



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Philippa Gibbs
philippa.gibbs@bromley.gov.uk

DIRECT LINE: 020 8461 7638

FAX: 020 8290 0608

DATE: 5 April 2024

To: Members of the
EXECUTIVE

Councillor Colin Smith (Chairman)
Councillor Kate Lymer (Vice-Chairman)
Councillors Yvonne Bear, Nicholas Bennett J.P., Christopher Marlow, Angela Page,
Diane Smith and Will Rowlands

A special meeting of the Executive will be held at Bromley Civic Centre, Stockwell Close, Bromley, BR1 3UH on **THURSDAY 18 APRIL 2024 AT 8.30 AM**

TASNIM SHAWKAT
Director of Corporate Services & Governance

Copies of the documents referred to below can be obtained from
[http://cds.bromley.gov.uk/](http://cds.bromley.gov.uk)

A G E N D A

- 1 **APOLOGIES FOR ABSENCE**
- 2 **DECLARATIONS OF INTEREST**
- 3 **CONSIDERATION OF OPTIONS FOR HEATING SYSTEM AT THE FORMER MARJORIE MCCLURE SCHOOL PREMISES**
(ITEM WITHDRAWN)
- 4 **LOCAL AUTHORITY HOUSING FUND** (Pages 3 - 12)
- 5 **LEISURE CENTRE MAJOR WORKS PROGRAMME - APPROVAL TO PROCEED**
(Pages 13 - 72)
- 6 **CRYSTAL PALACE PARK REGENERATION PLAN - PROCEED TO PROCUREMENT FOR CAPITAL WORKS** (Pages 73 - 84)

PART 2 (CLOSED) AGENDA

- 7 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to

be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

8	PART 2 INSURANCE MATTERS (Pages 85 - 90)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
9	PART 2 LEISURE CENTRES MAJOR WORKS PROGRAMME - APPROVAL TO PROCEED (Pages 91 - 96)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

.....

Report No.
HPR2024/013

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: FULL COUNCIL / EXECUTIVE

Date: For Pre-Decision Scrutiny by the Renewal, Recreation and Housing PDS Committee on Wednesday 17 April 2024

Decision Type: Non-Urgent Executive Key

Title: LOCAL AUTHORITY HOUSING FUND

Contact Officer: Alicia Egan, Head of Regeneration
Tel: 020 8313 4559 E-mail: Alicia.Egan@bromley.gov.uk

Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: All Wards

1. Reason for decision/report and options

- 1.1 The Council has been earmarked an indicative allocation of £13.9m towards housing schemes, subject to a compliant grant application, from the Department of Levelling up Housing and Communities (DLUHC) for Local Authority Housing Fund (LAHF) Round 3. This report summarises how the grant will be allocated to meet the Council's needs, whilst also being compliant within the grant agreement. In addition the report sets out how additional funding could be utilised if funding applied for beyond the earmarked allocation is secured through DLUHC.
-

2. **RECOMMENDATION(S)**

2.1 **Members of the Renewal Recreation and Housing PDS Committee are asked to consider and comment on this report.**

2.2 **The Executive is asked to propose to Full Council the addition of Manorfields to the capital programme as detailed in Recommendation 2, and to agree as follows:**

- 1) **Approve the acceptance of DLUHC LAHF Round 3 funding estimated at up to £27.4m (made up of an indicative allocation of £13.9m and a request for a further £13.5m) for the schemes set out in para 3.5, noting some schemes will require further reports; and authorise the Assistant Director of Legal Services to sign and execute all relevant legal documents arising in connection with acceptance of the LAHF.**

Based on the Council's request for funding being approved, as detailed in para 3.5:

- 2) Approve the addition of Manorfields to the Capital Programme at a value of £5.2m; officers will then proceed to procurement via an officer gateway for a multidisciplinary team to design the major repair and refurbishment of Manorfields into Transitional Accommodation. The funding for the Manorfields scheme will be met by LAHF grant of £4.313k, with the balance of £888k to come from the existing OPR capital programme budget.**
- 3) Approve the appointment of two Senior Project Managers to support the delivery of the schemes set out for a fixed term of two years. These posts will be financed by the Revenue funding in the grant of £111k supplemented by capitalised funding allocated to the relevant schemes.**
- 4) Approve an increase in the Council's capital programme budget of £638k towards the purchase of a four-bed settlement unit. This will be funded through £284k of LAHF grant, with the balance of £354k to be met from capital programme resources. Note that this purchase is required to meet the grant requirements, and none of the grant can be secured without meeting this DLUHC requirement. And subject to this, approve the purchase of this property, delegating any related decisions to the Director of Housing, Planning, Property and Regeneration in consultation with the Portfolio Holder for Renewal, Recreation and Housing.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: More affordable housing and quality transitional accommodation will have a positive impact on many Bromley families currently waiting for suitable affordable housing.
-

Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority:
 - (1) For children and young people to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - (3) For people to make their homes in Bromley and for business, enterprise and the third sector to prosper.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: Estimated Cost up to £27.4m grant funding, plus £888k from the existing OPR capital budget, and £354k of capital programme resources
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: N/A
 4. Total current budget for this head: £N/A
 5. Source of funding: DLUHC, OPR capital budget, capital programme resources
-

Personnel

1. Number of staff (*current and additional*): 2
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: There are no procurement decisions in this report.
-

Property

1. Summary of Property Implications: Property will support the purchase of units as required by the grant conditions.
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: N/A
-

Impact on the Local Economy

1. Summary of Local Economy Implications: N/A
-

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: N/A
-

Customer Impact

1. Estimated number of users or customers (*current and projected*): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1. The Department of Levelling up, Housing and Communities (DLUHC) has announced Round three of the Local Authorities Housing Fund. The first two rounds were targeted towards supporting resettlement housing for those arriving in the UK from Ukraine and Afghanistan – this third round is targeted towards helping local authorities meeting the needs of Temporary Accommodation (TA) through the supply of housing.
- 3.2. DLUHC for this round have given local authorities facing the highest TA pressures an indicative allocation. Bromley has received an indicative allocation of £13.912m. To receive this funding Bromley must meet two key criteria over the next two years (by March 2026):
- 3.2.1. Support the delivery of 55 temporary accommodation units (note these do not have to be TA but can be permanent housing if reducing the need for TA).
 - 3.2.2. Acquire four homes, one of which must be at least a 4-bedroom property for the resettlement programme.
 - 3.2.3. There is an expectation that 40% of the homes acquired or built will be new homes, and there is a 10% grant uplift applied to such homes.
- 3.3. Bromley received their indicative allocation on 7 March and were required to submit the bid by 28 March. Officers held a meeting with DLUHC to discuss the bid criteria to inform the schemes listed in para 3.5.
- 3.4. Given the tight timescales, and the significant sum available, in liaison with the Portfolio Holder for Renewal, Recreation and Housing, officers submitted an application focussed on schemes that were already under consideration from Members. This was done because they are the most deliverable in the required timescale, and Members have already had some input into discussions. Although the allocation was for £13.912m, local authorities were encouraged to request additional funding if they could demonstrate need, as well as deliverable schemes.
- 3.5. Given the need for housing in Bromley and the continuing growing pressures on the revenue budget, officers therefore made the request for a total of £27.4m of funding and this request was broken down into six workstreams, and priority areas as follows:

	Indicative Grant Element	Outcome	Amount of Grant	Required Funding from Council
1	TA Element	To allow the council to retain Manorfields, and refurbish the facilities deliver 40 Transitional Accommodation Units	£4.313m	£888k from current OPR capital programme
2	New Builds, which include resettlement x3	Transfer the 37 units due for delivery at Bromley North Housing development for private sale to be retained for affordable homes. 3 of these new homes will be earmarked for the resettlement programme as required by the Grant Condition	£8.54m + 10% on grant rate	In existing capital programme
3	Resettlement x1 larger unit	To support the acquisition of 1 x 4 bedroom units for the resettlement programme.	£0.284m	£354k to support purchase price works, legal and conveyancing costs together with works that may be needed to the property.
	Total against allocation		£13.9m	

The schemes below relate to the additional grant funding applied for above the earmarked allocation.				
4	New Builds Homes	To pay a grant of £231k per unit towards 15 of the homes under consideration for Beckenham car park site. This is a total of 35 homes, and the remaining 20 will be part funded by the GLA Affordable Housing programme.	£3.465m + 10% on grant rate	In existing capital programme
5	Empty Homes/ Acquisition from the market	To support the delivering of purchasing up 20 homes, that are on the Empty Homes list for use as Temporary or permanent accommodation.	£4.620m	£6.78m. Note that this will be subject to a further report and approvals.
6	New Build	To support the delivery of 20 new homes at the Adult Education site at Poverest	£4.64m + 10% on grant rate	Subject to further viability and assessment, as well as a further report and approvals.
7	Revenue	Towards the cost of Project Officer posts to enable delivery.	£0.111m	To be supplemented by individual schemes as per normal practice.
	Total		£27.4m	

- 3.6. It should be noted that 1-3 in the table above, is what would be delivered in the indicative allocation of funding that the Council should receive, lines 4-7 list the sites officers have bid for above Bromley's earmarked allocation.
- 3.7. The grant scheme requires match funding however, as set out in the table, in many cases the Council has already agreed the funding of schemes and this match funding is therefore already in place. In relation to Manorfields the funding is currently held in the OPR budget and the amount required is less than it would cost the Council to repair the building through the OPR, therefore undertaking the scheme through the LAHF scheme is better value for money.
- 3.8. To progress the Manorfields scheme officers will proceed to procurement via an officer gateway report to bring on board a multi-disciplinary team as the anticipated value is under £500k. A detailed procurement strategy will be included in this gateway report.
- 3.9. In relation to the purchase of the four bed resettlement home, the exact property has not yet been identified, however officers are confident a property can be secured within the total budget of £638k, which is part funded by the grant. This purchase is required to be able to access the rest of the grant monies.
- 3.10. Lines 5 and 6 would both require financial contributions from the Council that have not yet been agreed and are subject to further work. If these programmes are considered viable reports will be brought back to members to approve progressing with these and the match funding needed.
- 3.11. The Council has already approved a new housing development in Bromley North. This scheme was added to the capital programme in September 2023 (report No HPR2023/051) and was granted planning permission in October 2023. The enabling works contract commenced in March 2024, and the scheme is due to start on site in June 2024, with an estimated completion date of January 2026. The enabling works had to commence on site in March 2024 to secure the £740k Brown Field Release funding this development secured.
- 3.12. The scheme will deliver 75 new homes, 38 of which are currently set to be affordable homes, and 37 for private sale. By attributing funding from the LAHF this will support more homes to be

retained as social rent rather than private sale. This will be subject to a further details report in July, following a contract award of the main works.

- 3.13. This scheme will also provide the further three resettlement homes required under the grant conditions, as well as a further 37 homes towards the 55 target (exceeding the target by 19 units).
- 3.14. The following paragraphs set out where additional funding would be allocated if the bid for a higher grant is successful:
- 3.15. The regeneration team have advanced proposals for a housing development in Beckenham delivering 35 residential units. £15.2m was added to the Capital Programme for this scheme in September 2023 (Report No HPR2023/051). By securing LAHF grant towards this scheme, more homes will be retained as social housing rather than private sale. This will be subject to a further report in September 2024.
- 3.16. There is demand for larger properties, that are just not currently being built, and there are no significant plans from developers or the Council to bring forward larger homes. This is partly as a result of costs, but also the requirement of new builds to meet minimum space standards, which can be onerous for the larger properties often making developing unviable. Therefore the grant would be used to acquire larger empty homes/ homes from the open market. The acquisition of existing homes is only required to meet decent home standards, and not minimum space standards, although many existing properties would meet the needs of families. This work stream is subject to further work and a further report will be brought back to members.
- 3.17. The Regeneration team have outline proposals for the development of the Adult Education site in Orpington and therefore funding for this scheme has been included in the grant request. This scheme will be subject to a future report.
- 3.18. Members should note that a decision not to continue with at least the first three projects listed in para 3.5 will result in the earmarked funding not being secured from DLUHC and may affect the Council's ability to apply for and receive further LAHF grants.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1. Improving the quality and quantity of housing in Bromley both in permanent homes and through Temporary/Transition Accommodation will support the most vulnerable in the community.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1. The LAHF and programmes identified on this report, contributes to the Corporate Strategy to Make Bromley Even Better. It will meet the following objectives:

5.1.1. For children and young people to grow up, thrive and have the best life outcomes in families who flourish and are happy to call Bromley home.

5.1.2. To manage our resources well, providing value for money, and efficient and effective services for Bromley residents.

6. FINANCIAL IMPLICATIONS

- 6.1 This report recommends that Council approves the acceptance of DLUHC LAHF Round 3 funding estimated at up to £27.4m (made up of an indicative allocation of £13.9m and a request for a further £13.5m) for the schemes set out in para 3.5, noting some schemes will require

further reports; and authorise the Assistant Director of Legal Services to sign and execute all relevant legal documents arising in connection with acceptance of the LAHF.

- 6.2 This report further recommends, based on the Council's request for funding being approved, as detailed in para 3.5, that Council approves the addition of Manorfields to the Capital Programme at a value of £5.2m; and approve officers proceeding to procurement for a multidisciplinary team to design the major repair and refurbishment of Manorfields into Transitional Accommodation. This will comprise LAHF grant funding of £4.313m, and a contribution from the Council's existing OPR capital programme budget of £888k.
- 6.3 This report also recommends Council to approve the appointment of two Senior Project Managers to support the delivery of the schemes set out in this report for a fixed term of two years. These posts will be funded from the Revenue element of the LAHF Round 3 funding grant of £111k, supplemented by capitalised funding allocated to the relevant schemes where appropriate.
- 6.4 This report also recommends that Council approves an increase in the Council's capital programme budget of £638k towards the purchase of a four bed settlement unit. This will be funded through £284k of LAHF grant, with the balance of £354k to be met from capital programme resources.

HRA Financial implications

- 6.5 In July 2020, Council approved the setting up of a Housing Revenue Account (HRA) for the provision of affordable housing. The Council currently has an exemption from the Secretary of State to hold up to 199 properties in the General Fund rather than in the HRA, which has meant that the Council has not yet had to re-open the HRA. The Council cannot budget for a deficit in the HRA for any financial year, and the General Fund cannot subsidise the HRA without a Secretary of State Direction. This means that a decision to approve any schemes, or amendments to any schemes which would result in the Council holding more than 199 housing units (other than for temporary accommodation), would need to consider the detailed implications of such a decision upon the HRA in future reports.

7. PERSONNEL IMPLICATIONS

- 7.1. Two Senior Project managers will be required to support the development of this programme. These posts will be funded from the revenue funding, but also from the capitalisation of the schemes themselves.

8. LEGAL IMPLICATIONS

- 8.1. This report seeks Executive approval to approve the recommendations set out in paragraph 2.
- 8.2. S1(1) of the Localism Act 2011 gives the council a general power of competence.
- 8.3. In respect of the properties to be acquired by the council, under the terms of the LAHF the council has power pursuant to section 120 the Local Government Act 1972 to acquire land for the purposes of its functions.
- 8.4. Furthermore the Council has the implied legal power under section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions and accordingly therefore pursuant to this power there is no impediment to the proposals set out in this report.

- 8.5. Procurement of these works and services may fall within the Public Contracts Regulations 2015 or Procurement Act 2023 (once in force) and will require a further detailed analysis as to the recommended procurement approach.
- 8.6. Each procurement will need to ensure it complies with the Councils Contract Procedure Rules and internal decision-making under the Councils' Constitution. Officers should seek specific procurement and legal advice on any procurement arising from this report.
- 8.7. The Council will need to adhere to and comply with the requirements of the grant funding agreements.

9. PROCUREMENT IMPLICATIONS

- 9.1 There are no immediate procurement recommendations within this report. However, it is noted that procurement exercises will be needed to support the recommendations in due course. These will be subject to separate Proceeding to Procurement reports with approval from Officers or Members, depending on the value. The procurement strategies will comply with the Council's Contract Procedure Rules and the relevant legislation in force.

10. PROPERTY IMPLICATIONS

- 10.1 The Property Team will support the acquisitions by managing the agents appointed to seek and secure the properties including arranging for advice on condition, legal status, suitability for long term use and instructing solicitors to manage the purchase. Appropriate fees for the process will need to be allocated from the capital budget.

Non-Applicable Headings:	Public health, Local economy, Social Impact, Ward Councillor views.
Background Documents: (Access via Contact Officer)	[List any documents used in preparation of this report - Title of document and date]

This page is left intentionally blank

Report No.
HPR2024/004A

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: For Pre-Decision Scrutiny by the Renewal, Recreation and Housing PDS Committee on Wednesday 17 April 2024

Decision Type: Non-Urgent Executive Key

Title: LEISURE CENTRES MAJOR WORKS PROGRAMME - APPROVAL TO PROCEED PART 1 (PUBLIC) REPORT

Contact Officer: Max Graham, Senior Regeneration Programme Manager, 0208 461 7216
Email: max.graham@bromley.gov.uk
Alicia Egan, Head of Regeneration, 020 8313 4559
Email: alicia.egan@bromley.gov.uk,

Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: Orpington; West Wickham;

1. Reason for decision/report and options

1.1 Following Executive's approval of both the 'Procurement Strategy for the Leisure Centre Major Work Programme' (report no: HPR2023/044) in August 2023 and the 'Leisure Centre Major Programme' (report no: HPR2023/054) in October 2023, Executive are now asked to approve the recommendations contained within this report in order to begin construction works at both West Wickham and the Walnuts leisure centres.

2. RECOMMENDATION(S)

The Renewal, Recreation and Housing PDS is asked to note the contents of this report and make any comments available to the Council's Executive.

Members of the Executive are asked to:

General Recommendations

- 2.1 Delegate authority to the Director for Housing, Planning, Property and Regeneration, in consultation with the Renewal, Recreation and Housing Portfolio Holder, to enter into a Full Repair and Insurance Lease, up to a period terminating no later than March 31st 2059, with the tenant operator named in the Part 2 report, after works are completed for both West Wickham and the Walnuts Leisure Centres, as set out in paragraphs 3.2 to 3.6 of the Part 2 report.
- 2.2 Approve the acceptance of £296k grant funding from Sport England to fund solar panels and pool covers at West Wickham Leisure Centre.
- 2.3 Subject to plans remaining within budget at the end of RIBA 4, delegate authority to the Director of Housing, Planning and Regeneration, in consultation with the Director of

Corporate Services, to enter into a Development Agreement with Alliance Leisure Services to deliver the works and services (project management and quantity surveying) contained within this report for both the West Wickham and Walnuts Leisure Centres.

