

CABINET: 6 SEPTEMBER 2006

ELING TIDE MILL: THE NEXT STEPS

1. BACKGROUND

- 1.1 The Council owns the Eling Tide Mill / Eling Sailing Club building and the toll bridge. It is a Grade 2* Listed structure and therefore it is the Council's duty to ensure its proper maintenance. After the Council renovated and opened the building in 1980, until recently there has been no capital investment by the Council. There is no signed lease and the Council remains responsible for the fabric.
- 1.2 Over three years ago the need for capital investment at Eling Tide Mill was recognised and an initial estimated amount was agreed as part of the Expenditure Plan. Since then investigatory work has been undertaken on behalf of the Council and the Eling Tide Mill Trust and works have been carried out to both the Mill and Sailing Club buildings. With the exception of the sea gates at the Mill, all the first phase works have been done.
- 1.3 This report covers two main topics: the financial position with respect to completing phase one of works to the Mill and the future for the Mill and surrounding area.

2. PHASE ONE WORKS AT THE MILL

- 2.1 A budget was allocated to enable urgent works to be undertaken at the Mill. Undertaking the investigations of the Mill prior to the works showed that actually there was emergency work required at the Sailing Club. At that stage a supplementary estimate could have been sought (there technically being no budget for the Sailing Club) but given the emergency nature of the works, it was decided to draw down from the Mill scheme.
- 2.2 The implication of this is shown in Appendix 1, which summarises the current position with the budget. The list includes additional items which have come to light during the phase one works, which have been accommodated in the original budget as they were regulatory items and had to be addressed.
- 2.3 The item outstanding from the original list is the sea gates. They have required detailed design and this has been a protracted process. The design is now agreed and the tender process is underway. The gates are essential for flood control in the Bartley Water and this has attracted a financial contribution from the Environment Agency. This award is specific to the sea gates. In addition, the gates make milling possible and their failure could have very significant adverse effects, both in terms of flooding and to the fabric of the Mill.

3. COMPLETING THE SEA GATES

- 3.1 Given the importance of the gates and the responsibilities of the Council, a supplementary estimate is being requested to enable the sea gates element to be concluded. With the progress now made with tendering this can be implemented directly and would be timely with the autumn and winter pending.

4. THE FUTURE AT ELING

- 4.1 Cabinet have previously agreed for the Portfolio Holder to progress the possibility of a partnership based approach to creating an “Eling Project”. To that end a forum was called and has met. It drew widely from the interests at Eling – for example, Town Council, Sailing Club, Mill, and Church. There was unanimous support for all parties to work together to promote Eling as a half day visit. It was recognised that there is a need for all parties to mutually support each other, in particular between the Heritage Centre (Totton and Eling Town Council) and the Mill (Eling Tide Mill Trust / NFDC).
- 4.2 It is clear that it is not realistic to expect another agency (statutory or voluntary) to accept a complete transfer of liability. There is a requirement from partners that the Council remain active. All agencies are concerned about the buildings element of the Mill and Sailing Club, which of course is a responsibility for this Council as the landlord.
- 4.3 It would seem that there are three options:
- a) Status Quo, with reducing investment by the Council in the Mill
 - b) Status Quo, with increased investment purely by the Council
 - c) Partnership, with shared investment
- 4.4 An assessment of these is included as Appendix 2. In any decision by the Council it is important to remember the independence of Eling Tide Mill Trust and therefore the need for their complete involvement.
- 4.5 The officer recommendation is to support option c). There are gains for all parties from partnership, with the potential to share development costs / benefit from joint funding applications / have access to expertise.
- 4.6 Specifically arising from discussions about a wider project at Eling, Totton and Eling Town Council has considered the way forward and had made the following resolution:
- “That the Town Clerk be authorised, together with the Chairman of the Committee, to take forward discussions with New Forest District Council and the Trustees on the possibility of a management agreement for the Town Council to manage the Tide Mill and the Toll Bridge as part of the “Eling Experience”. The management agreement not to include maintenance costs to the mill workings or buildings”.

The Council has been asked whether it would be willing to enter into such discussions.

