



Cabinet Member Report

Decision Maker: Councillor David Boothroyd, Cabinet Member for Finance & Council Reform

Date: 27 March 2023

Classification: Part Exempt
The appendix to this report is exempt from disclosure on the grounds that (i) it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, (ii) it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings under paragraph of Schedule 12A of the Local Government Act 1972; (iii) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Title: Seymour Leisure Centre Refurbishment

Ward Affected: Marylebone

Key Decision: Yes

Financial Summary: The Seymour Leisure Centre project has a budget of £40.252m within the approved capital programme.

The preferred option identified in this report will result in refurbishment of the Seymour Leisure Centre that will transform the building into a multi occupied community facility incorporating the relocation and permanent home for Marylebone Library, new flexible community space, a new café and a range of measures to reduce the building's carbon footprint.

This report seeks authorisation to approve the Outline Business Case and to formally submit the detailed planning application.

Report of: Gerald Almeroth, Executive Director of Finance & Resources

1.0 Executive Summary

The is Grade II listed Seymour Centre is a three-storey building with an overall total proposed development area of 8,538 m². It incorporates a range of leisure facilities including a swimming pool, a climbing wall, a sports hall, two fitness studios, and a gym. Built in 1935 the building has been subject to extensive renovations in the 1990s and early 2000s. The existing facilities are now outdated with urgent improvement work required. The total refurbishment of the building is now required to protect its heritage status and to enhance the range of services located there for the local community. The Outline Business Case outlined in this report shows that the project remains viable to deliver.

2.0 Recommendations

The Cabinet Member for Finance and Council Reform is recommended to approve:

- 2.1 The Outline Business Case for the transformation of the Seymour Leisure Centre to deliver a multi-use community facility.
- 2.2 The formal submission of the planning application in March 2023.
- 2.3 Enable the scheme to continue to progress to end of RIBA stage 4 which will inform the Full Business Case (FBC).

3.0 Reason for Decision

- 3.1
 - 1. Renovation of the Seymour Leisure Centre has been considered for a number of years. The current building is inefficient and the environmental performance is suboptimal.
 - 2. The council have committed to the relocation of Marylebone Library from its current leasehold base to a permanent new home within the Seymour Centre. The creation of a new Seymour Centre provides further opportunity for combining other council services into a single council space and will be a flagship project to benefit local communities.
 - 3. In order to progress the project now it is necessary to formally submit the planning application and progress through to RIBA stage 4 design to inform the Full Business Case (FBC).
 - 4. The Council has already appointed an experienced design and consultancy team to progress the design. The outline business case has been prepared to give assurance over the viability of the proposals.
- 3.2 The council is satisfied that the redevelopment of Seymour Leisure Centre will enable Westminster City Council to meet its commitments to the Fairer Westminster strategy. This has been designed to ensure that we can build a more inclusive city that celebrates our diverse communities, and where residents, workers and visitors from all backgrounds will feel welcome and safe.

4.0 Background to the Proposals

- 4.1 Options for the Seymour Centre have been under consideration since 2015 as it has been recognised that due to the age of the building capital investment is required. The project was paused in 2020 as it was felt that the proposals should be more ambitious and needed to reflect the impact of Covid. Corporate Property relaunched the project in March 2021 and since then have been working with colleagues across the council to ensure that this significant investment results in the transformation of this valuable, heritage asset. The proposals seek to update the facilities to ensure that the building enables the provision of relevant and accessible services for local communities.

- 4.2** The building operates now as a leisure centre and is managed by the leisure operator, Sports and Leisure Management, trading as Everyone Active. It comprises: a five-court sports hall in the heart of the building; a swimming pool; gym; children's soft play; climbing centre; health and beauty treatment rooms and multiple studio spaces. There are a number of underused and redundant spaces within the building.
- 4.3** The proposed development will transform the existing leisure centre into a multi-purpose, mixed-use community facility - still with leisure as a key use - with vast improvements to accessibility and inclusivity. The design seeks to make the very most of the existing building, utilising all underused and redundant spaces, to make the building "work hard" in offering a fantastic asset for the local community.
- 4.4** The proposed scheme occupies the three existing levels of the building. On the ground floor is the sports hall, swimming pool and Marylebone Library, which forms a family zone with the children's soft play and bookable community spaces. Located on the lower ground floor are fitness and leisure facilities, the spa and back-of-plant rooms. Level 1 contains the retained gallery seating overlooking the sports hall, as well as the upper library level and office space.