- 2.4 Approve the release of £640,750 from the Section 106 Carbon Offset Fund scheme, as accrued through developer contribution, for air handling units and building energy management systems to support additional carbon reduction and improved energy efficiency of both the Walnuts and West Wickham leisure centres.**
- 2.5 Delegate authority to the Director of Environment & Public Protection, in consultation with the Portfolio Holder for Environment and the Director of Housing, Planning and Regeneration, to approve the allocation of additional Section 106 Carbon Offset Funding, up to 20%, should there be an overspend on the installation of air handling units and building energy management systems.**
- 2.6 Delegate authority to the Director of Environment & Public Protection, in consultation with the Portfolio Holder for Environment and the Director of Housing, Planning and Regeneration, to approve the allocation of additional Section 106 Carbon Offset Funding, up to £150k, for further identified carbon reduction projects during the leisure centre major works programme.**
- 2.7 Approve the acceptance of a £1m contribution from the tenant operator towards the major works.**

Walnuts Leisure Centre

- 2.8 Approve £10.949m from the OPR's budget for leisure centres to fund the proposed works and services at the Walnuts Leisure Centre.**
- 2.9 Approve an additional budget of £232,310 above the OPR allowance, funded from OPR Contingency (see 6.4), required to deliver the major works.**
- 2.10 Approve the plans for the Walnuts Leisure Centre as set out on pages 30-32 of the Part 1 Appendices and laid out in paragraphs 3.38-3.55 of this report.**
- 2.11 To note that any Planning Applications required will be submitted.**

West Wickham Leisure Centre

- 2.12 Approve £402,390 from the OPR's budget for leisure centres to fund the proposed enabling works package at West Wickham Leisure Centre.**
- 2.13 Approve £15.374m from the OPR's budget for leisure centres to fund the proposed works and services at West Wickham Leisure Centre.**
- 2.14 Approve an additional budget of £550,000, above the OPR allowance, funded from OPR Contingency (see 6.4), required to deliver the major works as a result of the major structural issues at this site.**
- 2.15 Approve the plans for West Wickham Leisure Centre as set out on pages 12-13 of the Part 1 Appendices and laid out in paragraphs 3.56-3.67 of this report.**
- 2.16 To note that any Planning Applications required will be submitted.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Positive impact on vulnerable adults and children through the provision of community leisure facilities.
-

Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority:
 - (1) For children and young people to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: £29.82m (£27.1m OPR Capital Budget; £296k Sport England grant; £640k Carbon Offset Funds; £1m Tenant Operator; £782k Council capital receipts)
 2. Ongoing costs: Not Applicable: one-off costs.
 3. Budget head/performance centre: OPR Capital Budget.
 4. Total current budget for this head: £27.1m (OPR capital budget)
 5. Source of funding: £27.1m OPR Capital Budget; £296k Sport England grant; £640k Carbon Offset Funds; £1m Tenant Operator; £782k Council capital receipts;
-

Personnel

1. Number of staff (*current and additional*): 1.5
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: This report seeks to award a development contract with Alliance Leisure via the UK Leisure Framework. This process has been carried out within the guidelines of the framework.
-

Property

1. Summary of Property Implications: The Estates team will ensure that appropriate Licences for Access and proposed Works are entered into with the tenant prior to construction commencement.
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Following completion of works, the energy efficiency of the premises will be improved, resulting in lower energy bills and higher rental yield.
-

Impact on the Local Economy

1. Summary of Local Economy Implications: N/A
-

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: Short term negative impact due to works closures, long term positive impact above with fit for purpose facilities available at the centres.
-

Customer Impact

1. Estimated number of users or customers (*current and projected*): The centres receive about 20,000 visits per month.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Ward Councillors support the major works to the leisure centres.

3. BACKGROUND

- 3.1 The Walnuts (built 1970) and West Wickham (built 1967) Leisure Centres are amongst the boroughs most used facilities, averaging in excess of c.20,000 visits per month. Leisure centres, although not a statutory service, provide important access to community health and fitness and are a key component of the Council's statutory public health remit. Both facilities are at the end of their natural design life and an Indoor Sports Facilities Needs Assessment for Bromley has identified that retaining both of these facilities is required to meet with demand, particularly in relation to swimming pool provision. Given the strategic nature of these sites, the facilities have formed part of the Council's Operational Property Review (Executive Report, November 2022).
- 3.2 As part of the Council's Operational Property Review, led by the Property division, a review of all Council properties has been undertaken. This review included leisure facilities, and both the Walnuts and West Wickham facilities were identified as requiring significant investment. A provisional sum of £27.1m (plus £500k feasibility funding) was identified for these works (Executive Report Nov 2022 and March 2023). This sum was based on high level appraisals of works needed at both sites in 2020/21 and was calculated before the construction sector experienced high levels of inflation, peaking at 10.4% in May 2022. Given the scale of works required, and likely total replacement of some significant parts of the facilities, this has been managed as a major works programme by the Regeneration team. The remit of the project is to secure the facilities for the future and increase the potential of the facilities to secure a rental yield.
- 3.3 In 2018, leisure centre facilities in Bromley were moved to 40-year leases with Mytime Active. The facilities were grouped into two lots: Group 1 facilities on a Full Repair and Insuring Lease (FRIL) with MyTime Active and Group 2 facilities, on a lease of the same length but with the Council retaining maintenance responsibilities. West Wickham and the Walnuts leisure centres are currently in the Group 2 leases. Upon completion of the Major Works programme, both facilities will move to Group 1, where the tenant is responsible for all repairs and insurance, as well as paying a commercial rent to the Council for the properties.
- 3.4 In July 2019, Executive (Report DRR19/038) approved £1.5m to replace the Boilers serving the Orpington District Heating System. Due to factors outside of the Council's control, this was subsequently amended to works to decentralise the district heating networks into localised plant solutions. The revised proposals were approved by the Portfolio Holder in November 2021. This programme of work is still ongoing and comprises the following works: Orpington Library now has its own Air Source Heat Pump installation, and the adjoining Shopping Centre is now disconnected from the system. The adjacent Saxon Centre will be provided with its own dedicated boiler plant as part of its forthcoming OPR programme of works. The Walnuts Leisure Centre will be connected to a containerised packaged boiler plant fed from a new dedicated gas supply. It should be noted that the heating works relating to the Walnuts Leisure Centre are only temporary measures in advance of the main works taking place.
- 3.5 Given the public investment being proposed in these facilities, it is important to ensure that the facilities will be utilised to their full potential and meet demand both now and in the future. The plans put forward in this report are informed by users of the centres and the business modelling supported by independent, Sport England-accredited business consultants, Max Associates. To inform this, a significant engagement exercise was undertaken including online surveys for both users and non-users at both centres; focus groups, discussing topics such as accessibility, economic development, youth needs and the views of stakeholders; individual sessions with clubs as well as surveys sent to schools and sport clubs that utilise the centres. It should be noted that the survey was made available in accessible formats and there were representatives on different days in the high streets and in the centres also gathering feedback to ensure

residents without digital access were included. There were 6135 responses to the surveys (3436 for The Walnuts and 2699 for West Wickham) and 135 attendees at the focus groups.

- 3.6 The October 2023 Executive report (HPR2023/054) approved a budget of £2.017m from the OPR's £27.1m budget for leisure centres for costs relating to the telecoms equipment at West Wickham and to develop the scheme to RIBA stage 3/4, bringing the project to a stage where the Council would have some cost confidence in the works required, and construction could commence. There continues to be ongoing maintenance issues at both sites, most notably at West Wickham Leisure Centre where, due to structural issues identified during RIBA 3, the centre had to close earlier this year.
- 3.7 To reduce the period of time that West Wickham leisure centre is closed to the public, this report has been brought forward earlier than planned, to seek approval for the works required at each site, together with the budget required. Furthermore, providing a development agreement can be entered into, within the identified budget, it is recommended to delegate Authority to the Director of Housing, Planning, Property and Regeneration, in consultation with the Director of Corporate Services, to enter into the Agreement to allow works to progress at West Wickham followed by the Walnuts.

ALLIANCE LEISURE SERVICES APPOINTMENT

- 3.8 As approved by Executive in August 2023 (Report HPR2023/044), the Council will appoint Alliance Leisure Services under a Development Agreement via the UK Leisure Framework. This is a compliant single supplier framework created by Denbighshire County Council. The UK Leisure Framework, although a single operator framework, is a compliant route to procurement and will allow the Council to benefit from the skills, expertise and extensive network that Alliance Leisure have in the leisure industry. Alliance Leisure would be responsible for contracting the principal contractor, subcontractors and the day-to-day management of the build works, minimising the risk to the Council. Alliance Leisure will work with the Council to ensure that all key project requirements are met within budget.
- 3.9 Members should be assured that the framework was procured in a competitive market and best value can be demonstrated through the selection of a team with a relevant track record and by benchmarking the fees against other projects. In addition, the UK Leisure Framework has identified fee parameters which were evaluated by independently appointed cost consultants, advising the framework owner, as part of the submission process. This robust appointment process is why the UK Leisure framework is used by so many local authorities.
- 3.10 If the recommendations in this report are approved, the Council will appoint Alliance Leisure through a 'Call Off' contract (Delivery Management Agreement) to deliver the construction works to the completion of RIBA 7. Alliance Leisure will then enter into a JCT (Joint Contracts Tribunal) 2016 Design and Build Contract with the appointed Principal Contractor.
- 3.11 The Principal Contractor and Alliance Leisure will be held to account throughout delivery of the project. This will be done through continuous review and measurement against agreed cost plans, programme, risk registers and agreed KPIs, to ensure all are on target and any proactive mitigation strategies are put in place if necessary. Monthly Contractor's Reports are presented to aid this process and provide transparency throughout, alongside with monthly site visits (as a minimum) to review works.

COMMENTARY

- 3.12 Following the October 2023 Executive report, Alliance Leisure facilitated a contractor selection process, through a mini competition, to select a Principal Contractor for each leisure centre. Pre-vetted Principal Contractors, via the UK Leisure Framework, were invited to bid for the

proposed works and conduct site visits. The competition involved the submission of multiple quality questions alongside a pricing schedule. These questions examined, amongst other things, their leisure experience, methodology and social value. Bidders were asked to make their best endeavours to hire local subcontractors where possible and engage with the local skills and employment programmes developed by the Council. These points were evaluated as part of the social value question which, alongside other questions, were evaluated by Council officers. The Principal Contractor candidates were subsequently invited to interviews with the Council to answer questions regarding their submission and the winning candidates were appointed. A similar approach has been taken for principle works contractors for the following councils:

- Durham County Council, Bishop Auckland Leisure Centre
- Shropshire Council, Whitchurch Leisure Centre
- Northeast Derbyshire Council, Clay Cross Active
- Wychavon District Council, Droitwich Leisure Centre
- Somerset Council, Chard Leisure Centre

3.13 Given the complexity and risks involved in delivering leisure schemes and the current fluctuating and unpredictable market conditions, the Council has benefitted from the close integration of the Principal Contractor throughout the design development process. It has enabled their input on buildability and specialist subcontractor packages early in the design stages. In addition, this approach has reduced the risk of designs not aligning with the budget as the contractor was able to provide costings advice while the designs were being developed.

3.14 ISG Ltd have been selected to complete the works to West Wickham Leisure Centre due to the complexity and higher risk nature of the site. ISG have extensive experience of efficiently delivering similar leisure schemes of this nature.

3.15 Etec Group have been selected to deliver works to the Walnuts Leisure Centre due to their significant experience of delivering refurbishment projects in live operational environments similar in scope and size to the Walnuts. Etec are able to deliver this site more cost effectively than a larger contractor, providing value for money for the Council.

3.16 Members should note that both contractors have committed to utilising Bromley's building control service, ensuring the project benefits from Officer's expertise, but also that these service from the income fee.

3.17 The Council submitted a bid for the Swimming Pool Support Fund Phase 2 funding from Sport England. The grant provides capital funding to improve energy efficiency of public facilities with pools in the medium to long term. Bromley was awarded £296,225 to install Solar Panels and Pool Covers at West Wickham. Appropriate measures are now being put in place to ensure Bromley can utilise this funding and improve the energy efficiency of West Wickham leisure centre.

3.17.1 Whilst neither of these items are part of the core works as part of the Leisure Centres Major Works Programme, therefore, this funding cannot replace or reduce any of the Council's capital investment towards the programme of works, the centre will benefit from these efficiency measures, and it is likely to increase the rental yield as the operator will benefit from such measures through lower energy consumption.

3.18 In February 2024, the results of concrete surveys in the basement of West Wickham Leisure Centre revealed immediate concerns for public safety. Significant amounts of corrosion have been found on the suspended ground floor slabs which form the ceiling in the Plant Room and

the floor on the first floor. The surveyors believe that the corrosion is severe enough that temporary structural propping should be immediately installed to the main pool surround undercroft, the engineer storeroom and the general plant storeroom within the basement areas. The Council took the decision to close the centre immediately and officers were instructed to expedite the remaining survey work at West Wickham in order to bring forward the planned works. Unfortunately, the cost of the remedial works to the concrete throughout the centre (£1m) has consumed a large part of the budget, necessitating a significant scope reduction overall.

S106 CARBON OFFSET FUNDING

- 3.19 The primary purpose of the Carbon Offset Fund (COF), stipulated in its terms and conditions, is to reduce carbon emissions, including reducing energy demand, and promoting cleaner and greener local sources of energy. It was set up using developer contributions via s106 payments for schemes that needed to 'offset' their carbon footprint by funding projects elsewhere in the local authority area.
- 3.20 Local Plan Policy 124 and London Plan Policy SI 2 requires major development to be net zero in their carbon emissions. Where the carbon reduction target cannot be met on site for these proposed developments, or once on-site carbon reductions have been maximised, the shortfall to zero carbon is offset by making a cash-in lieu contribution into the relevant Local Planning Authorities' carbon offset fund. All Boroughs are required to establish and administer a carbon offset fund (COF).¹
- 3.21 Amendments to the CIL Regulations in September 2019 has lifted the restriction on pooling more than five Section 106 contributions towards a single item of infrastructure.
- 3.22 The carbon payments must be ring-fenced to implement projects that deliver carbon reductions. The operation of the COF is monitored and reported annually to the Greater London Authority.
- 3.23 Certain elements of the plans to the Walnuts and West Wickham leisure centres are eligible for this funding. Due to the funding gap identified following high inflation since the beginning of the Pandemic, key upgrades to the buildings, such as replacement of the Air Handling Units (AHU), have been reduced in scope or valued engineered out of the base proposals to prioritise other items.
- 3.24 A recommendation has therefore been made for a total of £640,750 to be used from the COF pot for both leisure centres. This includes:
- 3.24.1 Replacing the aged and in poor condition AHUs that have surpassed their design life, (costs include the addition of a variable speed drive (VSD), to improve the energy efficiency further).
 - 3.24.2 Replace the out of date and obsolete building energy management (BEM) systems for added carbon reduction and energy efficiency.
- 3.25 AHUs are essential for effective climate control in leisure buildings, particularly in centres with swimming pools where controlling the sheer volume of moisture in these atmospheres is essential to protect the fabric of the building from water damage, ensuring services run efficiently, customer satisfaction is upheld, and utility costs are managed. The proposed systems also work best when combined with BEMs which ensures automatic control.

¹ [London Borough Bromley - Planning Obligations Supplementary Planning Document, June 2022](#)

- 3.26 A comprehensive replacement of both centres' AHU systems and associated VSD, facilitated through the carbon offset grant, would offer energy savings in the region of 25-35% for this machinery and ensure the lifespan of the buildings are extended.
- 3.27 Likewise, comprehensive and well-controlled modern BEM systems can save up to 20% of energy costs.
- 3.28 Implementing these measures at the same time as the extensive refurbishment works are being undertaken would save additional cost and time and avoid further disruption to services at a later stage.
- 3.29 The cost and carbon savings are set out in the table below, with the proposal applications for the AHUs and BEMs set out in appendix C:

Leisure Centre Project:	Estimated Project Cost (£)	Estimated annual savings (£)	Estimated annual savings on current total utility charges (%)	Estimated annual carbon saving (tCO2e)	Total carbon savings, lifetime – 30years (Tonnes CO2)	Cost per tonne of Carbon saved per year (£/tCO2)	
						West Wickham	Walnuts
AHU & VSD	329,000	55,655	8.9	116.6	3,498	£93.72	£94.82
BEM system	311,750	95,219	15	168.1	5,043	£70.62	£56.73

3.30 Leisure Centres are amongst the highest energy users and carbon emitters of any public facility. The benefits of the measures proposed are clearly identified by:

- Reduced carbon emissions.
- Reduced energy bills and long-term costs.
- Reduced maintenance responsibilities.
- Increased rental yield.
- Improved public leisure facility.

3.31 The carbon offset fund currently stands at £981k and therefore, there are sufficient funds to approve this request. As further developments are progressed, additional funding will become available to support other carbon reduction projects across the borough.

3.32 It should be noted that if the request for s106 Carbon Offset Funding (COF) is not approved, the capital investment needed from the Council's capital receipts will increase by £640k.

3.33 The contributions from the COF, which are proposed to be used for these projects, are detailed in Appendix C.

BASE PROPOSALS

3.34 The primary objectives of the Leisure Centre Major Works programme are to repair and replace end of life materials at the centres for the benefit of residents, to transfer the facilities on full repair and insurance leases and for the tenant operator to pay a commercial rent to the Council. This will reduce the financial burden of the centres' maintenance whilst also generating an income that would support the upfront capital investment.

- 3.35 Officers have worked stringently with Alliance Leisure and the appointed principal contractors to get to a Works Contract Price as close to the indicative budget as possible. Originally officers advised that there could be an increase of several million, however, the team have managed to keep the additional cost down to just under £800k, despite the increased concrete structural works at West Wickham, as well as the inflation experienced by the economy since the original budget was proposed in 2022.
- 3.36 The proposed costs for the delivery of base works at Walnuts is estimated to be circa £11.2m. The proposed costs for the delivery of the base works at the West Wickham Leisure Centre is estimated to be circa £16.3m. Assuming the Executive approve the allocation of £640k from Section 106 Carbon Offset Funds, this will be an increase in the required capital contribution from the Council of £782k.
- 3.37 Detailed below is what will be included in the Works programme for each site, members should note that all current facilities will be re-provided post works. Officers have worked to ensure there is a balance in repairing the building and ensuring there is sufficient works undertaken that offer a leisure service fit for the future to provide a sustainable facility that generates a rental income. These are therefore considered the minimum requirements. There are items that Officers are excluding at this stage from the recommendations but, as previously requested, these additionalities could be costed and worked through and presented to Members in the future for consideration. These costs are not currently available for consideration.

WALNUTS LEISURE CENTRE

- 3.38 For the purposes of comparison, Members can find a summary of the October 2023 RIBA 2 proposals for the Walnuts Leisure Centre on page 24 of Appendix B.
- 3.39 The RIBA 2 indicative plans for both leisure centres were approved in October 2023. Subsequently, in an effort to adhere to the budget parameters of the OPR, whilst also delivering on the feedback of Members, officers have collaborated with Alliance Leisure to devise innovative, value-engineered solutions to bring the project as close to the indicative budget as possible and align with intentions outlined in the October 2023 Executive report. Changes to the indicative plans contained within the October 2023 report are summarised below.
- 3.40 The existing large male and female wet changing rooms are being removed and replaced with a smaller unisex changing village, with private cubicles, as illustrated on page 30 of Appendix B. A changing village is a more efficient use of space than the current arrangement and so the disused space could also be utilised for the re-provision of dry-side changing rooms on the ground floor. This space has been planned out and reserved for dry-side changing rooms, as indicated on page 30 of Appendix B, but the budget does not allow for these facilities to be fitted out and included in the current scheme.
- 3.41 The space behind reception would remain mothballed but could be converted into another studio space and party room, as detailed on p30 of Appendix B, if additional grant applications are successful in future.
- 3.42 The Changing Places (fully adaptive toilet and changing facility) has been moved to the changing village to accommodate a relocated first aid room (with access to both wet and dry facilities) and extra toilet provision in the café/reception area.
- 3.43 The reception and servery have been combined and the kitchen space has been divided, providing a ground floor office, offering operational efficiencies, easier access to staff for customers and a larger, open-plan café space, improving the attraction of the centre and increasing secondary spend.

