat and

public access, but this is an expensive operation estimated to cost between £250k to £500k and is unlikely to attract any external funding. Without bank and island stabilisation, silt removal on this scale is likely to be required about every 10 years.

34. **Major Works Scheme** – Silt will be used on site to remodel and rebuild the islands and lake edges. The works will also stabilise these features so that silt build-up is reduced considerably going forward and therefore, potentially saving future Council expenditure around £500,000 every 10 years to keep the site open and safe for visitors. Heritage will be restored and preserved for education and recreation. Habitat will be enhanced for biodiversity and the visitor experience also enhanced.
35. The cost from additional CIL receipts will not be required until 2027 and the modest investment required for the benefits returned from the project is further reinforced by the potential saving of the ongoing silt removal that is required just to keep the park in its current condition.

CONCLUSION

36. The availability of National Heritage Lottery funding is a timely opportunity for the Council to make a further “Spend to Save” investment to preserve this regionally important heritage and recreation site in the longer term. Whilst access to the site can be preserved by regular silt removal as in the past, the lottery funding contribution match funded by the Council will ensure that Holly Hill Woodland Park is available for generations to come.
37. As well as presenting a compulsive financial case, the Major Works Scheme offers a wide range of other long-term benefits including carbon sequestration, air quality, biodiversity, health benefits and opportunities to volunteer.
38. Should the lottery funding application be unsuccessful, a programme of partial silt removal works on the site should be undertaken over the next few years to prevent the closure of some key areas. These capital works can be funded from unallocated S106 contributions.
39. The sunken garden restoration project will be able to be completed ahead of the Major Works Scheme as this project is funded entirely from the New Forest Mitigation Fund.

Enquiries:

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