



City of Westminster Cabinet

Decision Maker:	Cabinet
Date:	15 July 2024
Classification	General Release
Title:	Westminster Neighbourhood CIL –High-Value Allocations: Seymour Centre and Abbey Centre
Wards Affected:	Marylebone and St James’s
Policy Context:	<p>The Neighbourhood CIL funding programme to invest in local infrastructure projects across the City of Westminster.</p> <p>The works to transform the Seymour Leisure Centre into a multi-service council space and to make improvements to the Abbey Community Centre assist with delivery of Fairer Westminster priorities and in particular the Fairer Communities priority.</p>
Key Decision:	Yes
Financial Summary:	This report seeks to allocate a total of £1,000,000 of funding from the Marylebone Neighbourhood CIL pot to support the transformation of the Seymour Leisure Centre and £424,435 of funding from the Outside Designated Neighbourhood Areas CIL to support the refurbishment of the Abbey Community Centre.
Report of:	Deirdra Armsby, Director of Town Planning and Building Control

1. Executive Summary

- 1.1. Under the governance arrangements agreed by Cabinet in October 2022, most decisions on Neighbourhood Community Infrastructure Levy (CIL) are made by the Cabinet Member for Planning and Economic Development, but where the value of a proposed allocation exceeds £250,000, that decision will must be approved by Cabinet.
- 1.2. The application for the Seymour Centre is a Neighbourhood CIL funding request of £1 million to support the transformation of Seymour Leisure Centre, thereby requiring a Cabinet decision. The application for the Abbey Centre is a Neighbourhood CIL funding request of £424,435 to support the restoration of the Abbey Community Centre, thereby requiring a Cabinet decision.

2. Recommendations

It is recommended that Cabinet:

- 2.1. Approve the allocation of £1 million of Neighbourhood CIL funding from the Marylebone Neighbourhood Area pot to the Council to support the transformation of Seymour Leisure Centre.
- 2.2. Approve the allocation of £424,435 of Neighbourhood CIL to support the restoration of the Abbey Centre.

3. Reasons for Decision

- 3.1. There is a need for Neighbourhood CIL funding to supplement the project's capital budget, driven by rising costs from build cost inflation and from changes to the project that reflect community responses to the extensive consultation and engagement exercise.
- 3.2. The funding will support a programme of works that will transform Seymour Leisure Centre into high-quality community infrastructure which will be a flagship project to benefit the local community.
- 3.3. Cabinet is asked to approve this decision to ensure robust and effective expenditure and reporting in line with the Community Infrastructure Levy Regulations 2010 (as amended) and in accordance with the council's strategic priorities, CIL spending policy statement and its framework for resource allocation and management.

4. Background: Neighbourhood CIL

- 4.1. The Community Infrastructure Levy (CIL) is a charge that local authorities can impose on new development to help raise funds to deliver infrastructure that is required to support the development and growth of their area. Westminster's (WCC) CIL became effective from May 2016 and applies to liable developments that were granted planning permission on or after this date. CIL is payable when works to implement the development commence.

- 4.2. All CIL funding decisions are taken with regard to national legislation and regulations. Local policy and priorities, as set out in the Westminster CIL Spending Policy Statement (October 2022), also inform decisions.
- 4.3. CIL Regulations require apportionment of CIL receipts between:
- **the Strategic Portion (70-80%)** – spent by the Council according to its strategic infrastructure priorities.
 - **a Neighbourhood Portion of receipts from development in each neighbourhood (15-25%)** – spent by the Council in consultation with the neighbourhood communities concerned (other than in Queen’s Park, where the portion is paid to, and spent by, the Community Council); and
 - **the CIL Administrative Portion (5%)** – spent by the Council on the administrative costs of CIL collection and administration.
- 4.4. In line with the relevant legislation, a portion of CIL called Neighbourhood CIL is apportioned to neighbourhood areas pots, according to the neighbourhood in which the planning permission and implemented development is located. There are 21 designated neighbourhood areas and 22 pots (any Neighbourhood CIL portion collected from a development not within a designated area, is amalgamated into a pot for Outside Designated Neighbourhood Areas). The neighbourhood share constitutes 15% of CIL receipts, capped at £100 per council tax paying dwelling per year subject to indexation, or 25% without a cap in neighbourhood areas with an adopted neighbourhood plan. The funding can be spent on a project located anywhere within the City or even outside the borough of Westminster, as long as it delivers infrastructure which mitigates the impact of development or otherwise supports the growth of Westminster.
- 4.5. The council allocates Neighbourhood CIL funds via a public application process, open in quarterly rounds. Applications are considered with regards to national legislation and regulations, local policies, and Westminster's CIL Spending Policy Statement. Consultation with stakeholders, including Neighbourhood Forums, Business Improvement Districts, and ward members, is required. The applications undergo thorough assessment by Infrastructure Planning and Delivery officers, with input from relevant council teams and the Infrastructure Working Group and Infrastructure Delivery Board as well as any relevant external stakeholders.
- 4.6. Under the governance arrangements agreed by Cabinet in October 2022, most decisions on Neighbourhood CIL are made by the Cabinet Member for Planning and Economic Development, but where the value of a proposed allocation exceeds £250,000, that decision will be brought to a meeting of Cabinet for approval. The applications set out in this report requests £1 million and £424,435, thereby requiring cabinet decisions.