- 3.44 It has been necessary to omit works to replace the soft play at this time, as the costs are prohibitive.
- 3.45 A consultation room has been provided in the enlarged gym space facilitating fitness assessments, personal treatments, and nutritional counselling, amongst other things. It offers a confidential space for personalised guidance and support, enhancing the overall fitness experience for individuals.
- 3.46 The studio and circulation on the first floor and the entire second floor, which consists of another studio and circulation space will be omitted from the works and left in its current condition. This omission saves circa £185k.
- 3.47 The current learner pool hall, which accommodates a 12.5m x 7.3m learner pool (91.25m²) and a small spectator seating area, will be mothballed as illustrated on page 30 of Appendix B. The saved space will be reserved for potential future improvements or additions. In the main pool hall, the 33.33m x 15m pool (500m²) will be repaired, lined with a modular Myrtha renovation system and partitioned with a new permanent boom. This will create a new 25m x 15m, 6 lane competition-standard pool (375m²) and a new 15m x 6.3m learner pool (94.5m²). While these changes represent a reduction in overall water space by 20%, there are no negative impacts to the functionality of the space.
- 3.48 The Myrtha renovation pool system creates a made-to-measure new steel pool tank that will fit into the existing pool structure, providing a high-quality new pool at a significantly reduced cost. The Myrtha system is used in many pools across the country.
- 3.49 The new pool layout offers multiple advantages. Not only does this change reduce the cost of the overall works by £750k, but the reduction in overall water space and the new proximity of the pools will also lower the operator's utility costs. This is a significant consideration given that pools are generally not profit-making facilities and is an important consideration when the rent is calculated after the works have completed. Furthermore, relocating the learner pool to the main pool hall will facilitate a continuous flow of spectators between the cafe and the seating area, thereby increasing secondary spend within the centre. Finally, the new 25m pool can be utilised for competition training and water polo. Given the upgrade of the spectator seating as part of the works, the centre will also be able to host competitive events in these activities. The tenant operator has advised that the centre's capacity for swimming lessons would not be diminished by these changes and has advised their preference for the new layout compared to the current arrangement.
- 3.50 The swimming club, Orpington Ojays, has also expressed their support and will be fundraising in order to provide new diving blocks, touch sensitive racing pads and a numerical score board for competition swimming, allowing the club to host swimming galas and providing an extra source of revenue for both the club and the tenant operator.
- 3.51 The £500k of funding from the tenant operator for the Walnuts Leisure Centre will pay for the Innerva equipment, a permanent boom across the main pool, replacement sauna and stream facilities and a splash wall. These are all therefore included in the works.
- 3.52 A summary of the M&E works to the Walnuts can be found on page 23 in Appendix B
- 3.53 A summary of the capital investment required for the Walnuts Leisure Centre is set out below. Members should note that officers and the Council's delivery partner have a high level of confidence in these figures, but they are not finalised and could change, particularly if the wider economic climate changes. Although it should be noted that any increase in overall budget would be required to be brought to Members for further consideration before the final Development Agreement can be entered into.

Element	Costs at RIBA 3
Construction contract value	£9,538,000
LBB Contingency	£476,900
Performance Bond	£76,304
Drowning Detection	£45,000
Power-assisted equipment - Innerva	£102,377
Café fit out	£80,000
Principal Designer fee	£12,300
Principal Designer fee - New BSA Regs	£16,000
Project Management & Quantity Surveyor	£89,359
ALS Development Management & Delivery	£90,145
Clerk of Works	£30,000
Sauna / Steam	£60,000
Boom	£300,000
Splash Play	£65,000
UK Leisure Framework - Access fee	£24,324
Bromley Internal Costs	£175,000
Total (exc vat)	£11,180,710

3.54 The works costed as part of the base proposals for the Walnuts Leisure Centre, contained within this report, seek to provide repair and replace, and modernise the centre where appropriate, in order to secure a commercial rent for the Council.

3.55 Whilst it is recognised that some residents may be disappointed with the omission of some elements of the leisure centre, the results from the Walnuts leisure centre public engagement exercise support the plans put forward in this report. The most popular facilities to residents, such as the gym (72%), the swimming pool (93%) and a cafe (93%), will receive significant investment as part of these proposals. A full breakdown of the engagement results can be found in the Part 1 appendices to the October report. Officers are of the view that the proposals achieve a balance in what has been identified as important for the public, the operator and best value for Council resources.

WEST WICKHAM LEISURE CENTRE

3.56 For the purposes of comparison, Members can find a summary of the October 2023 RIBA 2 proposals for West Wickham Leisure Centre on page 6 of Appendix A.

3.57 Similarly to the Walnuts Leisure Centre, the plans for West Wickham Leisure Centre have changed slightly from those proposed in October 2023. This is due to value engineering efforts and solutions to structural columns that cannot be relocated. These changes are outlined below.

3.58 The Changing Places has been relocated to the Changing rooms due to a structural column that cannot be relocated. The Café area has subsequently expanded into the area previously designated for the Changing Places.

3.59 The kitchen space has been reorganised to accommodate an office behind reception. The reception/servery desk has also been expanded due to the enlarged café space. The office

space behind the newly provided lift has subsequently been changed to extra toilet provision to serve the café/soft play zones.

- 3.60 Two consultation rooms have been provided in the enlarged gym space facilitating fitness assessments, personal treatments, and nutritional counselling, amongst other things. It offers a confidential space for personalised guidance and support, enhancing the overall fitness experience for individuals.
- 3.61 In order to save Council resources and reduce the financial burden of this project, it is proposed to effectively build a new pool inside the existing learner pool tank. Proceeding with this method, rather than demolishing the existing pool tanks and rebuilding them, saves circa £250k. Unfortunately, however, there is a slight reduction in water space as a result. The learner pool, which is currently 15m x 7m (105m²), would become 13.8m x 5.8m (80m²), representing a 24% reduction in water space. The water space to the main pool will not be affected and will remain 33.5m x 12.8m. The main pool depth would, however, decrease from 3.8m to 3.4m to accommodate new pool filtration equipment. Members should note that 3.4m is the minimum depth required for springboard diving so the centre would retain capacity for this activity.
- 3.62 Due to its current structural condition, the existing concrete walls that form the tank of the main pool will be taken down to basement level. Above the basement level, a new main pool tank will be formed of a modular panelised lining system produced by Myrtha. Below the basement level, the existing concrete walls will be repaired and retained and lined with a modular Myrtha renovation system.
- 3.63 Due to its structural condition and the original type of construction, the existing concrete walls forming the tank of the learner pool cannot be cost effectively repaired to enable them to be reused. Consequently, the existing pool tank concrete walls will be retained with a modular panelised lining system, produced by Myrtha, set within them. This will result in the change of pool dimensions as outlined in 3.61 above.
- 3.64 The £500k contribution from tenant operator to the works at West Wickham will fund the Innerva equipment, future/immersive studios and a splash wall in the learner pool hall, these are therefore included within the base proposals.
- 3.65 A summary of the M&E works to West Wickham can be found on page 5 in Appendix A.
- 3.66 A summary of the capital investment required for West Wickham Leisure Centre is set out below. As is the case with the Walnuts, Members should note that officers and the Council's delivery partner have a high level of confidence in these figures, but they are not finalised and are liable to change before the main works contracts are signed.

Element	Costs at RIBA 3
Construction contract value	£13,679,610
Enabling works	£402,390
LBB Contingency	£704,100
ISG Contingency for concrete works and surveys	£500,000
Drowning Detection	£45,000
Power-assisted equipment - Innerva	£102,377
Immersive and future studios fit out	£130,000
Soft Play fit out - Play Revolution	£65,000

Café fit out - OBL	£85,000
Principal Designer	£16,200
Principal Designer - New BSA Regs	£16,000
Project Management & Quantity Surveyor	£107,239
ALS Development Management & Delivery	£135,416
Clerk of Works	£30,000
Splash Play	£100,000
UK Leisure Framework - Access fee	£32,237
Bromley Internal Costs	£175,000
Total (exc vat)	£16,325,569

3.67 Similar to the Walnuts, the results from the West Wickham leisure centre public engagement exercise support the plans put forward in this report. The most popular facilities to residents, such as the gym (77%) and the swimming pool (97%) will receive significant investment as part of these proposals. In addition, revised facilities, such as soft play (85%) and a cafe (93%) received significant support from residents. A full breakdown of the engagement results can be found in the Part 1 appendices to the October report.

OPTIONAL EXTRAS FOR CONSIDERATION

3.68 The proposals outlined above are the recommended base proposals for works. Officers believe that these proposals will repair the fabric of the building, including the mechanical, electrical and plumbing (MEP) works to required standard as well as deliver centres that can achieve a rental yield. This assumption will require an increase to the current indicate leisure centre capital programme, of £782k.

Officers are currently costing additionalities that could be considered if there are further funding opportunities in the future, particularly through grant income secured. These can be bought forward at a later date for consideration. At this point in time are they cannot be recommended by officers as they are not fully costed and due to the wider financial pressures faced by the Council.

RISKS

3.69 The Strategic Risk Registers detail 53 potential risk items at the Walnuts and 56 potential risks at West Wickham, rated between 'very low' and 'high'. There are currently no 'almost certain' risks. These are broken down in the table below:

	Walnuts	West Wickham
Very Low	1	3
Low	39	36
Medium	13	15
High	0	2

- 3.70 Surveys undertaken during RIBA Stage 3 have identified physical risks (relating to the building structure and services) that have been factored into the Stage 3 design and will be considered during Stage 4 design development to reduce the forecast risk impact.
- 3.71 The highest rated risks (13 medium at the Walnuts and 15 medium, 2 high at West Wickham) generally relate to the completed scheme not complying with defined project parameters approved at the end of Stage 3 (e.g. brief, budget and programme) and impact of construction activities on centre operations and health and safety. The two high rated risks at West Wickham are outlined below:
- 3.71.1 Further concrete investigation findings increase project costs and programme. Mitigating action: an enabling works package for West Wickham is being proposed in order to explicitly define the scope of concrete works before entering the main works contract.
 - 3.71.2 Survey findings during RIBA 4 extend preconstruction works and delay the programme. Mitigating action: continually review programme, anticipate delays and schedule surveys early in order to avoid overruns.
- 3.72 The risk registers detail the required actions during Stage 4 (design completion) and Stage 5 (construction) to mitigate the impact of each risk item. This risk register will be reviewed during Stages 4 and 5 on a monthly basis to identify any changes to the risk profile and agree actions required to manage, mitigate and close out each risk item.

ENABLING WORKS

- 3.73 To mitigate the potential cost and programme impact of these risks, it is recommended to commence a phase of enabling works at West Wickham that will comprise of asbestos surveys and removal, intrusive testing of concrete structural components and testing for deleterious materials. The findings of this work will inform the main construction works contract sum. A summary of the actions proposed as part of the enabling works is outlined below:
- 3.73.1 Surveys to establish the location of asbestos containing materials (ACMs).
 - 3.73.2 Works to remove ACMs.
 - 3.73.3 Erection of hoarding around the building.
 - 3.73.4 Intrusive investigations of structural concrete components.
 - 3.73.5 Surveying fire compartmentation.
 - 3.73.6 Detailed investigation of mechanical and electrical building services and interface with existing structure.
 - 3.73.7 Isolating mechanical and electrical building services.
 - 3.73.8 Testing for lead paint / deleterious / contaminated materials.
 - 3.73.9 Modelling to assess the thermal performance of existing and proposed fabric.
 - 3.73.10 Assessment of existing trees (to inform the planning application).
 - 3.73.11 Preliminary ecological assessment (to inform the planning application).
 - 3.73.12 Point cloud survey to develop a 3D model of the building.
 - 3.73.13 Ground condition / contamination survey.
- 3.74 The costs of these works amounts to £402k and would be financed from the Council's budget for West Wickham. Should the Council opt against an enabling package, these costs would still be incurred by the Council during the main works, however, the benefits, as outlined below, would not be realised.

- 3.75 Undertaking the enabling works during the pre-construction, rather than after the start of the main works, means that the risk implications can be assessed and quantified before the construction contract is executed, significantly reducing the construction contract risk profile and potentially lowering costs.
- 3.76 Other benefits of an enabling works package include addressing any statutory (e.g. building regulations and planning) implications, further information to inform the contractual construction programme, helping the Council to avoid prolongation fees, and designing out any significant issues before the main works commences.
- 3.77 Deferring the enabling works activities, as outlined above, to the main works contract would result in a higher risk profile and the construction contract would include a significant risk cost and extra time allowance (programme) built in as a consequence.

BUDGET

- 3.78 The OPR budget for leisure centres is £27.1m. This report anticipates the Council's contribution increasing to £27.88m. This, in addition to a £1m contribution from the tenant operator and the £640k s106 COF request, as well as Sport England grant funding as outlined in this report. This result in a total budget for the base proposals of £29.82m. Therefore, should members approve the base proposals for each site and the s106 COF request, as outlined in this report, the budget breakdown is as follows:

PROJECT BUDGET	£
Council Contribution	£27.882m
Tenant Operator Contribution	£1m
S106 Carbon Offset Funding	£640k
Sport England Grant Funding	£296k
Total Project Budget	£29.82m

- 3.79 The project costs, as outlined in this report, are summarised below:

RIBA 3 PROJECT COSTS	£
Walnuts	£11,180,710
West Wickham	£16,325,569
RIBA 3&4	£1,866,032
Solar Panels & Pool Covers	£296,225
Telecoms Costs	£150,000
Total Project Cost	£29,818,536

PROGRAMME OF WORKS

- 3.80 In October 2023, Members approved the programme of delivery whereby works to both centres are overlapped while ensuring that one pool remains open throughout. However, as a result of the recent structural problems identified at West Wickham, resulting in the immediate closure of the centre, this programme of delivery is no longer considered the optimum solution.
- 3.81 Officers have liaised with the Council's delivery partner and an enabling works package can start work immediately. This enabling package, outlined in paragraphs 3.73-3.77, would complete in Autumn 2024 allowing the main works to West Wickham to then proceed.

Additional time would need to be added to West Wickham's programme because of the structural works now required, resulting in completion in late 2025.

3.82 Officers had previously raised the risk of a closure of West Wickham, due to its condition, and this has been realised. This remains a live consideration for the Walnuts, albeit to a lesser possibility than West Wickham Leisure Centre. Therefore, officers' recommendation is to progress works at both centres as soon as possible. This will result in both pools being closed for circa 24 weeks. However, without doing this, there is the risk that the Walnuts may have to close anyway. Therefore, the recommended estimated programme is set out below:

3.83 West Wickham

3.83.1 Enabling Works: Spring 2024 – Late 2024

3.83.2 Commencement of main works: Late 2024 – Late 2025

3.83.3 Works complete and site reopens: Late 2025/Early 2026

3.84 Walnuts Leisure Centre

3.84.1 Dry side works (Pool remains open): Early 2025 – Summer 2025

3.84.2 Dry side works completed, and facilities reopen: Summer 2025

3.84.3 Pool works: Summer 2025 – Spring 2026

3.84.4 Works complete and site fully reopens: March 2026

NEXT STEPS

3.85 Should the recommendations, contained within this report, be approved, officers will liaise with Alliance Leisure to start the enabling works package at West Wickham and erect hoarding as soon as possible.

3.86 RIBA 4 surveys and designs will continue at the Walnuts Leisure Centre in preparation for the start of works. Officers will seek to enter into appropriate contracts with their delivery partner early, regarding the Walnuts, so that orders can be placed for expensive machinery and components, limiting the effect of inflation and reducing lead times in preparation for the start of works.

3.87 Officers will work with their consultants and delivery partner to resubmit another application to the Public Sector Decarbonisation Scheme as appropriate in Autumn 2024 in an effort to secure additional capital funding to decarbonise the leisure centres. While these efforts may be too late for West Wickham Leisure Centre, a positive result may still be secured in advance of the Walnuts Leisure Centre starting works. It is expected that the Property teams' works to the district heating system will be complete soon allowing for an accurate submission to be made.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 Both centres will feature spaces for Innerva suites (to be fitted by the tenant) designed to assist individuals with reduced physical capabilities due to old age or physical injuries and are organised in a way to ease loneliness and encourage social interaction. The leisure centre works will also improve accessibility, especially at West Wickham, where no lift to the first floor is present.

4.2 Changing Places toilets, which cater for those with complex and multiple disabilities, will also be provided as part of the core works to the centres. With limited Changing Places facilities in the borough, residents, their families, assistants and carers are excluded from local spaces due to lack of provision. This includes both West Wickham and the Walnuts leisure centres. The inclusion of these services will create more inviting locations for those in need of the facilities and create easier access to leisure activities.

5. TRANSFORMATION/POLICY IMPLICATIONS

5.1 This project contributes to the Council's Transformation Programme and its vision that 'the London Borough of Bromley is a fantastic place to live and work, where everyone can lead healthy, safe and independent lives in supportive communities.'

5.2 The Council's Regeneration Strategy also sets out an action for the development of 'new leisure centres that respond to current and future need in West Wickham and Orpington and create commercial opportunities that complement and support the community facilities, to ensure sustainable futures.

5.3 The Bromley Local Plan states its vision that "Bromley is known for the high quality of its living, working and historic and natural environments. The Council, local people, organisations and businesses work together to ensure that we all enjoy a good quality of life, living healthy, full, independent and rewarding lives".

6. FINANCIAL IMPLICATIONS

6.1 This report follows the leisure works programme paper that went to exec in October 2023 ref HPR2023/054B.

6.2 The October paper outlined a possible budget gap in the leisure centre OPR of over £2m, this position has now been refined and reduced to a gap of £783k as outlined in section 3.78 above.

6.3 The £783k budget request is on top of an additional £1m contribution from the tenant operator towards the refurb works, additional £640k s106 COF request, as well as Sport England grant funding of £296k as outlined in this report. This will increase the council contribution to this project from £27.1m to £27.882m, with an overall increase to the OPR budget to £29.82m as outlined in the table in section 3.78.

6.4 The £783k of growth requested will come from the £4m OPR Contingency budget, this was created to cover situations where costs have significantly surpassed original budget estimates due to economic factors, which this meets.

6.5 The paper requests for approval subject to plans remaining within budget at the end of RIBA 4, to delegate authority to the Director of Housing, Planning and Regeneration, in consultation with the Director of Corporate Services, to enter into a Development Agreement with Alliance Leisure Services to deliver the works contained within this report for both the West Wickham and Walnuts Leisure Centres.

6.6 VAT advice in relation to the tenant operator contribution will be taken to ensure there is no adverse financial impact.

7. LEGAL IMPLICATIONS

7.1 Legal Contracts

- 7.1.1 This report seeks executive approval to approve the recommendations set out at 2.1 – 2.16.
- 7.1.2 The Council has the legal power to hold, maintain and develop its landholdings and buildings in connection with its functions and general powers in the way described in this report in particular in connection with its leisure and recreation powers under section 19 Local Government Act (Miscellaneous Provisions) Act 1976.
- 7.1.3 Procurement of these works and services may fall within the Public Contracts Regulations 2015 or Procurement Act 2023 (once in force) depending on their value and will require a further detailed analysis as to the recommended procurement approach. Each procurement will need to ensure it complies with the Councils Contract Procedure Rules and internal decision-making under the Councils' Constitution. Officers should seek specific procurement and legal advice on any procurement arising from this report.
- 7.1.4 The Council will need to adhere to and comply with the requirements of the Sport England funding agreement.