5.0 Outline Business Case

- 5.1** The Business Case appended to this report shows the Five Case Strategic, Economic, Commercial, Financial and Management case for the refurbishment of the Seymour Centre.

The Strategic Case demonstrates how refurbishing the centre would help contribute towards the Council's strategic objectives including:

- Westminster providing excellent public health and social care services and physical activity opportunities to ensure that all adults can stay healthy and thrive as they age.
- Residents having the right skills to take advantage of the city's employment opportunities and to develop fulfilling careers.
- Taking ambitious action on climate change with the aim of becoming a net zero council by 2030 and a net zero city by 2040.
- Making decisions more transparently in a way residents feel listened to.

5.2 The Economic Case

The Economic Case applied the strategic objectives to a range of options for intervention and these include:

- Transformed leisure facilities provide physical activity opportunities with bookable spaces for wider council services to provide targeted support.
- New opportunities for a café operator to run the café and offer employment/learning opportunities.
- A reduction on carbon emissions by making improvements to the fabric of the building and to the heating and ventilation systems.

- Extensive consultation which has informed the design and project brief.

5.3 A review of a variety of facility mix options within the existing footprint of the listed building was undertaken with high level build costs obtained. A high-level appraisal of the strengths/weaknesses of these options was completed. This considered the extent to which they met demand/need, capital cost, revenue, and design implications and the extent to which they met the Council's strategic objectives and were in line with Historic England regulations. Following this high level appraisal, three options were considered by the Council in more depth:

1. Do Nothing - No refurbishment at the Centre.
2. Refurbishment, new pool with a learner pool. This would mean the loss of a community room, the martial arts studio, 1 exercise studio and the spin studio.
3. Refurbishment of existing pool to include full renovation and access enhancements.

5.4 The Commercial Case outlines the key delivery, procurement and phasing decisions. The Council has now awarded a number of professional services on the project via various competitive tender processes to support the progression of this project going forward. In June 2022, the council entered into a Pre-Construction Services Agreement with Willmott Dixon Construction Limited. Subject to Cabinet Member approval, Stage 2 of the Design and Build contract will be progressed once a lump sum construction cost is known and agreed and which will inform the Full Business Case. This will be after planning consent has been obtained.

5.5 The Finance Case summarises the financial impacts on the Council under the three options considered for the Centre. Under each option it considers the necessary capital expenditure and the forecast ongoing revenue costs and income from the new facilities.

5.6 The Management Case identifies how the site will be managed how the facilities will be managed after the works have been completed and the centre re-opens. A specialist professional consultancy firm has been appointed to provide an option appraisal and this will be provided at Full Business Case.

6.0 Background & Policy Context

6.1 The Council's ambitions to ensure that the full benefits of being a part of the City of Westminster are enjoyed by all, including those who live, work and visit the area. The Seymour Centre generated 400,000 visits p.a. pre-Covid and serves 20 local schools who make use of the swimming pool and sports hall. This popularity ensures that a new Centre can contribute towards the overall Fairer Westminster Communities Strategy.

6.2 The relocation of Marylebone Library from its current temporary base will facilitate a full range of library activities including flexible events space. This will support social inclusion and reduce isolation including digital isolation and health inequalities by providing a range of opportunities for people to make healthy lifestyle choices.

6.3 In addition to refurbished leisure facilities and a new Marylebone Library, the new Seymour Centre creates further opportunity for combining other council services into a single council space and will be a flagship project for the environment.

6.4 Public engagement meetings have been held since March 2021 where commitment was given to progress a scheme. Engagement with both the public and internal engagement has been comprehensive since March 2021.

7.0 Equalities Impact

7.1 The Equality Act 2010 requires public authorities to have due regard to the need to eliminate discrimination and advance equality of opportunity. The council must take into account its wider public sector equality duty under Section 149 of the Equality Act 2010 when making decisions.

7.2 The Seymour project is designed to increase the usage of the Centre by increasing the council 'offer' provided. This includes Library provision and the Library Service have at their core the promotion of equality of opportunity. The Library Service vision includes the statement "Libraries are thriving community spaces supporting literacy, learning, business, wellbeing and culture and the way that residents have used libraries continues to change."