5. Transformation of Seymour Leisure Centre

Background

- 5.1. The Seymour Leisure Centre is a three-storey building with a 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 but it has not been significantly updated in the decades since. The existing facilities are now outdated with urgent improvement works required. A total refurbishment of the building is now required to protect its heritage Grade II Listed status and to enhance, co-locate and modernise the range of services located there for the local community. Significant improvement to access arrangements have also been specified for the project which will expand the inclusivity of the facilities.
- 5.2. The Council has committed to a transformational redevelopment of the building and site. The Cabinet Member for Finance and Council Reform agreed to the submission of a Planning Application, Listed Building Consent and Outline Business Case on 27 March 2023. Planning Permission and Listed Building Consent were approved in July 2023. The centre closed in February 2024 to allow works to begin. The contract award, variations and the revised project budget was subsequently formally approved via CMR by the Cabinet Member for Finance and Council Reform on 11 March 2024.

The proposal is for a redevelopment scheme which will transform the existing leisure centre into a multi-purpose, mixed-use community facility, with a more inviting atmosphere and improved physical access, complete with a sports hall, café, library, and space for other ancillary uses. The proposed development will occupy the three existing levels of the building: on the ground floor will be the sports hall, swimming pool and relocated Marylebone Library, which forms a family zone with the children's soft play and bookable community spaces; located on the lower ground floor will be fitness and leisure facilities, the spa and back-of-plant rooms; and the first floor will contain the retained gallery seating overlooking the sports hall, as well as the upper library level and office space.

Proposed allocation

- 5.3. The Cabinet is recommended to approve £1,000,000 of Neighbourhood CIL from the Marylebone pot requested by the Council to support the transformation of Seymour Leisure Centre.
- 5.4. The total project budget covers design and build costs, including all preliminaries, construction, professional fees, nominal allowance for furnishings, installations, and equipment.
- 5.5. The £1m of Neighbourhood CIL requested represents approximately 2.5% of the total cost. The project has a budget of £41.25m within the approved

Council's annual capital programme. The estimate for the completion of capital works is £42.5m inclusive of preliminaries, construction, professional fees, nominal allowance for furnishings, installations, and equipment. This estimate excludes costs for decanting and move costs or storage costs off site or relocation of existing building users and associated costs.

- 5.6. The project relates directly to development and more broadly supports the growth of Westminster. There is a growing need for such social infrastructure provision across Westminster. The cost-of-living crisis has driven an increased need for low-cost and free activities such as those provided by the library and the leisure centre, as highlighted by the Council's Cost of Living Strategy (2022) and Update (2024)¹. There is a growing need for affordable meeting spaces in this area and the new spaces at Seymour will be able to be used by multiple clubs and community groups². Community facilities are identified in the council's CIL Spending Policy Statement as a priority infrastructure type for CIL funding.
- 5.7. Marylebone Neighbourhood Forum has been consulted extensively, on the project in general and on the provision of Neighbourhood CIL funding. The Forum voted in favour of a proposal to allocate £1 million of Marylebone Neighbourhood CIL for this project.

6. Restoration of the Abbey Centre

- 6.1. The Abbey Centre is a large community centre on Great Smith Street which runs a wide range of free and low-cost classes and community activities to promote healthy and cohesive communities in south Westminster. It is operated by the Abbey Community Association with a vision "to improve the health and wellbeing of people in south Westminster who most need our support, by providing space, services, opportunities and a supportive community". Open seven days a week nearly throughout the year, the services and activities include a community pantry, an information and advice service, hot meals for rough sleepers, "cook and meet" sessions for refugees and asylum seekers housed locally, befriending and social activities for isolated older residents, a carers support group, physical wellbeing activities such as AthleFit and dance lessons, an employability programme, IT and financial literacy courses, and a choir for people with poor mental health. The Abbey Centre also hosts other essential local community groups and service providers, such as the South Westminster Legal Advice Centre, Citizen's Advice, Age UK, Alcoholics Anonymous and Rape Crisis.
- 6.2. In FY2022-23, the charity provided support to 7,391 unique registered service users who visited the building 25,787 times.