7.2 Legal Property

- 7.2.1 In relation to the proposed grant of a lease referred to at 2.1. The Council has power under s.123 of the Local Government Act 1972 to dispose of this land by way of a grant of a lease for the best consideration that can reasonably be obtained (usually based on open market value).
- 7.2.2 S.123 of the Local Government Act 1972 confers powers to the Secretary of State to give general consent for the purposes of land disposals by local authorities carried out under their powers in Part 7 of the 1972 Act.
- 7.2.3 The Local Government Act 1972: General Disposal Consent 2003 removes the requirement to seek specific consent from the Secretary for any disposal of land where the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the well-being criteria in the Local Government Act 2000:
- the promotion of improvement of economic well-being;
 - the promotion of improvement of social well-being;
 - the promotion of improvement of environmental well-being; and the "under- value" (i.e. the difference between the unrestricted value of the interest to be disposed of and the consideration accepted) is £2,000,000 or less.
- 7.2.4 Applications for specific consent, if appropriate, should be sent to the Department for Levelling Up, Housing and Communities ("DLUHC") and include the following information:
- Written description of the land and buildings, the location

- Written description of how the land is currently held by the Council
- Details of any leases, encumbrances such as easements
- Summary of the proposed disposal/transaction
- Detailed valuation report signed by a qualified member of RICS. Ideally valuation should be done no earlier than 6 months before application for consent.

7.2.5 This only applies to land held as general fund land. It does not apply to land sold under 2.233 TCPA 1990.

8. PROCUREMENT IMPLICATIONS

- 8.1 This report seeks to award a development contract with Alliance Leisure via the UK Leisure Framework. This process has been carried out within the guidelines of the framework.
- 8.2 As this award relates to the appointment of a development partner via a single-supplier framework, the competition requirements under the Contract Procedure Rules 8.2.1 and 14.10 are not applicable.
- 8.3 As the contract value is over £30k including VAT, an award notice will need to be published on Contracts Finder. As the contract value is over the thresholds set out in the PCR 2015, a Find A Tender award notice must be published. A voluntary standstill period will need to be observed.
- 8.4 The Council's specific requirements for authorising an award of contract are covered in CPR 16 with the need to obtain the Approval of the Executive, with agreement from the Chief Officer, Assistant Director Governance & Contracts, Director of Corporate Services and Director of Finance. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 8.5 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

9. PROPERTY SERVICES COMMENTS

- 9.1 The Estates team will ensure that appropriate Licences for Access and proposed Works are entered into with the tenant prior to construction commencement. A report from an external valuer will be required certifying that the transaction meets the requirements of s123 of the Local Government Act at the appropriate time.

10. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 10.1 The Leisure Centre Major Works programme will have significant advantages in terms of carbon reduction and social value. The core requirements include the reduction of carbon emissions at both sites as inefficiencies are addressed and upgraded. For example, modern mechanical and electrical systems, double glazing, insulation and LED lighting will be utilised. Social value and the use of local subcontractors was also included as a quality question in the mini-competition for the main works contractor.
- 10.2 With leisure centres having some of the highest energy requirements of any public facility, the use of the carbon offset fund will likewise ensure additional carbon reduction and energy saving measures are realised. The replacement of the AHU with the variable speed drive and the building energy management systems, demonstrate value for money by costing less than £100

per tonne of carbon saved on a yearly basis. In addition to the carbon savings, the energy savings will ensure reduced yearly energy bills which will also support an increase in the potential rental yield.

11. IMPACT ON HEALTH AND WELLBEING

- 11.1 The current operator provides the following health programmes on behalf of the Council: FreshStart, an exercise referral programmer offering supervised physical activity for those recovering from illness or those living with a long term medical condition; HeartSmart, a service designed to improve the health and wellbeing of those diagnosed with heart conditions and Escape Pain, a pain management group-based programme designed to help manage osteoarthritis of the hip and/or knee.
- 11.2 While closure of the centres may result in temporary loss of facilities for the duration of the works, the lasting impact of this major works programme will be significantly advantageous on local health and wellbeing and provide long term facilities. For example, Innerva suites are included in the core requirement of the centres, offering power-assisted exercise equipment which provides a low impact, full-body workout circuit for older adults and those living with long term conditions or physical injury. The machines would be outward facing facilitating social interaction between users, working to ease loneliness in the older generation. The suite promotes active ageing, helping to combat loss of muscle tissue and enhance balance and flexibility into older age.
- 11.3 Business modelling of the proposed works also anticipates increased utilisation of the centres due to the expanded, upgraded and modern features, helping to increase active participation in the borough. It is therefore expected that these works will have a significant impact on health and wellbeing and officers will work with the operator and public health to assess this overtime.

12. CUSTOMER IMPACT

- 12.1 While the leisure centres will temporarily be closed to customers during the construction periods, the benefits of the enhanced facilities will far outweigh this inconvenience. The upgraded amenities will provide an elevated range of activities available at both sites, including renovations to existing areas such as the changing rooms and reception areas, as well as the addition of new features such as Innerva suites and a soft play area at West Wickham. Furthermore, there will be a variety of ‘behind-the-scenes’ upgrades to the plant and MEP systems that will improve the overall customer experience at both sites.

13. WARD COUNCILLOR VIEWS

- 13.1 Councillors are supportive and aware of the reasons for the programme change contained within this report.

Non-Applicable Headings:	Personnel Implications, Local Economy Comments
Background Documents: (Access via Contact Officer)	‘Procurement Strategy for the Leisure Centre Major Work Programme’ (report no: HPR2023/044). ‘Leisure Centre Major Programme’ (report no: HPR2023/054)

This page is left intentionally blank



Leisure Centre Major Works Appendices

April 2024

Contents



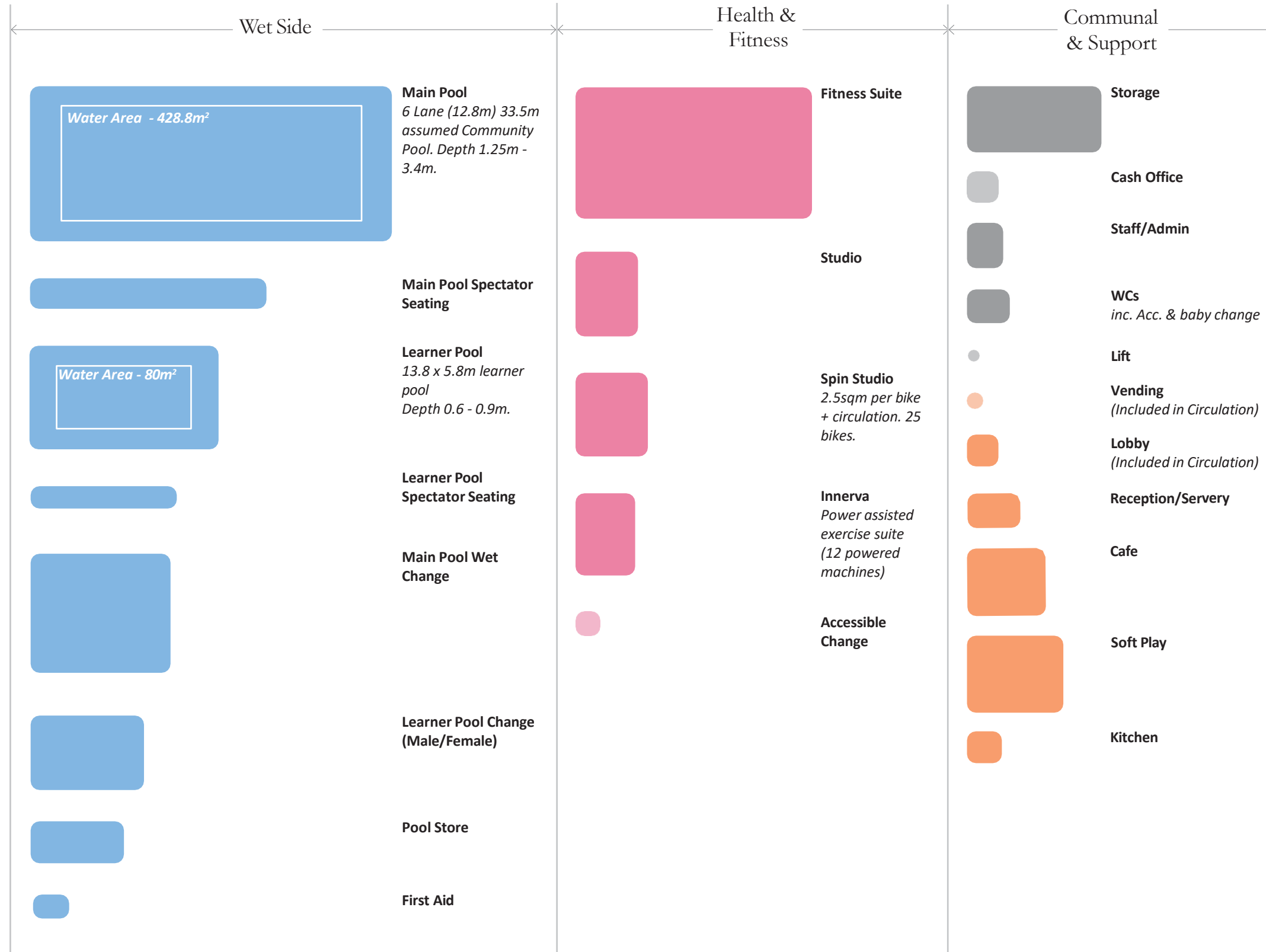
1	Appendix A	West Wickham.....	3
2	Appendix B	Walnuts.....	21
3	Appendix C	S106 Carbon Offset Funding.....	36



Appendix A: West Wickham Leisure Centre RIBA 3 Plans

Proposed Works - Brief

West Wickham Leisure Centre



Summary of M&E Upgrades

West Wickham Leisure Centre

The primary objective of the MEP upgrade strategy for West Wickham Leisure centre has been to develop a building services design that provides both energy efficiency and sustainable solutions to safeguard the future of the facility.

The mechanical services scope within the proposed working areas comprises:

- Completely new above ground drainage system
- New hot water services pipework and hot water storage
- Replacement of hot water plant (eg. storage cylinders etc)
- Central cold water storage tank serving all outlets
- New showers in dry and wet changing rooms
- Replacement heating system served by air source heat pump located externally at ground floor level
- Cooling provided by a DX/VRF system with wall, ceiling or void mounted units and localised controls
- New full mechanical ventilation system provided by centralised handling units, local heat recovery units and local extract fans.
- All rooms to have localised controls with a central BEM system.

The electrical services scope within the proposed working areas comprises:

- A new low voltage switchboard in the plantroom
- Sub-metering of mechanical services plant, pool plant, lighting, power, kitchen and existing LV switch board
- New sub-distribution boards around the building to segregate the system for ease of maintenance
- New light and emergency lighting
- New small power and data sockets throughout the building to suit the requirements of each room and allow maximum flexibility
- New Type L1 fire alarm system
- TV cable backbone system to TV positions providing Freeview, DAB radio and SkyQ+ compatibility
- New PA system allowing for announcement and background music
- New CCTV system
- New intruder detection system
- New access control system to indicated doors
- New pool alarm system with sounders / beacons in the pool area and in reception
- Provision of a number of induction loops / arrays in reception, servery, fitness suite and in each studio
- New assistance alarms with each accessible WC
- New emergency voice evacuation system interfaced with the fire alarm system in all refuge areas

Design Development - RIBA 2

West Wickham Leisure Centre

For the purposes of comparison to the proposals included in the March 2024 RIBA 3 report, please find below a summary of the proposals included in the October 2023 RIBA 2 report. Where specified, these proposals have been superseded by the proposals included in the April 2024 report.

- Replacement finishes and redecoration to the pool halls.
- New pool roof
- Replacement spectator seating
- New pool lining (tank) for both the main and learner pools
- Drowning detection technology
- A total review of the MEP and Pool Plant.
- New unisex changing village with new lockers and cubicles (as well as a dedicated learner changing room for young people learning to swim).
- New kitchen.
- Upgrade of reception to a combined reception/servery service.
- New Changing Places facility.
- New café.
- New lift.
- New soft play / party zone.
- New spin studio.
- New Innerva studio (for older residents/those recovering from physical injury).
- Upgraded and enlarged fitness suite/gym.
- Upgraded and relocated studio.
- New staff facilities.
- Improved views from the gym into the pool hall.
- New views from the café and Innerva suite into the pool hall.

There will be no change to the building area with all proposed facilities provided within the existing envelope of the building. The existing entrance will be retained but enhanced with new windows.

The female changing facilities will be removed with a unisex changing village (with private cubicles) proposed in the current male changing room. The surface area has been reallocated to create an open plan space with a café positioned centrally and linked to the pool hall, new soft play and spin studio.

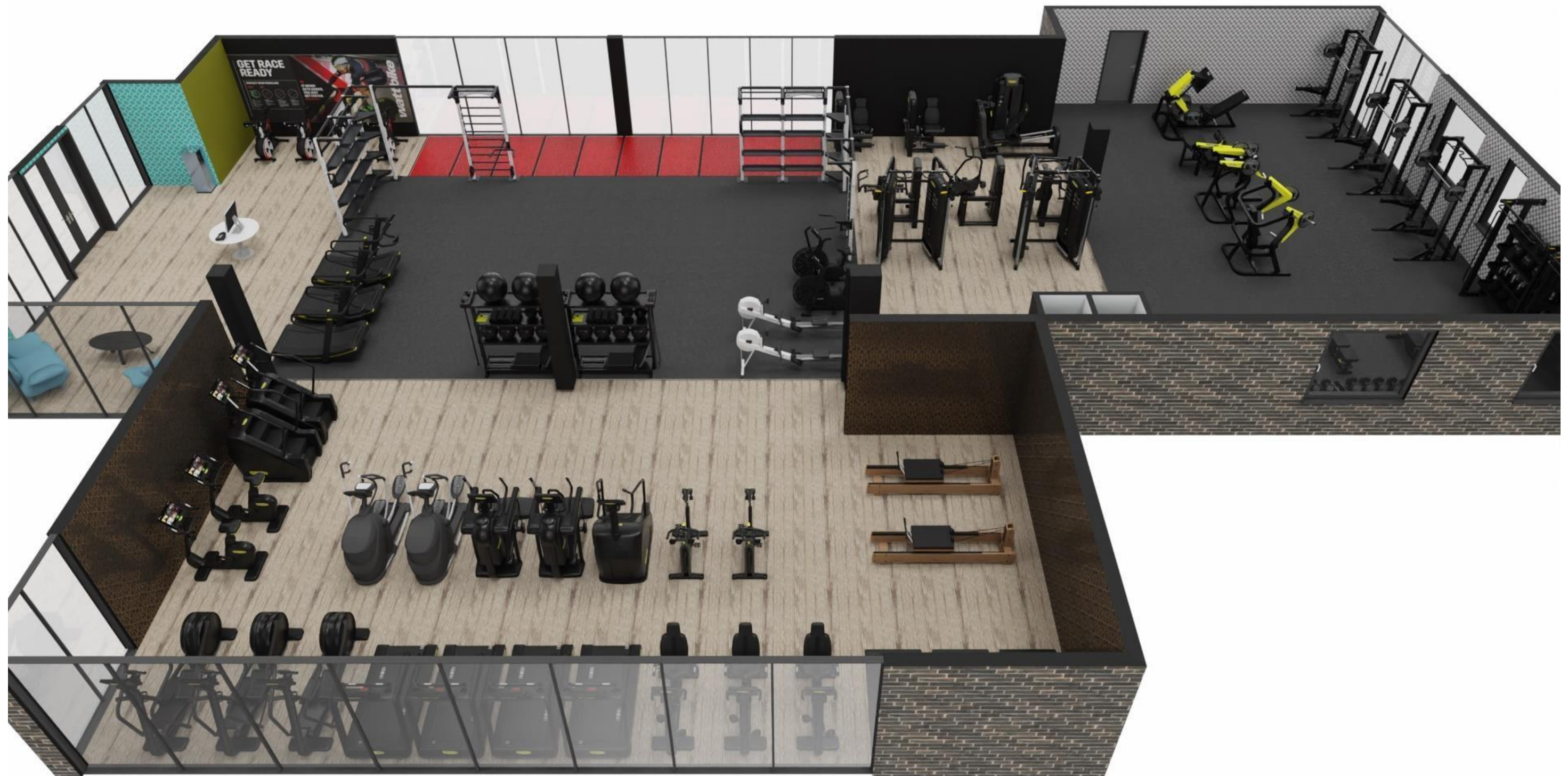
Accessibility throughout the building has been addressed and a new platform lift is provided to access the first floor, whilst the space beneath the spectator viewing has been reconfigured to provide an Innerva studio dedicated for older residents and those recovering from ill health/post-surgery.

The open plan café will be the heart of the redeveloped centre, forming a key part of the customer journey. From the café there is visibility into key areas, such as the main pool hall and soft play, as well as providing access to the changing village, spin and Innerva studios and the first floor.

The pool halls (main pool and learner pool) will be refurbished along with the dedicated learner change with separate access. The first floor will be accessed from either the existing stairs or new platform lift. A new corridor will provide access to the spectator viewing area which will be refurbished with new seating and finishes. A new larger gym is provided with the existing studio and unused room removed to allow the increase to the gym area. Views into the pool hall from the gym will be maintained to provide good visibility between facilities within the building. A new studio is provided to the other side of the new corridor which avoids users having to walk through the gym as they do currently with the existing arrangement providing better flexibility. Elsewhere on the first-floor new staff facilities and accessible change and toilets are proposed alongside lockers within the corridor and gym space for users.