7.3 The proposed café located in the library will be a multi-purpose and accessible environment.

7.5 The new Centre includes the aim of enhancing accessibility so that the current Leisure facilities and the new council services are accessible for the widest number of residents.

8.0 Legal Comments

8.1 The Outline Business Case (OBC) seeking approval is in respect of the transformation and refurbishment of Seymour Leisure Centre (the Project) for the benefit of the Council's community and visitors to the local area. The appended OBC to this report sets out and details the strategic, economic, commercial and financial case(s) for the innovation refurbishment works required for the Project. It considers the future needs for local residents, in light of the Council's current City for All vision and Strategy Plan. The Council has a general power of competence under section 1 of the Localism Act 2011 (the Act). The Act permits the Council to do anything that individuals generally may do. Such powers that may be used in innovative ways provided is not prohibited by other legislation. The powers are conferred to be exercised in any way whatever, which include the power to do what may be required for the benefit of the authority, its area or persons resident or present in its area.

8.2 Suitable contractors and consultants have been appointed in compliance, where required, with the Public Contracts Regulations 2015 and the Council's Procurement Code for works and services to be delivered up to RIBA Stage 4 (the technical design stage) in respect of the Project.

8.3 Under s.136 the Town and Country Planning Act 1990, the starting point is that the normal procedures for applications for planning permission will apply to the development of land by local planning authorities. Ordinarily applications for planning permission would be made by officers under delegated powers. The Council's constitution provides delegated authority to the Executive director for Growth, Planning and Housing to apply for planning and listed building consents for the Council's corporate property portfolio.

8.4 The Cabinet Member for Finance and Council Reform is however responsible for the determination of policy, planning and strategy matters in relation to all property assets of the Council allocated for use for operational and service purposes. The Cabinet Member is also wholly responsible for all property assets, except schemes delivered jointly by other Cabinet Members.

8.5 The planning merits of the proposal are not addressed in detail this report, and so legal comments on the proposals are not provided at this stage. When submitted, the application for planning permission will be determined by the Council in its capacity as local planning authority.

9.0 Finance Comments

9.1 The capital strategy agreed by Full Council in March 2022 contains a gross capital budget of £40.252m for the refurbishment works at Seymour Leisure Centre. The estimated capital cost of the preferred way forward refurbishment option is £40.484m. This is £232k over budget, however costs are expected to be brought back to budget via value engineering.

9.2 Up until the end of RIBA Stage 4 professional fees and other charges are scheduled to be £3.078m. Of this amount, the sum of £883k was agreed as part of a Cabinet Member Report approved in October 2021. The remaining total of £2.195m of professional fees was approved by way of CMR in February 2022.

9.3 The annual revenue income and expenditure from the running of the centre is managed through the Council's leisure contractor. Forecast income and expenditure for the centre under the preferred way forward (option 2) is set out in section 5 of the exempt Outline Business Case (part B)

10.0 Consultation

10.1 The project has been subject to extensive consultation since March 2021. Consultation has involved a comprehensive programme of meetings, workshops, surveys, newsletters, a range of printed and online materials, and in-person and online events.

10.2 The strategy, feedback received, and how the proposed works have evolved in response to the consultation has played a significant part in shaping the final proposals. This is set out in the Statement of Community Involvement document which will be included within the planning application.

If you have any queries about this Report, please contact:

Claire Barrett cbarrett@westminster.gov.uk Claire Nangle cnangle@westminster.gov.uk

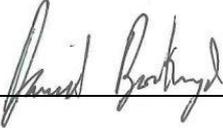
APPENDICES

Appendix A – Outline Business Case (exempt from publication under Paragraph 3, part 1 of Schedule 12A of the Local Government Act 1972)

For completion by the **Cabinet Member for Finance & Council Reform**

Declaration of Interest

I have no interest to declare in respect of this report

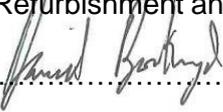
Signed:  Date: 27 March 2023

NAME: **Councillor David Boothroyd**

State nature of interest if any

(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled Seymour Leisure Centre Refurbishment and reject any alternative options which are referred to but not recommended.

Signed 

Cabinet Member for Finance & Council Reform

Date ...27 March 2023.....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:
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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.