¹ Westminster City Council. Cost of Living. [Cost of living support hub and strategy | Westminster City Council](#)

² Westminster City Council. 'Plans for Seymour Centre passed at planning committee'. 12 July 2023: <https://www.westminster.gov.uk/news/plans-seymour-centre-passed-planning-committee>

- 6.3. The centre operates from a building owned by Westminster City Council and leased to the Abbey Community Association to be operated as a community facility. The Grade II listed building is a former public baths originally built in 1847 and converted to its current use in 1991, which was the last major update. As a result, key facilities and plant are well beyond their natural life, suffering from inefficiencies and poor performance. Although the Association has met its obligations for maintenance and undertaken targeted updates over its occupancy, the building was leased under a succession of short five-year leases which discouraged longer-term investment. The Association has now agreed a fifteen-year lease. The dated condition of the facilities and the security of a long-term occupancy has led to the position to commence substantial capital works.

Proposed allocation

- 6.4. The Cabinet is recommended to approve £424,435 of Neighbourhood CIL requested by the Abbey Community Association to support the restoration of the Abbey Centre. The Neighbourhood CIL will come from the Outside Neighbourhood Areas pot³.
- 6.5. The works will update key facilities and plant which have exceeded their natural life since the last major restoration in 1991. The total project budget covers preliminary works including design as well as build costs. Key aspects of the works include air source heating to replace the old gas fired boiler, upgrades to safety features including particular fire systems, complete refurbishment of facilities notably all toilets, and other improvements in appearance and function to allow the building to reflect the vibrancy of the people and activities it houses.
- 6.6. The Neighbourhood CIL request relates only to capital improvements to the building; the centre will continue to fully fund all operational costs. The Abbey Community Association will fund the creation of a Facilities and Operations Manager to oversee the procurement and installation process (with pro-bono professional support) and thereafter manage the new facilities.
- 6.7. The project relates directly to development and more broadly supports the growth of the City. There is a growing need for such social infrastructure provision across Westminster. The cost-of-living crisis has driven an increased need for low-cost and services like the food pantry and advice sessions, as highlighted by the Council's Cost of Living Strategy (2022) and Update (2024)⁴. The Abbey Centre's itself is testament to growing demand for

³ Officers will continue to work with Neighbourhood Forums from nearby Neighbourhood Areas to seek agreement of provision of some part of the funding from other pots. The final source of funding will be set out in the Decision Notice provided to the applicant if the recommendations in this report are agreed.

⁴ Westminster City Council. Cost of Living. [Cost of living support hub and strategy | Westminster City Council](#)

community services: FY2022-23 saw a 15% increase in unique registered service users.

- 6.8. Community facilities are identified in the council's CIL Spending Policy Statement as a priority infrastructure type for CIL funding.

7. Financial Implications

- 7.1. As of 20 June 2024, a total of £24,229,397 of CIL has been apportioned to Neighbourhood CIL since the Council's CIL charging schedule first came into effect on 1 May 2016; £ 14,661,705 remains available. This balance has been carried over each year since the inception of Westminster CIL in May of 2016.
- 7.2. This report recommends allocating £1,424,435 of Neighbourhood CIL to two projects. If approved, the remaining balance of Neighbourhood CIL would be £13,237,270.

8. Legal and Governance Implications

- 8.1. The legislation governing the development, adoption, and administration of a Community Infrastructure Levy (CIL) is contained within the Planning Act (2008) and the Community Infrastructure Levy Regulations 2010 (as amended). The associated government National Planning Policy Guidance is also important in guiding this process. There are other areas of law which should be considered when assessing certain developments for CIL liability and determining the appropriate sum due. These include matters relating to social housing, procurement, charitable institutions, and state aid.
- 8.2. In October 2022, Cabinet agreed to new governance arrangements for the management of CIL. This requires any NCIL decision over £250,000 in value to be brought to Cabinet for decision. This report is being brought to Cabinet in line with this provision.
- 8.3. Legal Services has reviewed this report, and the proposed Project Allocations, and is satisfied that the measures proposed comply with the relevant legislation and guidance set out in paragraph 8.1 above.

9. Consultation

- 9.1. Local policy requires local ward councillors, neighbourhood forums, and business improvement districts, where they exist, be given the opportunity to comment on all proposals within their area.
- 9.2. The Seymour Centre project has been subject to Ward Member and community engagement, as well as Cabinet Members where necessary. Ward Members have been informed of the Neighbourhood CIL but no comments were received prior to submission of the application. Marylebone Neighbourhood Forum has been consulted on the proposed redevelopment of Seymour Leisure Centre since the project inception. Officers also consulted with the forum on the allocation of Neighbourhood CIL to the project, including

a discussion of the potential to use Neighbourhood CIL at the Marylebone Neighbourhood Forum Committee meeting on 6 February 2024, where the Forum voted in its support of the use of £1 million in Neighbourhood CIL funding from the Marylebone pot.