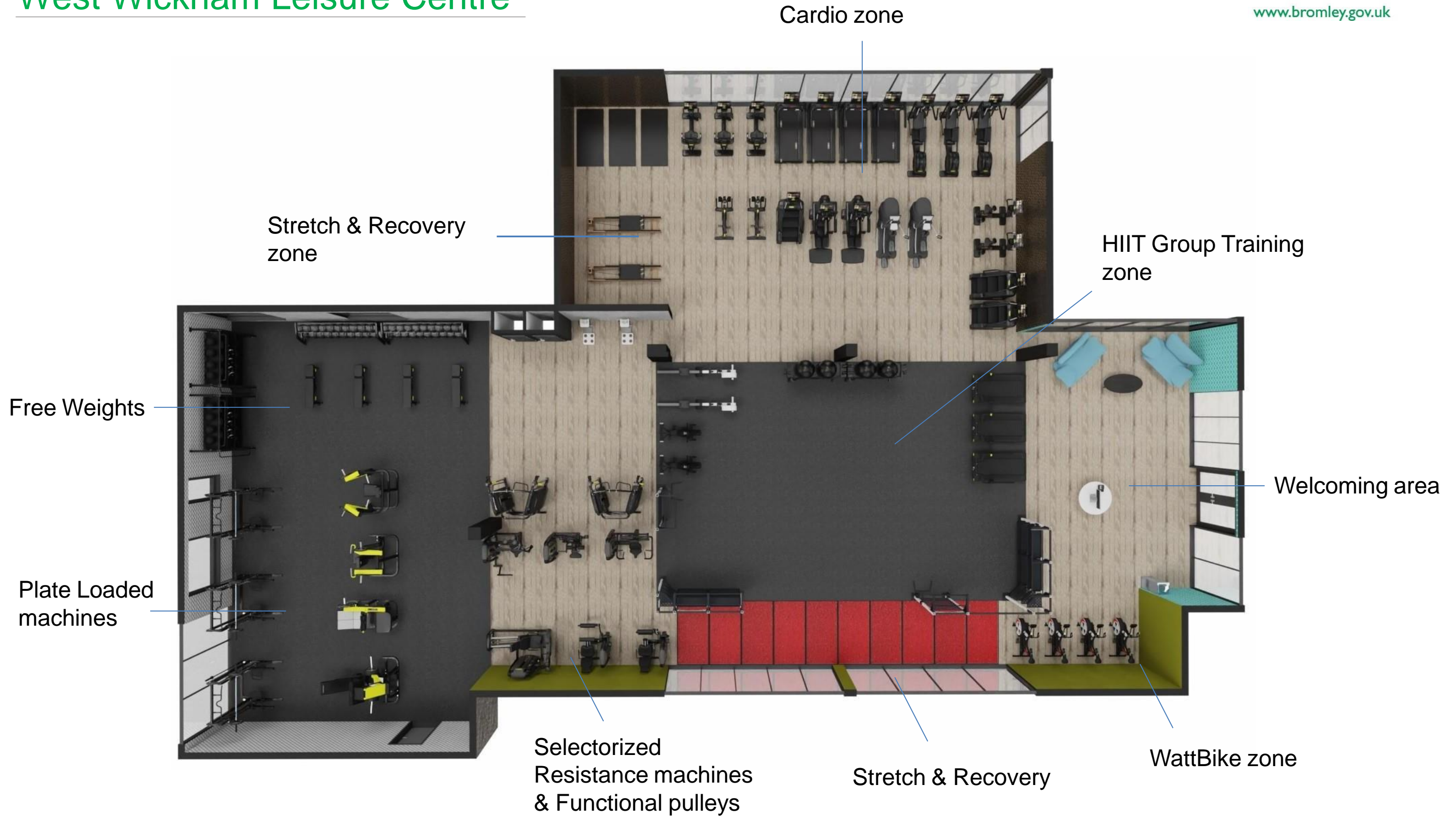
Gym Design – 3D Visuals

West Wickham Leisure Centre



Gym Design – 3D Visuals

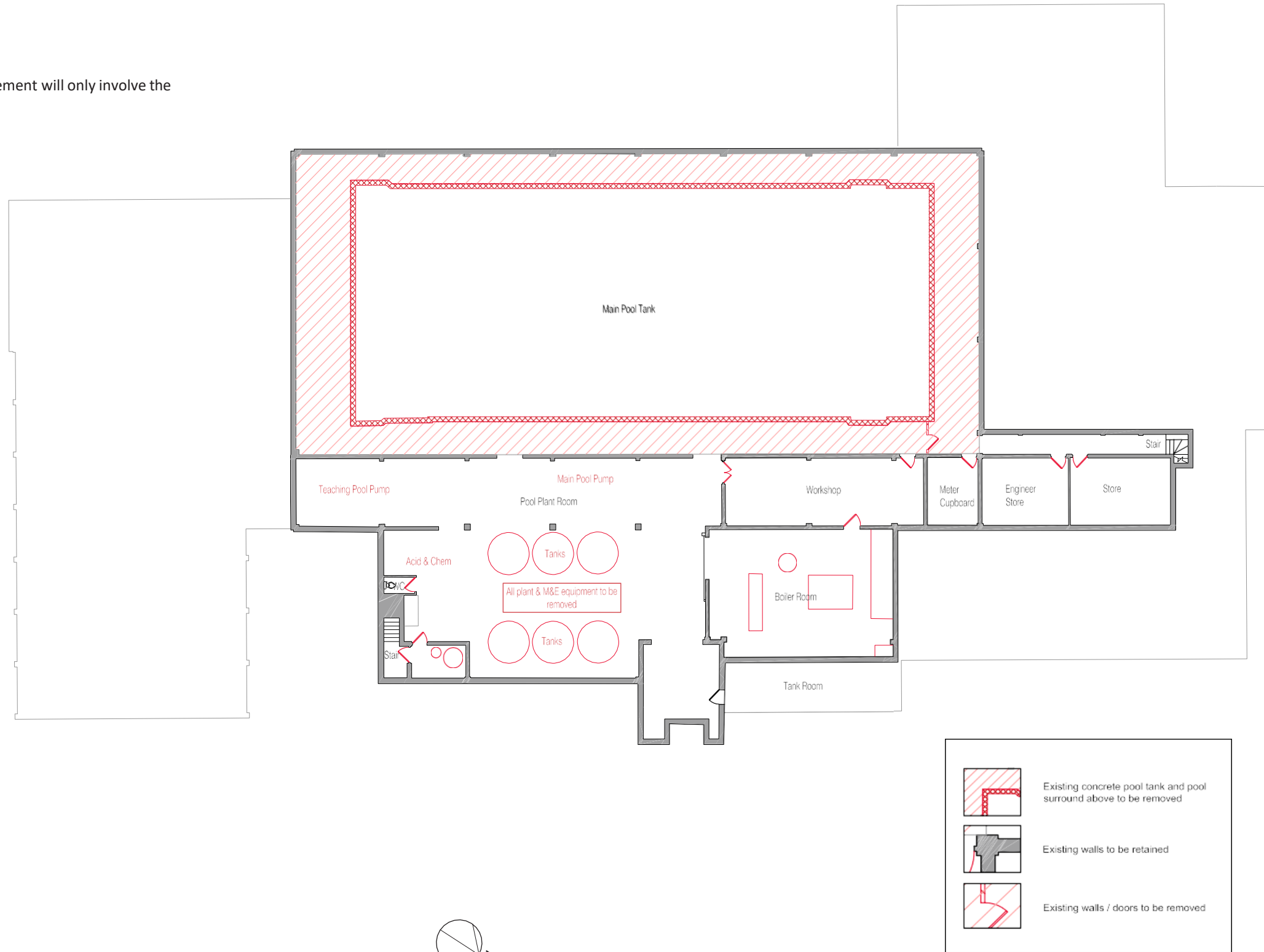
West Wickham Leisure Centre



Basement – Demolition Plan

West Wickham Leisure Centre

Demolition works to the basement will only involve the removal of existing plant.



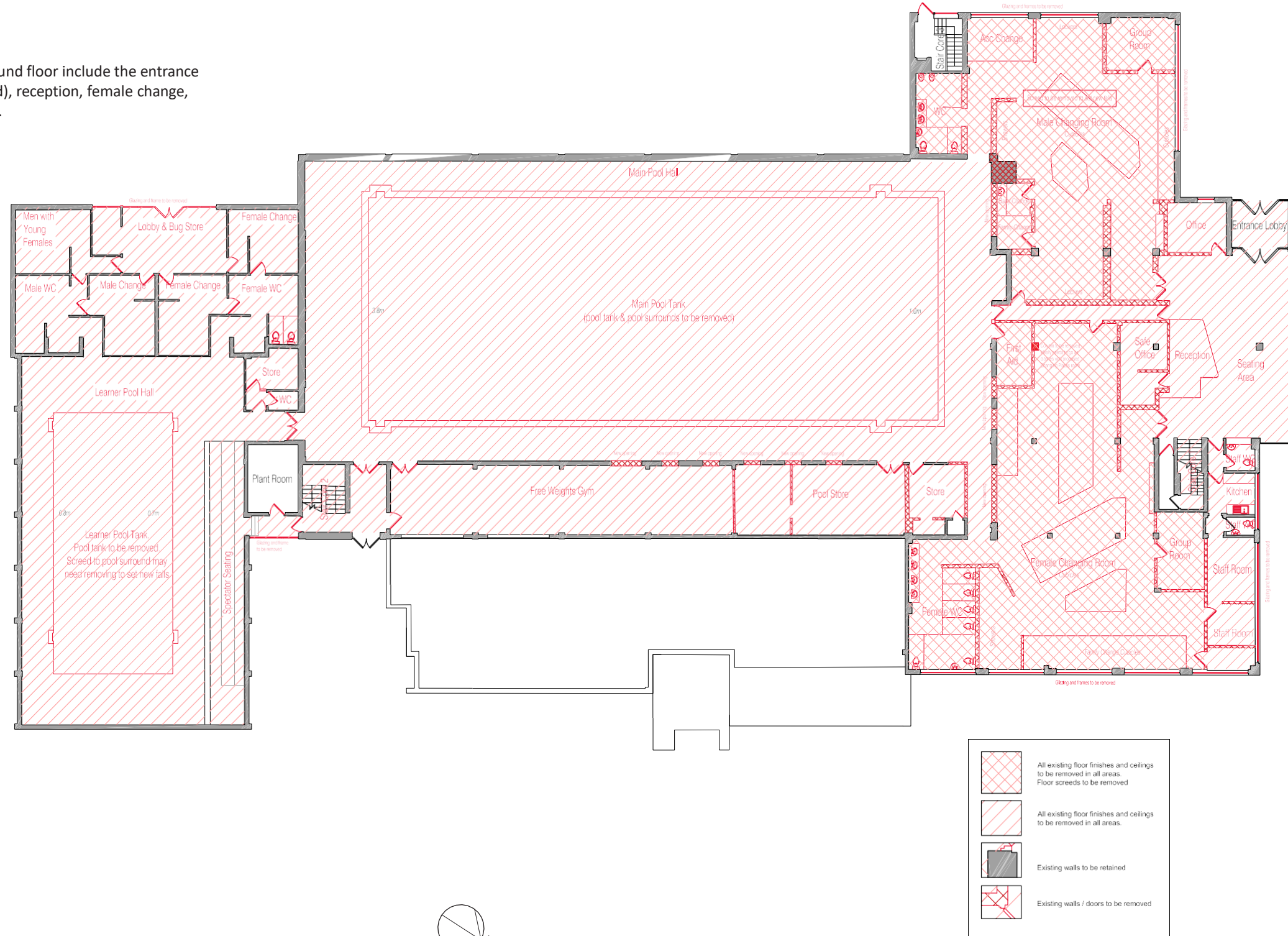
Wet Side Dry Side Health & Fitness Commercial Support

Plan is diagrammatic and not to scale.

Ground Floor – Demolition Plan

West Wickham Leisure Centre

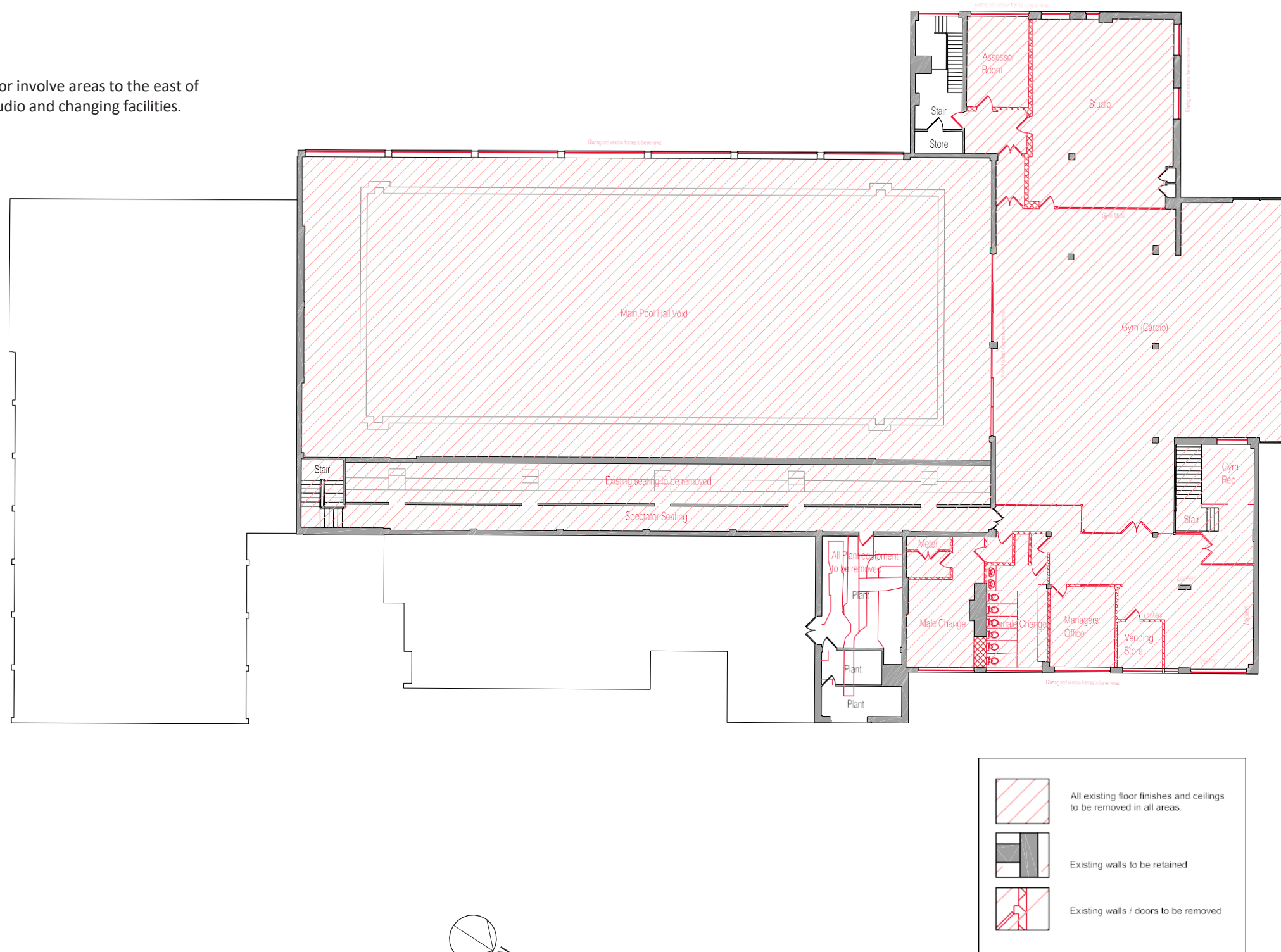
Demolition works to the ground floor include the entrance (entrance and lobby retained), reception, female change, offices and free weights gym.



First Floor – Demolition Plan

West Wickham Leisure Centre

Demolition works to the first floor involve areas to the east of the building around the gym, studio and changing facilities.



Wet Side Dry Side Health & Fitness Commercial Support

Plan is diagrammatic and not to scale.

Floor Plans – Ground Floor

West Wickham Leisure Centre

All new facilities are provided within the existing envelope of the building.

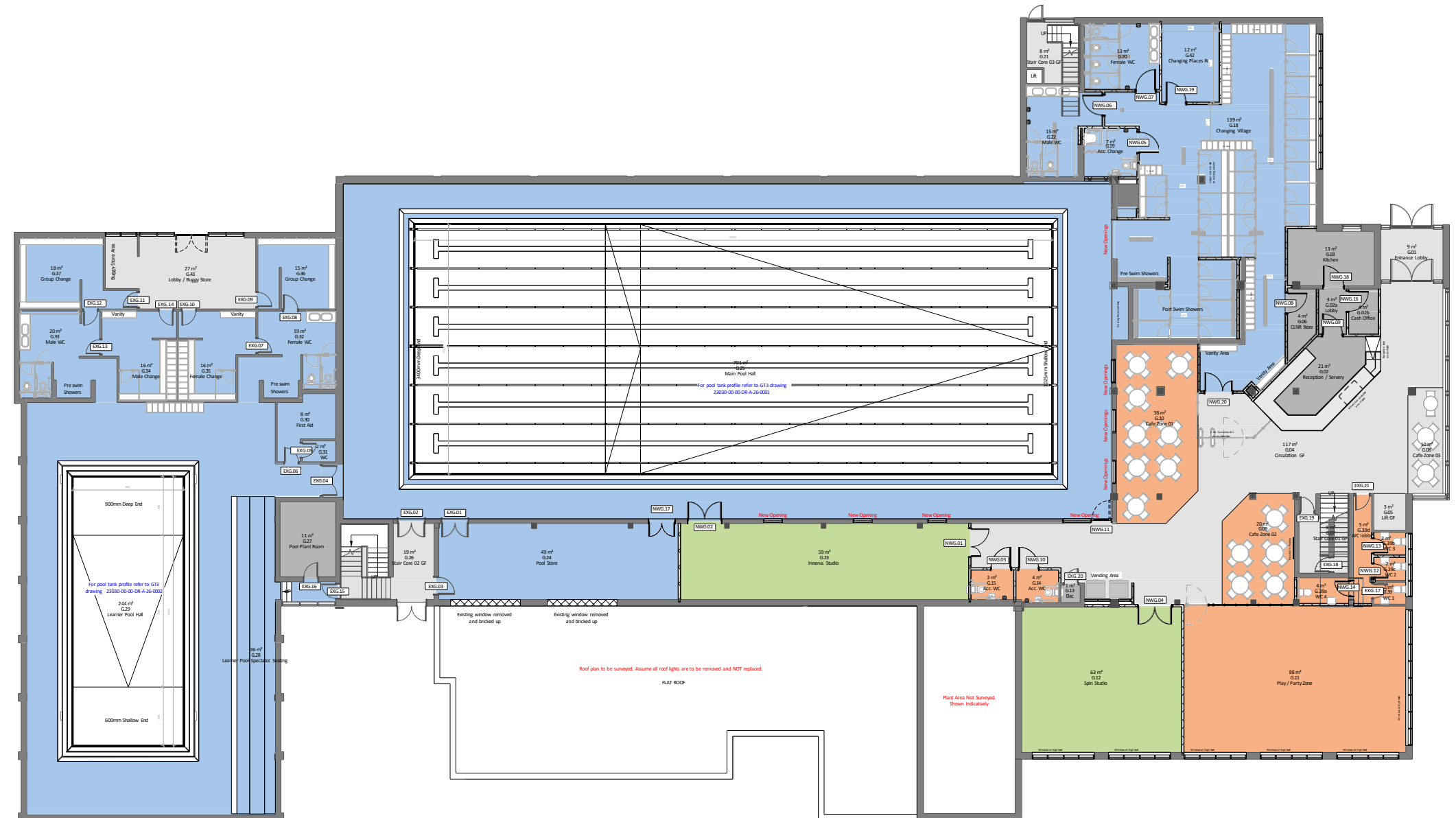
The open plan arrangement on arrival in the building has been developed from stage 2 with spatial remodelling providing a reception/servery and new central café space. The café is a key part of the proposals and provides access to all spaces within the building. Directly accessed from the café at ground floor is the new unisex changing village which has been further developed during stage 3 and now fully includes a new Changing Places. A new soft play is connected to the café along with a spin studio and Innerva suite.

Accessibility throughout the building has been addressed and a new platform lift is provided to access the first floor. Access control has also been considered with turnstiles provided to enter the wet side environment and also the gym at first floor. Apart from these areas the building is open to encourage visitors to use the café and soft play areas and create a good community space.