5. THE NEXT STEPS

- 5.1 Eling Tide Mill is the only tide mill in the UK regularly producing flour. It is unique and represents a strong connection to the working past of the area, including the New Forest. In fact, it is now becoming an integral part of the working future of the Forest as its flour is joining the burgeoning New Forest Marque. This is not only useful in promoting the Mill but it also has wider implications. The Marque flour is becoming part the supply chain in the production of value added products for a range of producers / hotels in the Forest. This means they too can carry the Marque on product lines and currently there is no other source of flour to enable them to do this. This is just an indication of the potential of the Mill, looking forward.
- 5.2 It is clear that the Mill is in a stronger position if it is part of a wider product – and yet it is the anchor attraction that makes the partnership work. So, if the operation of the Mill is curtailed, there are adverse impacts to all of the prospective partners. A partnership will help with running costs and also, especially immediately, short term capital investment. Totton and Eling Town Council will be pursuing a Heritage Lottery Bid to refurbish the Heritage Centre. Together, a joint Centre / Mill bid is not only greater than the sum of its parts but far preferable to separate bids effectively competing with each other.
- 5.3 Cabinet agreed to the Portfolio Holder for Leisure Tourism and the Arts, leading local discussions to determine if there was any consensus as to the future of the mill and surrounding area. This has taken place and there is a consistent view of the preferred way forward. Given a commitment by the Council, a partnership would seem to have many benefits but it would require appropriate governance arrangements to secure that partnership.

6. FINANCIAL IMPLICATIONS

- 6.1 To enable the implementation of the sea gates project at Eling and the conclusion of this phase of investment, a supplementary estimate is likely to be required. The outcome of the tender process will be available at the meeting.
- 6.2 No other specific financial implications are identified at this stage but if a decision is made on the direction which the Council wishes to take, then there are related financial implications which would follow in detail as part of a business plan for the “Eling Experience”.

7. ENVIRONMENTAL IMPLICATIONS

- 7.1 The building is a 2* listed property. There are fewer than 10% of all listed properties in this category nationally. It has a special place in the heritage of the District and is the only working tide mill in production in the U.K. Its proper stewardship is vital to the environmental quality of Eling and indeed beyond.
- 7.2 The sea gates are vital for flood defence and if patterns of increased storminess continue, their robustness becomes even more important.

8. CRIME AND DISORDER IMPLICATIONS

8.1 There are no particular implications arising from this report. In the most general of terms, a building that is well managed and in active use is much less of a target for anti social behaviour.

9. CONSULTATION

9.1 There have been direct discussions with local organisations in the development of the “Eling Experience” concept. There is clearly much more to do, should there be support for this direction. The Forum could provide a reference group for the more formal partnership working.

10. PORTFOLIO HOLDERS COMMENTS

10.1 The Portfolio Holder supports the recommendations contained in this report.

11. RECOMMENDATION

11.1 It is recommended that:

a) Cabinet determine the preferred approach in future to Eling Tide Mill and possible partnership working in the light of the report and the outcome of the tender process.

b) A response be made to Totton and Eling Town Council based on the decision made in the recommendation above,

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Background Papers:

None

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APPENDIX 1

TIDE MILL	
ITEMS FOR ACTION	CURRENT POSN.
1.1 Front door and windows	10,400
1.2 Brickwork to building (past works)	0
1.3 Brickwork to bridge (past works)	0
1.4 Waterwheel	3,862
1.5 Inspection of machinery	1,500
1.6 Sea Gates (see below)	
1.7 Storm Gate	500
1.8 Sluice Gate	2000
1.9 Gifford's fees (part 1)	28,970
1.10 Waterwheel sluice gate lifting gear	550
1.11 ETM costs	300
1.12 Property Services	3,200
1.13 Contingency (part of sea gates)	
1.14 Weed traps	700
1.15 Gutters and guard	3,200
1.16 Fire Alarm installation	7,647
1.17 Fire Doors remedial works	500
1.18 Fire Doors auto-close system install	2,200
1.19 Intruder Alarm install	1,802
1.20 Electrical testing	1,500
1.21 Electrical remedial works	800
1. 22 Weir brick course (b/f item Dec 05)	1,600
Total Mill costs	71,231
SAILING CLUB	
2.1 Works committed	14,300
2.2 Works to do	13,000
2.3 Fees paid	1,000
2.4 Pest control and contingency	3,132
Total cost: sailing club	31,432

Overall total committed and spent	102,663
Budget for scheme	116,000
Balance available	13,337

SEA GATES PROJECT	
3.1 Sea Gates works * (Note 1 below)	90,000
3.2 Gates fees for tender to completion	10,800
3.3 Contingency	6,400
Total sea gates cost	107,200
Apply balance available	- 13,337
	93,863
EA contribution	- 20,000
Shortfall target* (Note 1 below)	73,863

*Note 1 – the sea gates works have been estimated in a range of £60,000 - £120,000
For budgeting purposes the median figure of £90,000 has been included. Tender due 30th Aug.