- 9.3. The Abbey Centre project does not sit within a Neighbourhood Forum but comments from the neighbourhood Victoria Neighbourhood Forum were strongly supportive. Supportive comments were also received from the local Victoria Westminster Business Improvement District, and from the nearby Northbank Business Improvement District.

10. Climate implications

- 10.1. From the outset a key aim of the Seymour Centre transformation has been to improve the energy efficiency of this Grade II Listed building in line with Westminster's ambition of becoming a carbon neutral city by 2030. The major improvements in energy efficiency and carbon reduction will be achieved from the enhancements of Mechanical & Electrical system performance and renewable energy systems. The project has implemented the principles of the Lean, Be Clean, Be Green approach set out for each stage in the GLA Energy Assessment Guidance which is the basis of the project team's approach. The team have worked from project inception to optimise the engineering solutions to reduce carbon emissions. The thermal modelling of both the existing and "as designed" Seymour Centre demonstrates that a significant improvement in energy and carbon can be achieved. An overall improvement of 58% in energy and 34% reduction in carbon emissions has been calculated against the GLA Baseline model in the GLA Energy Assessment Guidance. The Baseline Building Emission Rate of 86 demonstrates how poor and energy inefficient the Centre is currently. As the project Energy Strategy sets out "The calculated 34% shows a significant improvement for a refurbishment of this building type and age". The energy and carbon reductions delivered as part of the refurbishment will reduce negative environmental impact, whilst also remaining affordable to operate and improve the wellbeing of residents. It is worth noting that the co-location of the Library service within the Seymour Centre will further reduce the council's overall carbon footprint by vacating its current location. This wider carbon impact is not included as part of the modelling but is relevant as part of the council's wider sustainability strategy and will assist with the corporate goal of becoming a zero carbon city by 2030.
- 10.2. The upgrading of 30+ year old infrastructure at the Abbey Centre would result in significant efficiency improvements which would reduce carbon emissions. The installation of air source heat pumps to replace the old gas fired boiler is a key example of such an upgrade. The works are being undertaken within the centre's Carbon Management Programme.

11. Equalities implications

- 11.1. Under the Equalities Act 2010 the council has a "public sector equality duty". This means that in taking decisions and carrying out its functions it must have due regard to the need to eliminate discrimination, harassment, victimisation

and any other conduct prohibited by the 2010 Act; to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it; and to foster good relations between persons who share a relevant protected characteristic and those who do not share it.

- 11.2. The council is also required to have due regard to the need to take steps to take account of disabled persons' disabilities even where that involves more favourable treatment; to promote more positive attitudes toward disabled persons; and to encourage participation by disabled persons in public life.
- 11.3. The 2010 Act states that "having due regard" to the need to promote equality of opportunity involves in particular having regard to: the need to remove or minimise disadvantages suffered by persons sharing a protected characteristic; take steps to meet the needs of persons sharing a protected characteristic that are connected with it; take steps to meet the needs of persons who share a protected characteristic that are different from those who do not; and encourage persons with a protected characteristic to participate in public life or any other activity in which participation by such persons is disproportionately low.
- 11.4. The courts have held that "due regard" in this context requires an analysis of the issue under consideration with the specific requirements set out above in mind. It does not require that considerations raised in the analysis should be decisive; it is for the decision-maker to decide what weight should be given to the equality's implications of the decision.
- 11.5. All decisions on spending CIL will themselves be subject to assessment to ensure the 2010 Act duties are complied with. The Equality Impact Assessment Screening identified positive impacts of the project on those with protected characteristics, including gender, race or ethnicity, disability, sexual orientation, age, pregnancy/maternity, and faiths and beliefs. The design for the refurbished building will make it more inclusive and accessible, based on specialist design advice and extensive consultation with people with protected characteristics.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

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APPROVED BY:

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APPENDICES

Appendix A – Equalities Impact Assessment Screening for Abbey Centre NCIL application

BACKGROUND PAPERS

Report to Cabinet dated 17 October 2022 on Priorities for the Community Infrastructure Levy (CIL) and update to the CIL Spending Policy Statement and governance arrangements

Westminster CIL Spending Policy Statement

Seymour Leisure Centre: Formal Planning Application and Outline Business Case March 2023 CMR

Equalities Impact Assessment Screening for Seymour Centre