The pool halls (main pool/learner pool) will be refurbished along with the dedicated learner change with separate access.

Ground Floor Facility Overview

- Cafe**
- Play/Party Zone**
- Innerva Suite**
- Spin Studio**
- Unisex Wet Change Village**
- Changing Places**
- Refurbished Pools**
- Refurbished Learner Change**



Proposed Ground Floor GA Plan
Scale:- 1 : 100



- Wet Side
- Dry Side
- Health & Fitness
- Commercial
- Support

Plan is diagrammatic and not to scale.

Floor Plans – First Floor

West Wickham Leisure Centre

The first floor is accessed from either the existing stair or new platform lift with a new corridor providing access to the spectator viewing area which will be refurbished.

A new, larger gym is provided with the existing studio removed to allow the increase to the gym area. The existing unused room will be converted into two consultation rooms.

Views into the pool hall from the gym will be maintained to provide good visibility between facilities within the building.

A new studio is provided to the other side of the new corridor which avoids users having to walk through the gym as they do with the existing arrangement, providing better flexibility.

Elsewhere at first floor there will be a new staff/admin space with new toilet facilities.

First Floor Facility Overview

Gym

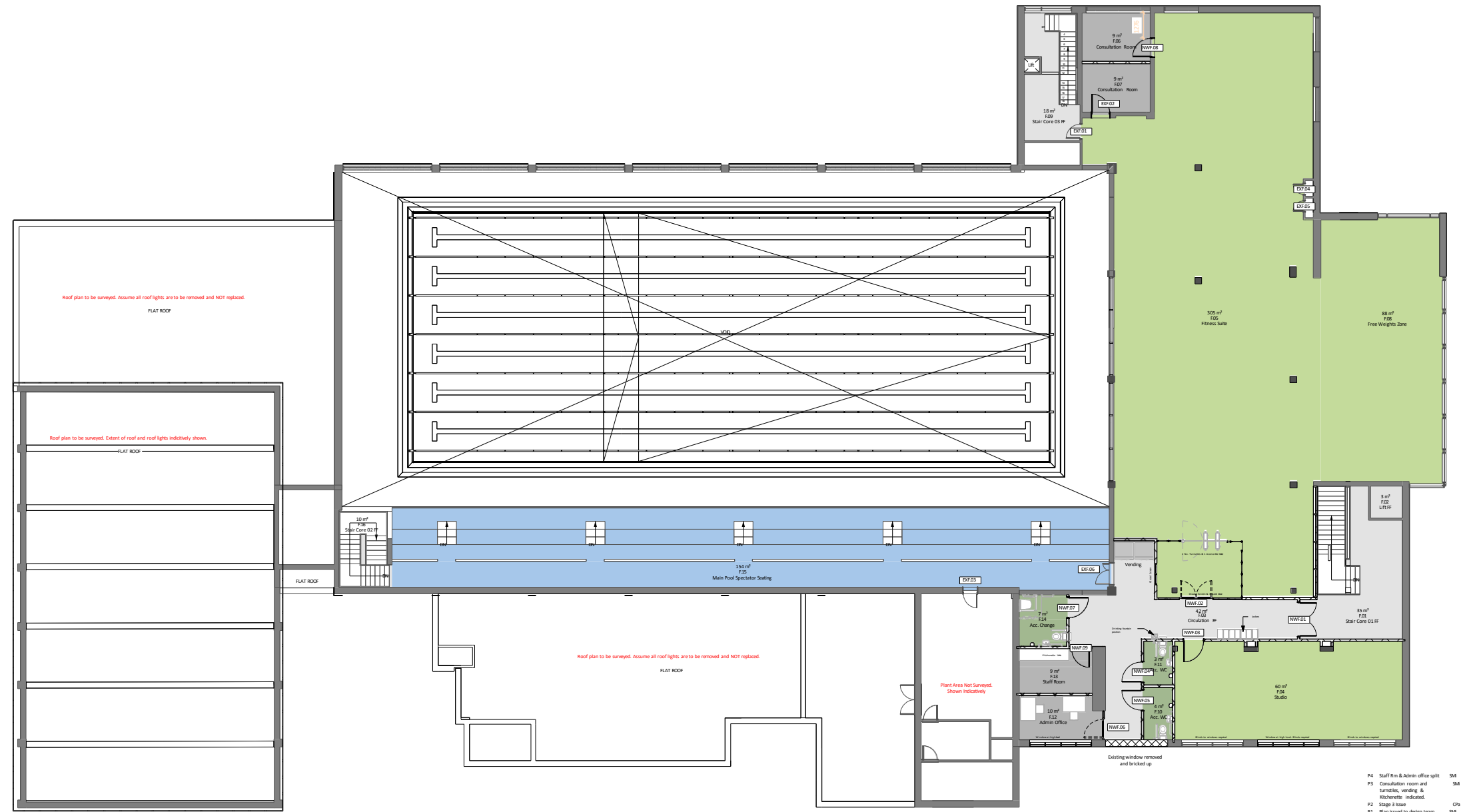
Studio

Consultation Room

Staff Facilities

Accessible Change & Toilets

Spectator Viewing over Main Pool



Proposed First Floor GA Plan
Scale:- 1 : 100



- Wet Side
- Dry Side
- Health & Fitness
- Commercial
- Support

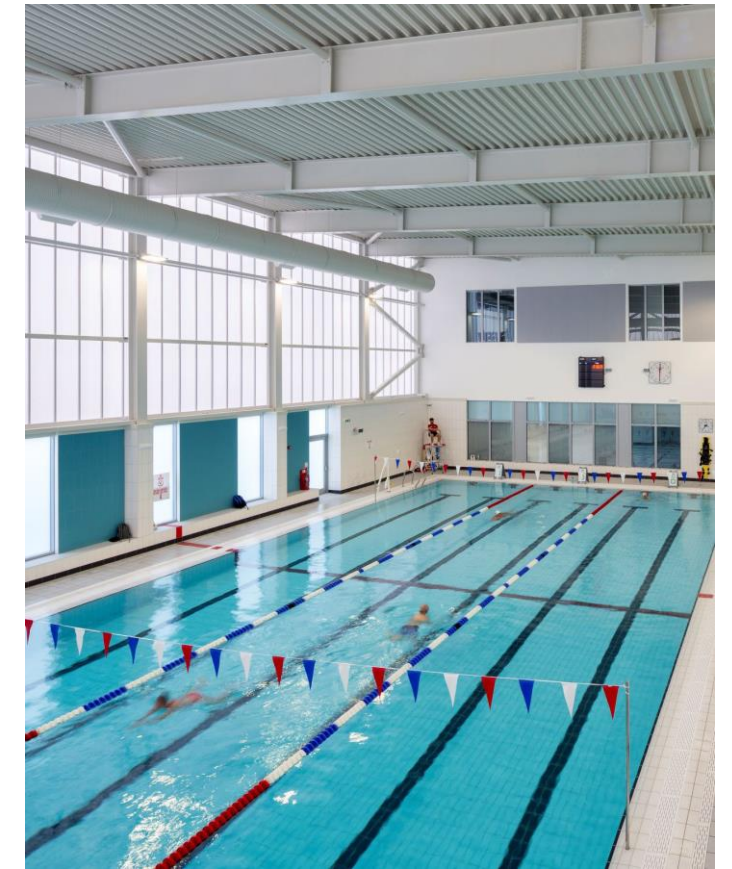
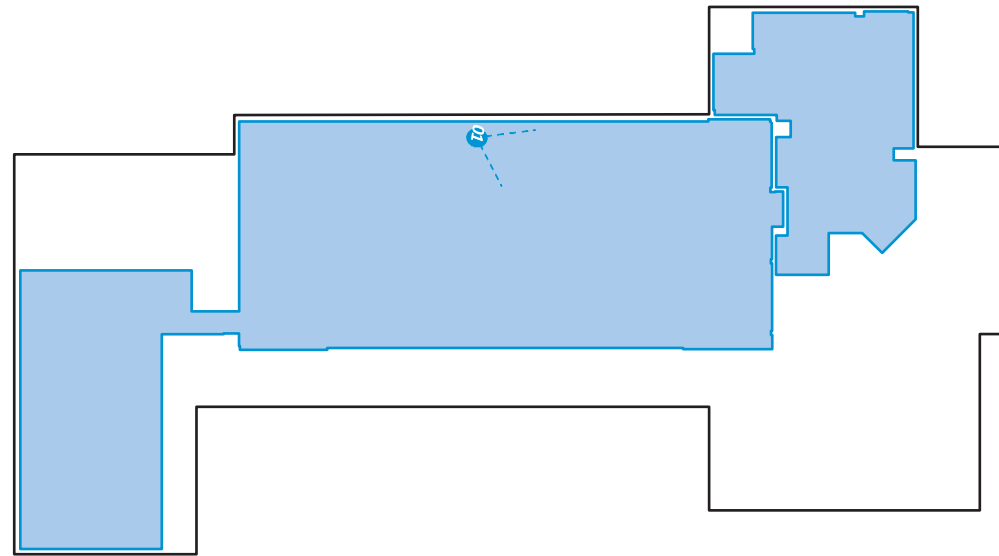
Plan is diagrammatic and not to scale.

Rev.	Description	Issued
P4	Staff Rm & Admin office split	SA
P3	Consultation room and lavatories, vending & kitchenette indicated.	SA
P2	Stage 3 issue	CP
P1	Plan issued to design team	SA

By Department



Wet Change & Pool Halls – Precedent Images

West Wickham Leisure Centre



These images are intended to provide an idea of what the wet change and pool hall could look like with the interior strategy to be further developed during stage 4 of the design.



-  Extent of Proposed Wet Change
-  Interior View (Refer to 3D Visual on next page)



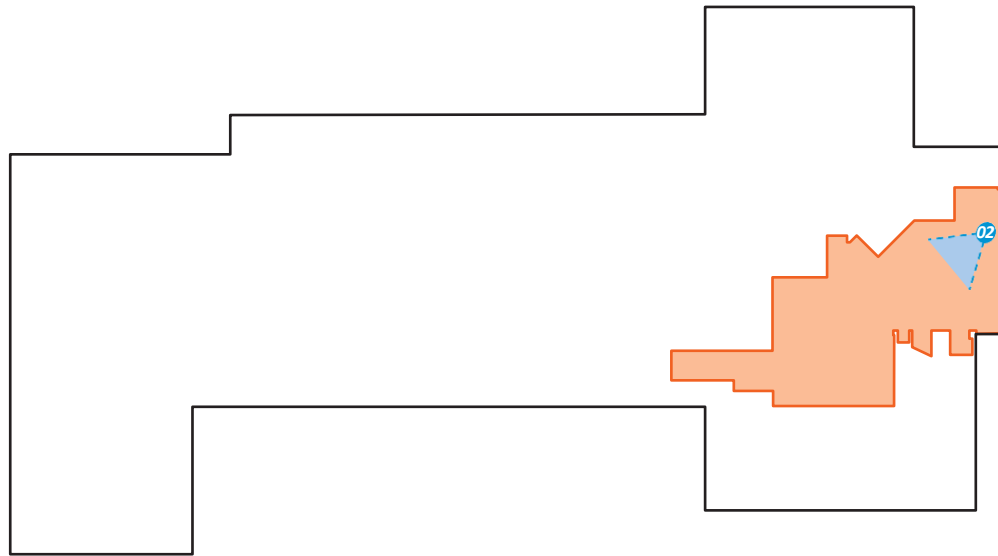
Pool Hall – 3D Visual

West Wickham Leisure Centre



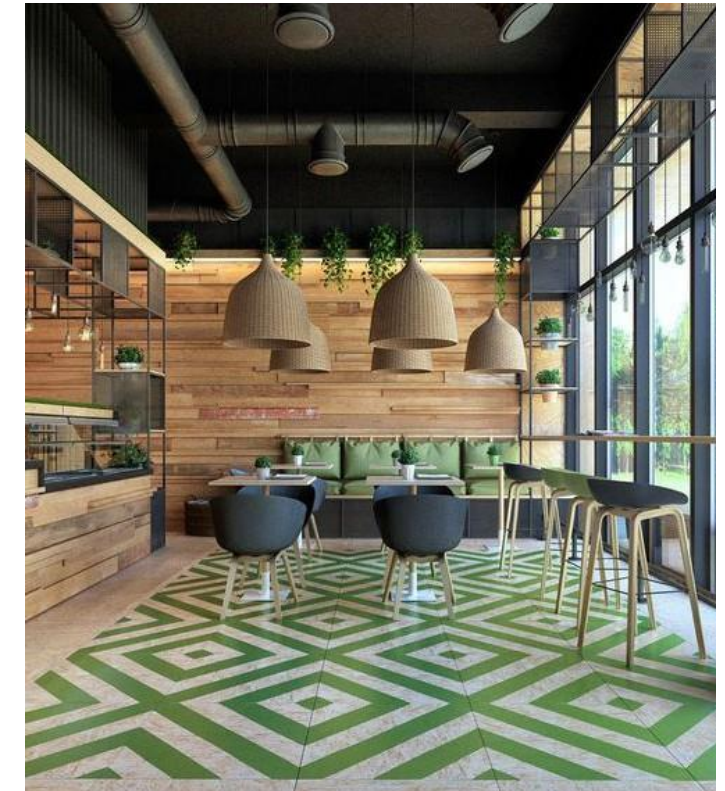
Café & Reception – Precedent Images

West Wickham Leisure Centre



The café is situated at the heart of the building and is a critical point of the customer journey. There is visibility from the café into some of the key facilities in the centre. The café and its radiating seating zones will feel like a singular space accessed from the entrance area and the circulation.

These images are intended to provide an idea of what the Café and Reception could look like with the interior strategy to be further developed during stage 4 of the design.



- Extent of Proposed Cafe / Reception
- Interior View (Refer to 3D Visual on next page)

Plan is diagrammatic and not to scale.

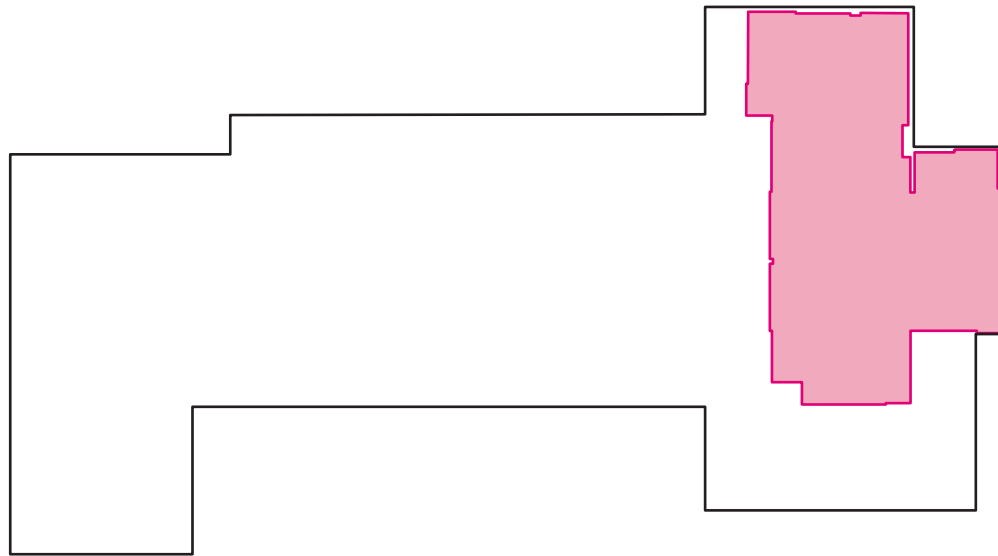
Café and Reception – 3D Visuals

West Wickham Leisure Centre




First Floor Gym – Precedent Images

West Wickham Leisure Centre



These images are intended to provide an idea of what the gym could look like with the interior strategy to be further developed during stage 4 of the design.



 Extent of Proposed Gym

Plan is diagrammatic and not to scale.

Innerva Studio – Both Centres

Precedent Images

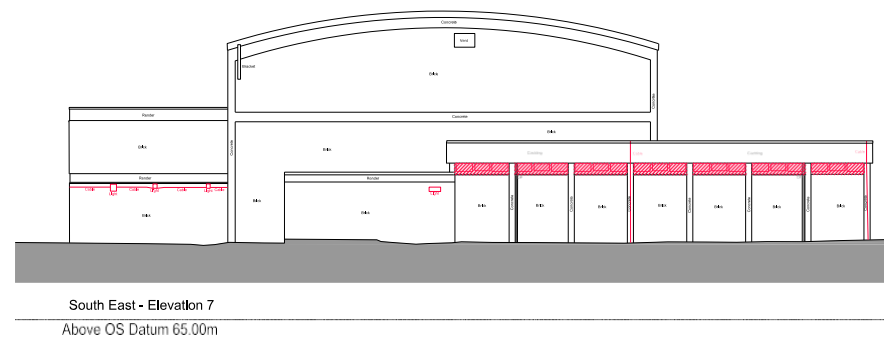
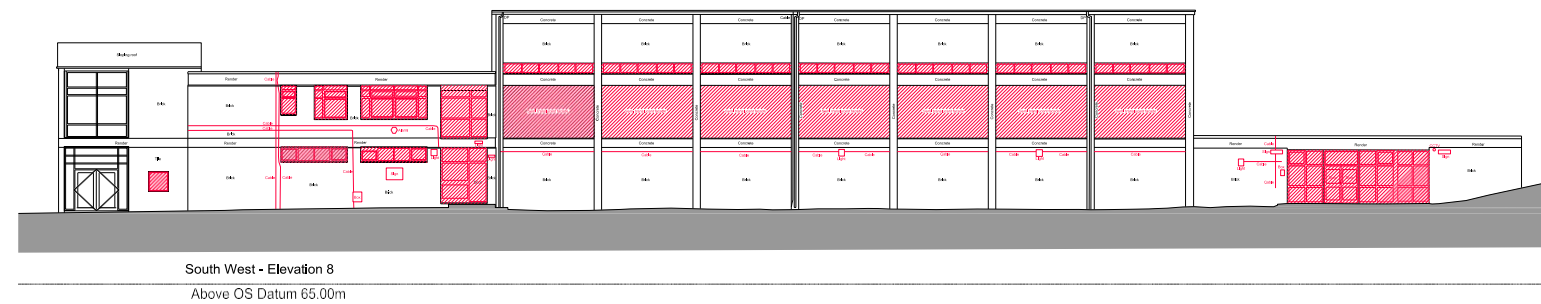
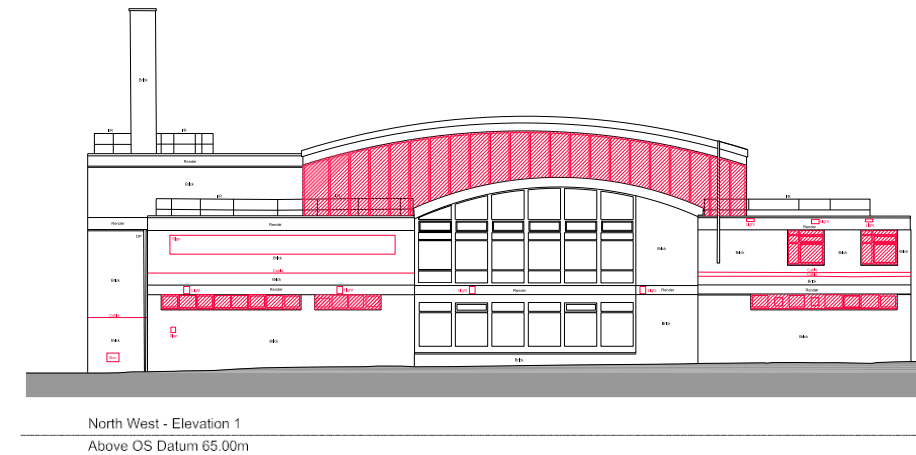
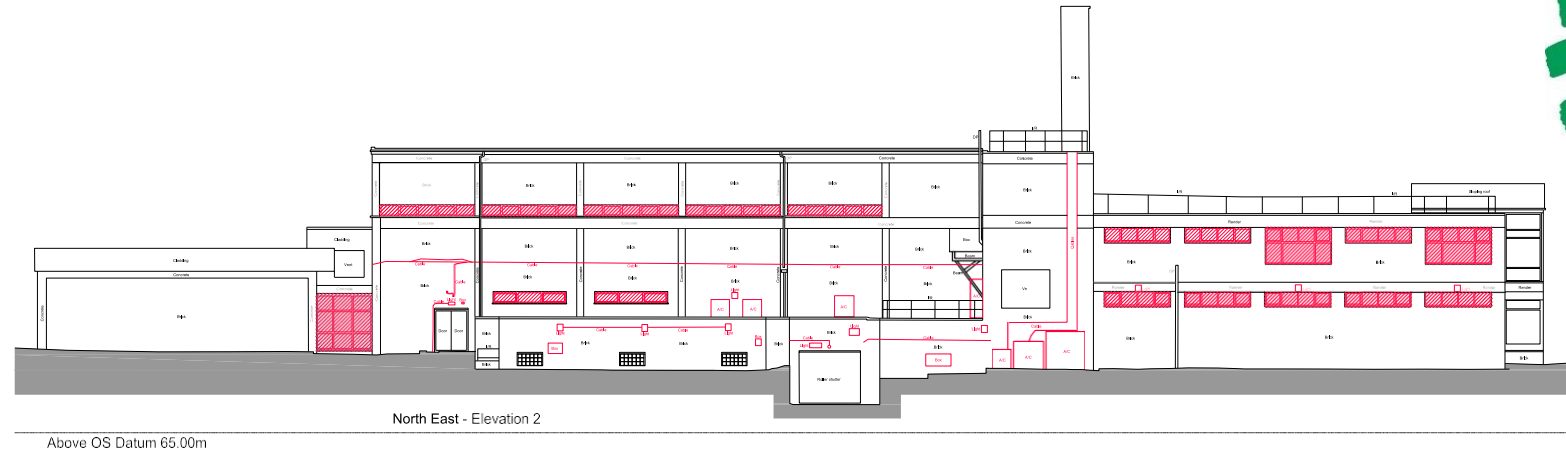
Innerva suites are included in the core requirement of the centres, offering power-assisted exercise equipment which provides a low impact, full-body workout circuit for older adults and those living with long term conditions or physical injury. The machines would be outward facing facilitating social interaction between users, working to ease loneliness in the older generation. The suite promotes active ageing, helping to combat loss of muscle tissue and enhance balance and flexibility into older age. These studios are being funded by Mytime Active.