APPENDIX 2

OPTION	MILL BUILDING	MILL OPERATION	NFDC IMPLICATIONS	ELING IMPACT	COMMENT
A/. Status Quo with reducing investment	Will remain but not in operation	Trust unlikely to be able to keep building operable without support from NFDC. Likely to lead to restricted hours of opening – e.g. weekends	Potential to save all of the revenue funding (£27,850) and all future capital for development. Some capital needed to prevent the decay of the structure to meet requirements as a Listed building.	“Eling Experience” will not progress. Direct impact on the viability of the Heritage Centre in particular	Some issues likely from Trust about NFDC meeting obligations as landlord.
B/. Status Quo with NFDC investment alone.	Level of funding will determine level of development	As for building. A working building will keep revenue support stable (earns revenue) but unlikely to develop	Revenue at current levels. Capital – will bear the whole cost of schemes. External support could be applied for but would be competitive in some arenas (eg Lottery).	The area will benefit from the operation of the Mill and some form of “Eling Experience” will be possible	Much like currently.
C/. Partnership through shared investment	Potential for significant investment and refurbishment	Stronger in all respects	Revenue could be at current levels. There may be bids to make the most of opportunities. Capital – some level of seedcorn funding for a partnership based investment will be called for.	This is the “Eling Experience” model with greater local involvement, supported by NFDC back up.	Promote change through partnership, and yield more for community and visitors.

ELING TIDE MILL: THE NEXT STEPS – ADDITIONAL INFORMATION**THE FUNDING OF SEA GATES AT ELING TIDE MILL**

Report C on the Cabinet Agenda for 6 September 2006 notes the need for additional information in respect of the funding of the sea gates at Eling Tide Mill. This is because the tenders for their provision were due in after the publication of the Agenda.

There was strong interest in the tendering process for this job. Six tenders were returned. The lowest tender has been initially assessed. It meets the tender criteria and is felt to be sound. As with all tenders however, this will need to be scrutinised in depth by the consultants retained for this job, before the final appointment takes place.

The Sea Gates are part of the original range of work identified for the Mill and the background to that is contained in the agenda report. In considering how to respond to the additional costs there is the opportunity to vire the sum of £40,000 from the Marchwood Youth Club scheme. The Marchwood project is not in a position to progress this year as negotiations for a possible site are still in progress and are unlikely to be concluded for a considerable time. The Council's future relationship with the project can be considered in the forthcoming Expenditure Plan process.

The outcome of the tendering process means that the funding position for the scheme is outlined below:

ELEMENT	£
1/. Cost of scheme	129,000
2/. Current available NFDC budget for this scheme	- 13,300
3/. Environment Agency contribution	- 20,000
4/. Supplementary bid before virement	95,700
5/. Virement from existing capital scheme	-40,000
6/. Supplementary estimated on tender costs	55,700
7/. Possible additional contingency provision	6,400
8/. Supplementary estimate requested	62,100

Therefore, going ahead with the sea gates scheme requires additional expenditure of £129,000. £33,300 of this can be funded from existing budgets (£13,300) and from a contribution by the Environment Agency (£20,000). This leaves a shortfall of £95,700, which can be funded through a supplementary estimate of £95,700 agreed by Cabinet and subsequently approved by Council, or alternatively through a virement of £40,000 from the Marchwood Youth Club Capital Scheme and a lesser supplementary estimate approved by Council.

Finally, this funding package would implement the scheme with a contingency of around 5%. Given the nature of the scheme, it may be prudent to make provision for the contingency to be 10% (an additional £6,400). This and a suggested approach to the options above, is reflected in the recommendations.

RECOMMENDATIONS

It is recommended that the Council be recommended to agree the replacement of the sea gates at Eling Tide Mill subject to a satisfactory detailed assessment of the lowest tender and subject to:

- (i) A supplementary estimate of £62,100 being allocated to the scheme;
- (ii) A virement of £40,000 being made from the capital allocation for Marchwood Youth Club to the scheme; and
- (iii) The funding and phasing of the Marchwood Youth Club project being reviewed as part of the Expenditure Plan process.

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Background Papers:

Exempt