Window & Door Replacement West Wickham Leisure Centre

The stage 3 design includes the replacement of windows/doors in most areas with the extents shown opposite.

In less prominent areas, it is proposed to block up unused windows with this confined mainly to plant areas.



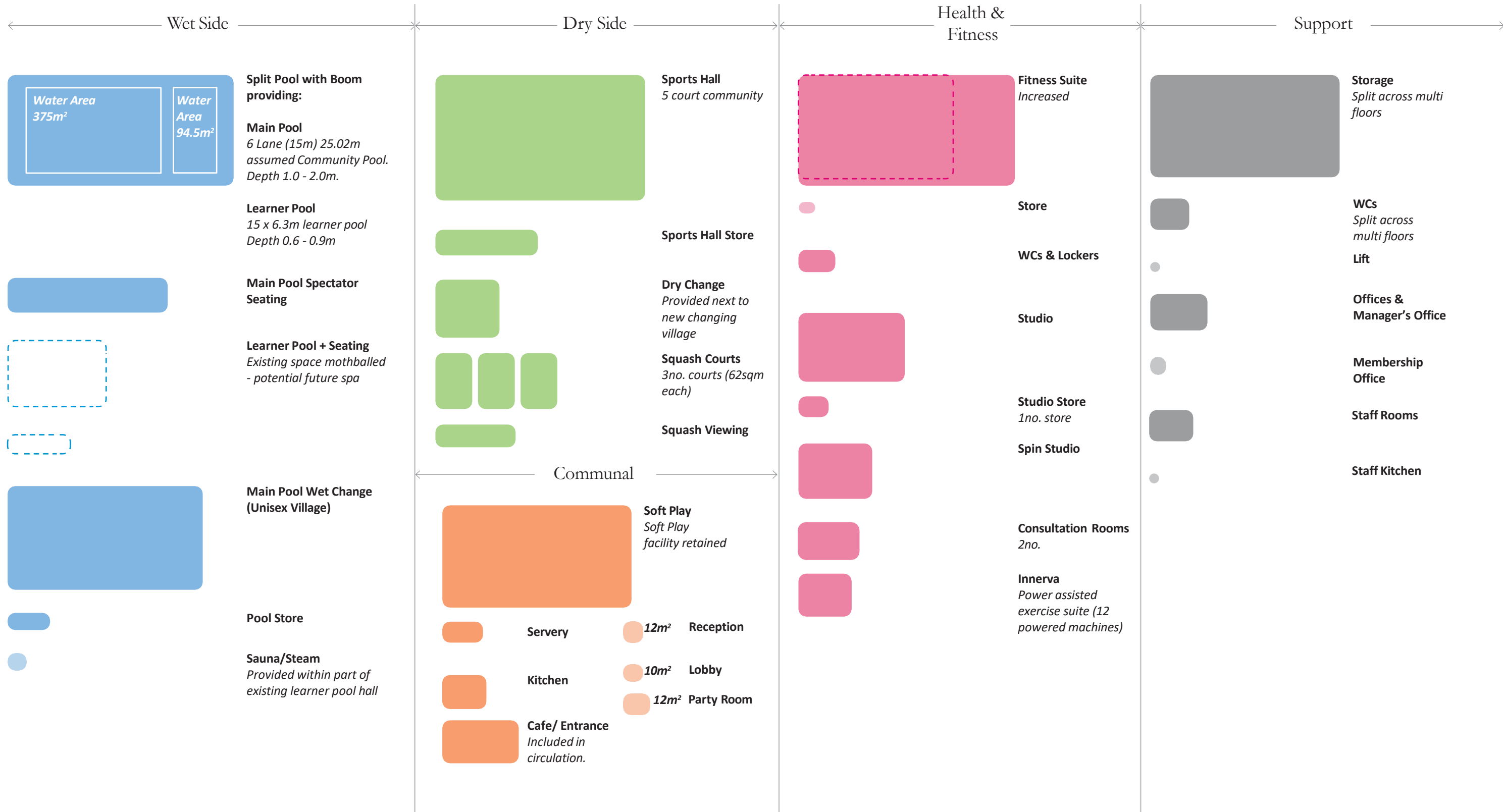
 Extent of window/door replacement



Appendix B: Walnuts Leisure Centre RIBA 3 Plans

Proposed Works - Brief

Walnuts Leisure Centre



Summary of M&E Upgrades

Walnuts Leisure Centre

Similarly to West Wickham, the M&E strategy for the Walnuts seeks energy efficiency and sustainable solutions. The M&E designs for both centres is compliant with current statutory requirements.

The mechanical services scope within the proposed working areas comprises:

- Modification / replacement of above ground drainage
- Modification / replacement of cold water services pipework including the removal of dead legs
- Installation of 2 no. drinking fountains
- Modification/ replacement of hot water services pipework
- Replacement of hot water plant (e.g. storage cylinders etc).
- New showers in dry and wet changing rooms
- Replacement heating system served by the existing gas boilers
- Cooling provided by a DX/VRF system with wall, ceiling or void mounted units and localised controls
- Ventilation provided by centralised handling units with localised controls
- All rooms to have localised controls with a central BEM system.

The electrical services scope within the proposed working areas comprises:

- A new low voltage switchboard in the plantroom
- Sub-metering of mechanical services plant, pool plant, lighting, power, kitchen and existing LV switch board
- New sub-distribution boards around the building to segregate the system for ease of maintenance
- New light and emergency lighting
- New small power and data sockets throughout the building to suit the requirements of each room and allow maximum flexibility
- New Type L1 fire alarm system
- TV cable backbone system to TV positions providing Freeview, DAB radio and SkyQ+ compatibility
- New PA system allowing for announcement and background music
- Extension of the existing CCTV system
- Modification of the existing intruder detection system
- New access control system to indicated doors
- New pool alarm system with sounders / beacons in the pool area and in reception
- Provision of a number of induction loops / arrays in reception, servery, fitness suite and in each studio
- New assistance alarms with each accessible WC
- New emergency voice evacuation system interfaced with the fire alarm system in all refuge areas

Design Development - RIBA 2

Walnuts Leisure Centre

For the purposes of comparison to the proposals included in the March 2024 RIBA 3 report, please find below a summary of the proposals included in the October 2023 RIBA 2 report. Where specified, these proposals have been superseded by the proposals included in the April 2024 report.

- Replacement finishes and redecoration to the pool halls.
- A total review of the MEP and Pool Plant.
- Redecorated public corridors.
- Redecoration, including new cubicles and flooring, to the ground floor dry changes.
- New Changing Places facility.
- Upgraded ventilation for the sports hall.
- Replacement flooring, ceilings and redecoration to the wet changes.
- New cubicles and lockers to the wet changes.
- Replacement flooring and new seating to spectator areas.
- New pool lining (tank) to both pools.
- Drowning detection technology.
- Replacement flooring and redecoration to reception/café area.
- New Innerva studio (for older residents/those recovering from physical injury – replacing the Creche).
- New adventure-play with digital/gamified features.
- New flooring and redecoration to soft play area.
- New accessible toilets on the first floor.
- Redecoration to first floor studio.
- New and expanded gym (additional 220sqm).
- Redecoration and better ventilation to second floor spin studio.

There will be no change to the building area as all new facilities are provided within the existing envelope of the building.

The unused creche will be converted into an Innerva studio with a general refresh (flooring and redecoration) to the café area. Public facing circulation will also be redecorated.

New adventure play equipment was proposed in the current soft play area with digital/gaming features providing entertainment to all ages. New ventilation was also to be provided in the adventure play hall with new gaming features. However this cannot be afforded within budget and is no longer included.

The ground floor dry changing rooms will be brought back into use to serve both the sports hall and gym/studios. The current wet change will have new flooring, ceilings, cubicles and lockers. In the pool hall, the pools will be relined with new plant provided. The spectator seating will be replaced, and new flooring provided.

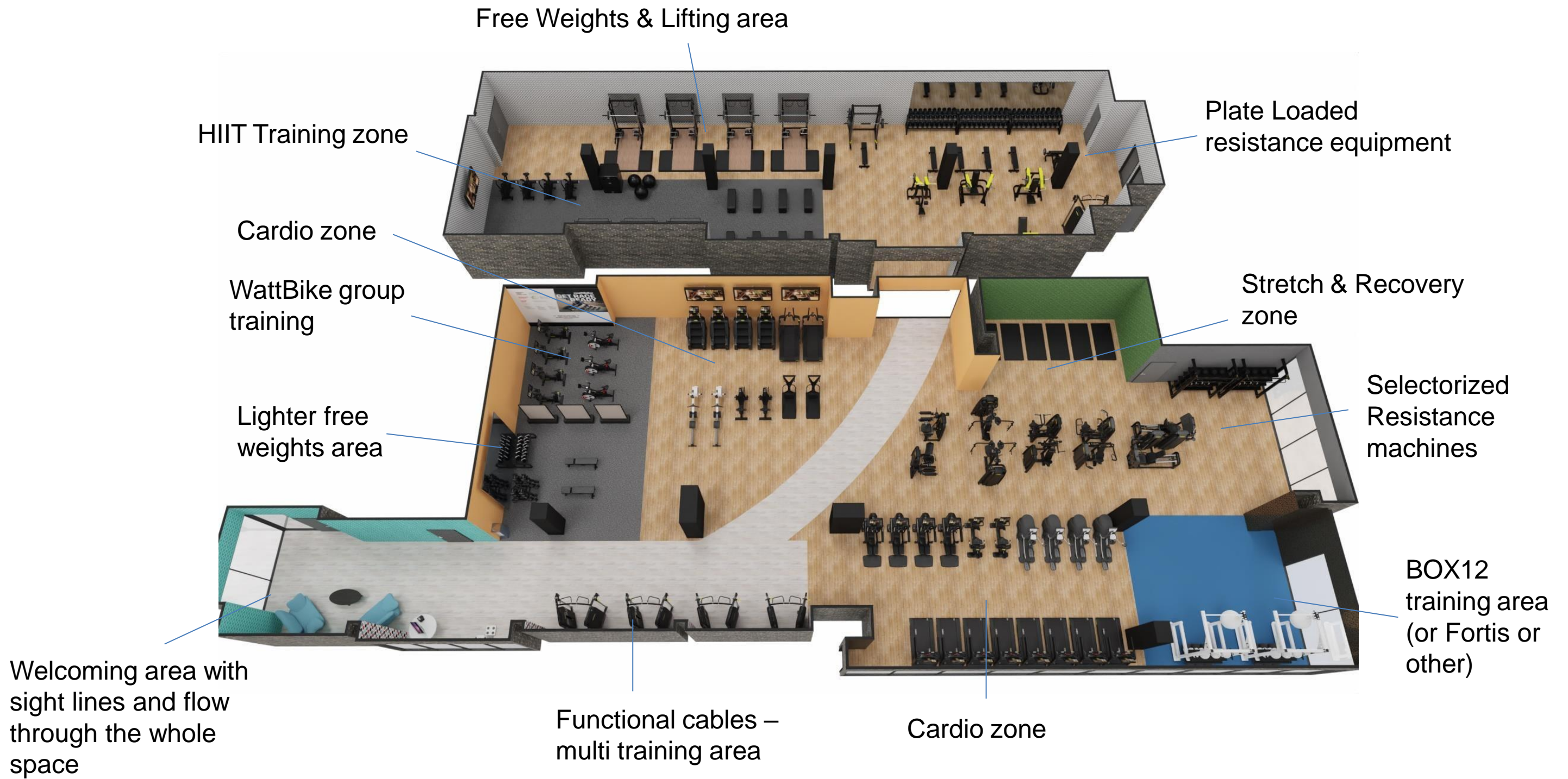
The plant serving the sports hall will be renewed to create a better environment for users.

The expansion of the gym is the main change on the first floor. Bringing the ground floor dry changing rooms back into use provides an opportunity to remove the changing facilities on the first floor allowing the expansion of the gym. This aligns with national leisure trends where users typically arrive at the centre ready to use the facilities rather than utilising changing rooms.

Removing the dry changing rooms eliminates the awkward access to the gym, which is currently through the changing areas, and allows for better visibility of the gym from key circulation areas. The first-floor studio would also be redecorated.

Gym Design – 3D Visuals

Walnuts Leisure Centre



Gym Design – 3D Visuals

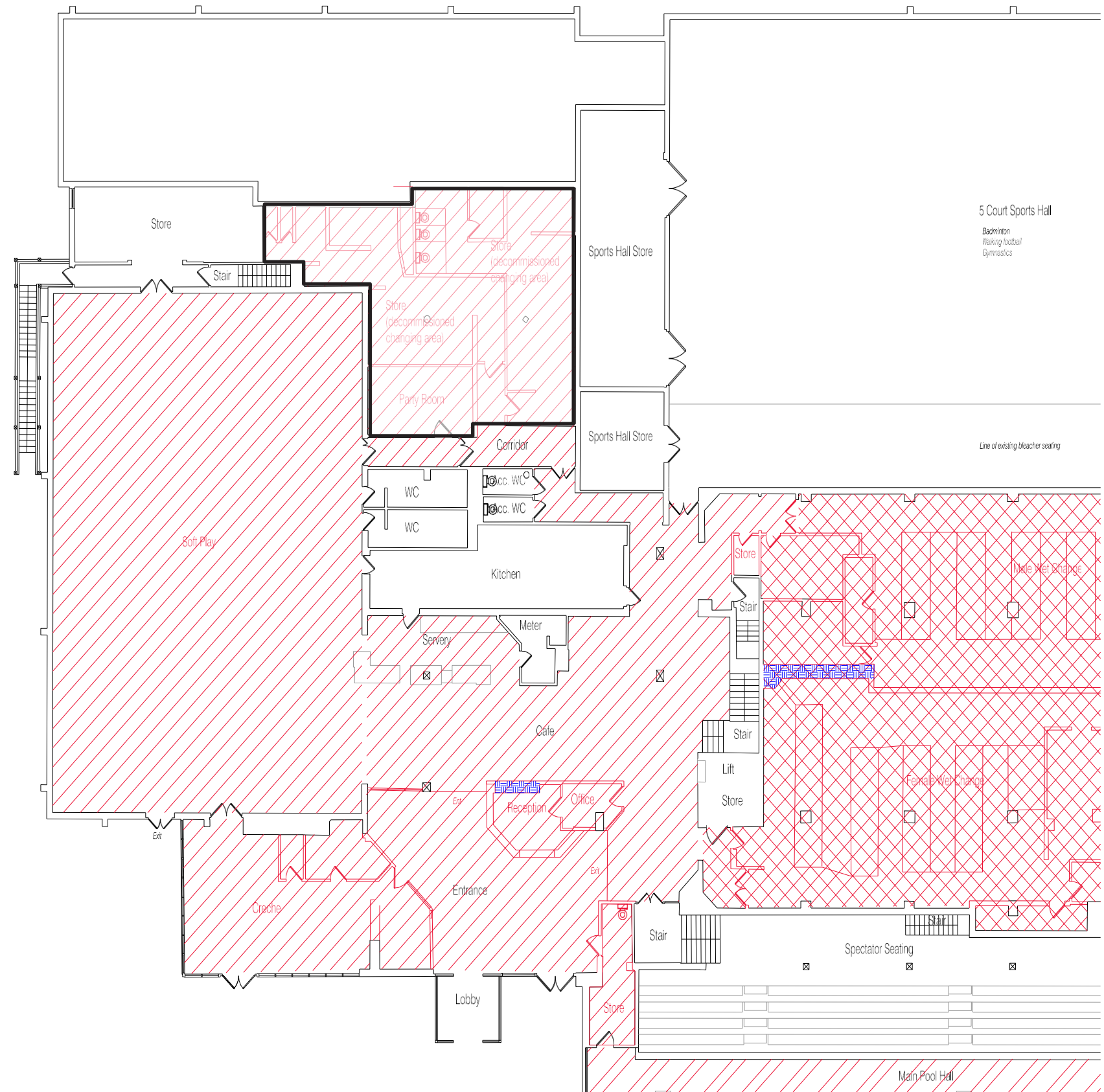
Walnuts Leisure Centre



Precedent Images of Gym Spaces

Ground Floor Demolition Plan - 1

Walnuts Leisure Centre




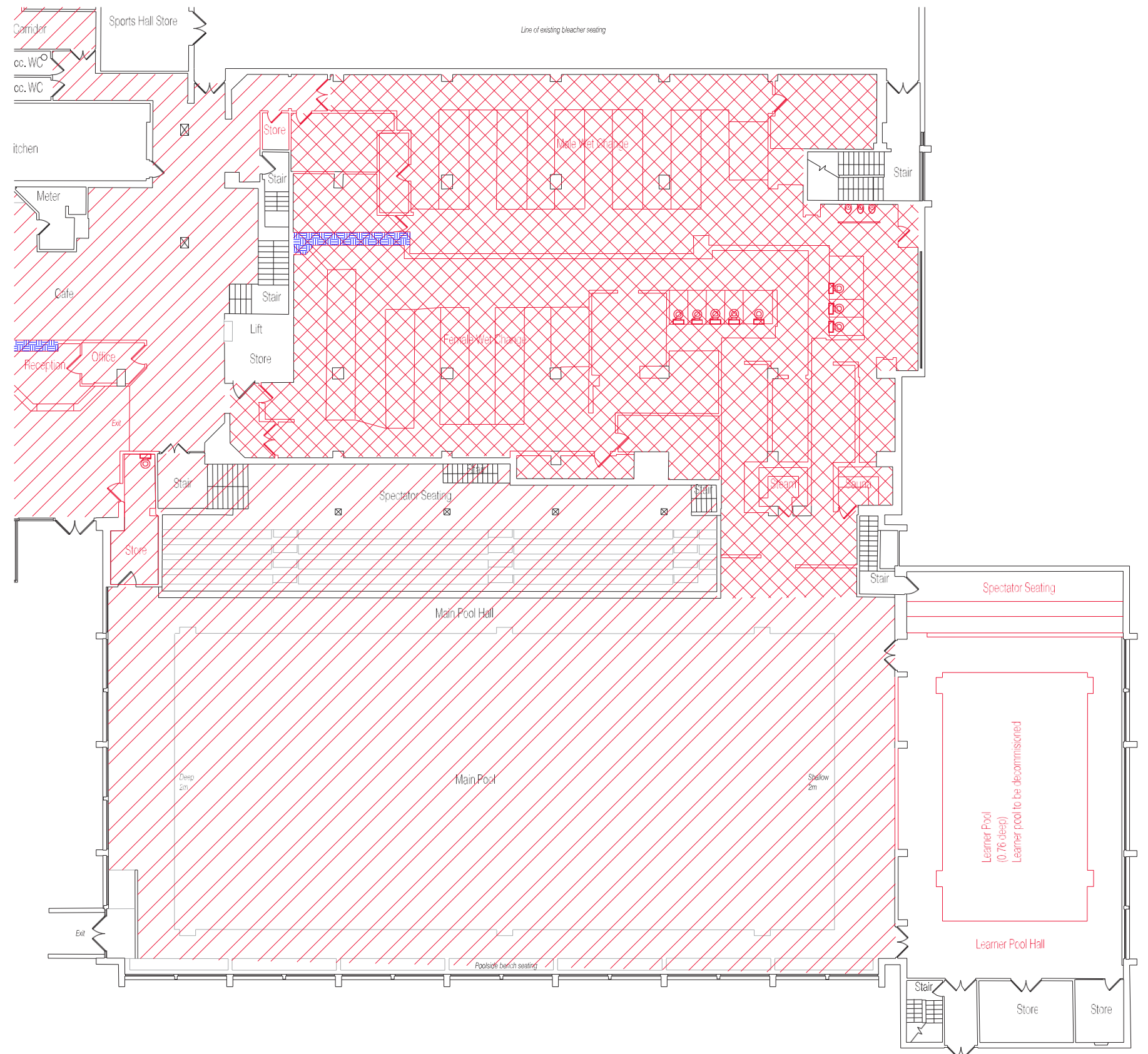
 Main Area of Remodelling

Image opposite is diagrammatic only and not to scale.

Ground Floor Demolition Plan - 2

Walnuts Leisure Centre




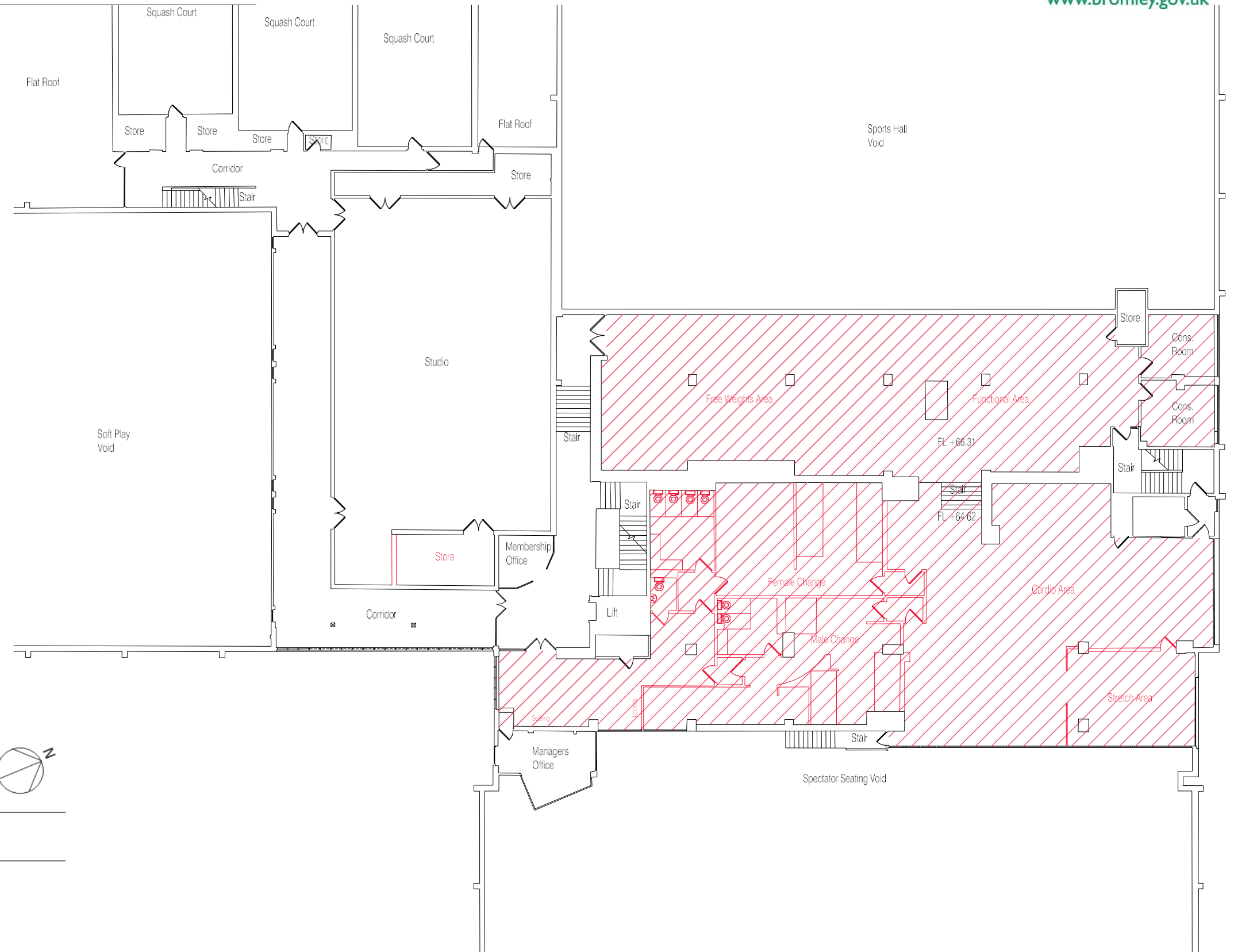
 Main Area of Remodelling

Image opposite is diagrammatic only and not to scale.

First Floor Demolition Plan

Walnuts Leisure Centre




 Main Area of Remodelling

Image opposite is diagrammatic only and not to scale.

Ground Floor RIBA 3 Plans

Walnuts Leisure Centre

All new facilities are provided within the existing envelope of the building.

There was significant development of the brief and scope during stage 3 to test what can be delivered with the budget available. The plans set out the overall vision with some elements including the community room not forming part of the base proposal at this stage.

Further remodelling will be undertaken around the entrance area to open up the space and provide cafe seating with a repositioned reception linked to the servery improving sightlines and better access control. The innerva studio is positioned to the left side.

A new dry change formed within a remodelled wet side space to serve both sports hall and gym users is proposed. The remaining wet change space is remodelled to provide a new unisex changing village.

In the pool hall, a boom will be placed in the 33m pool to create two bodies of water including a 25m main pool with the smaller area providing a new learner pool. The existing learner pool is planned to be closed. A replacement sauna/steam will be installed alongside a small splash wall. The spectator seating would also be refurbished.



Wet Side Dry Side Health & Fitness Commercial Support

Plan is diagrammatic and not to scale.

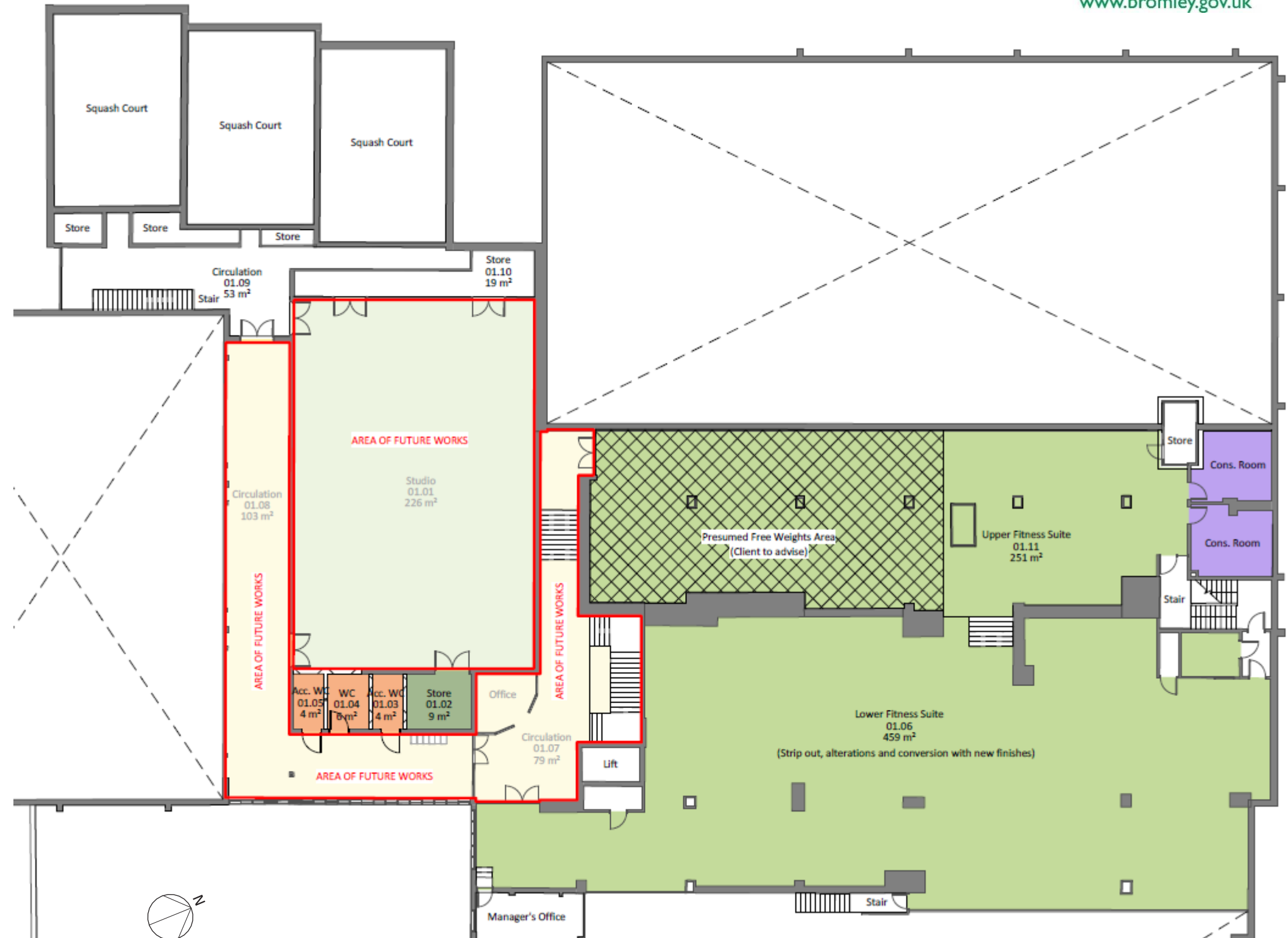
First Floor – RIBA 3 Plans

Walnuts Leisure Centre

The expansion of the gym is the main change on the first floor and this remains as proposed in the stage 2 design with the exception of providing two small consultation rooms.

This design approach removes the awkward access to the gym which is currently through the changing areas and allows for better visibility of the gym from key circulation spaces as shown.

New toilets would be provided in part of the existing studio stores.



Wet Side
 Dry Side
 Health & Fitness
 Commercial
 Support

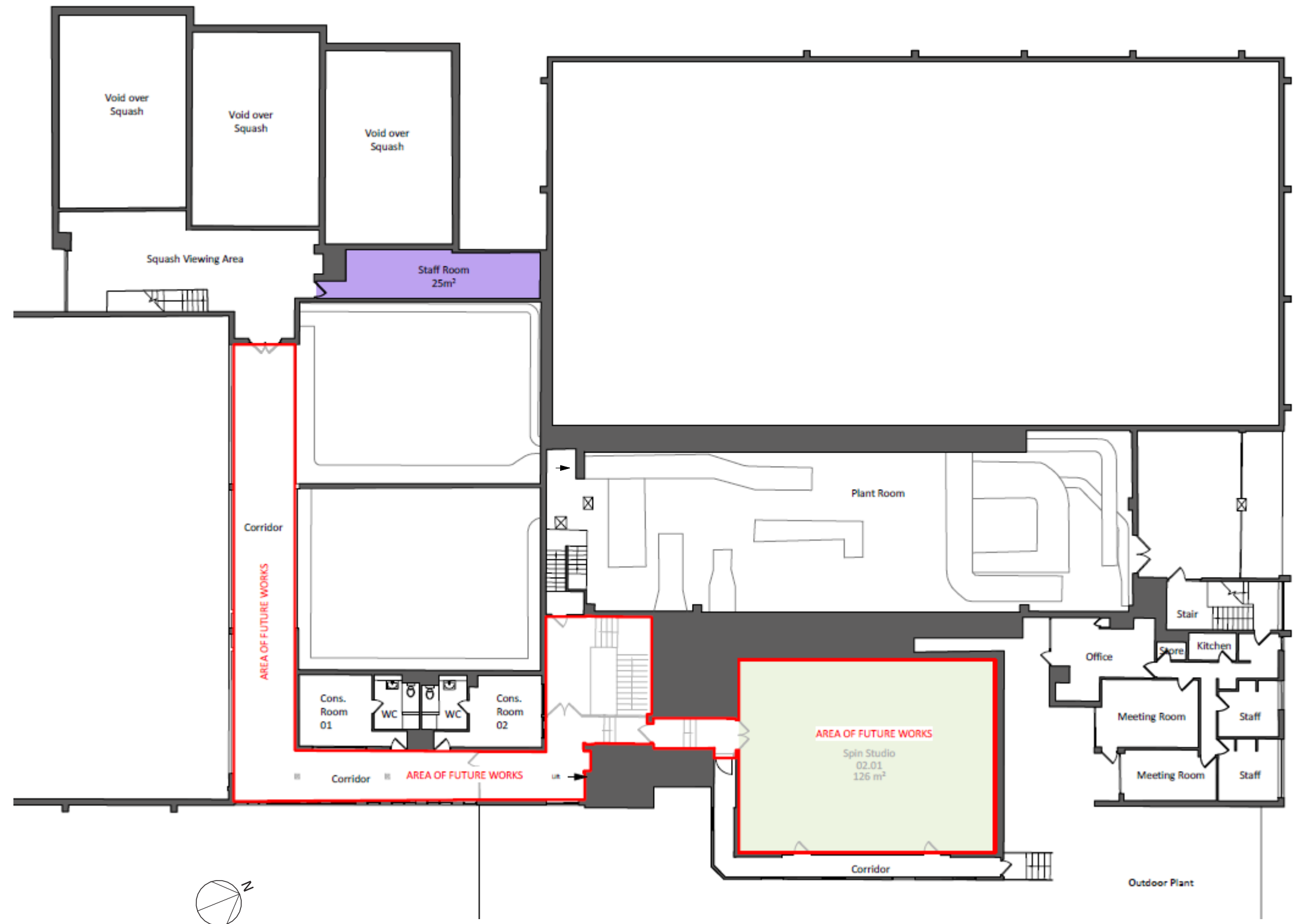
Plan is diagrammatic and not to scale.

Second Floor RIBA 3 Plans

Walnuts Leisure Centre

On the second floor, proposals were developed to refurbish the spin studio and redecorate the circulation spaces as well as create a break in the corridor to reduce public facing areas, but these aren't included as part of the base scheme at the end of RIBA 3 due to value engineering efforts.

The existing staff room will be refurbished with new finishes.

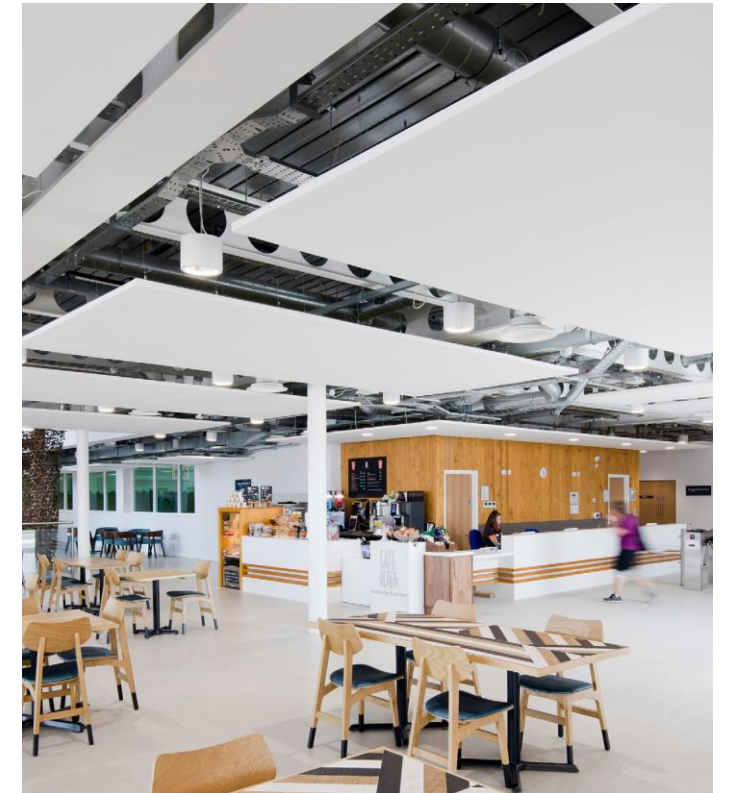
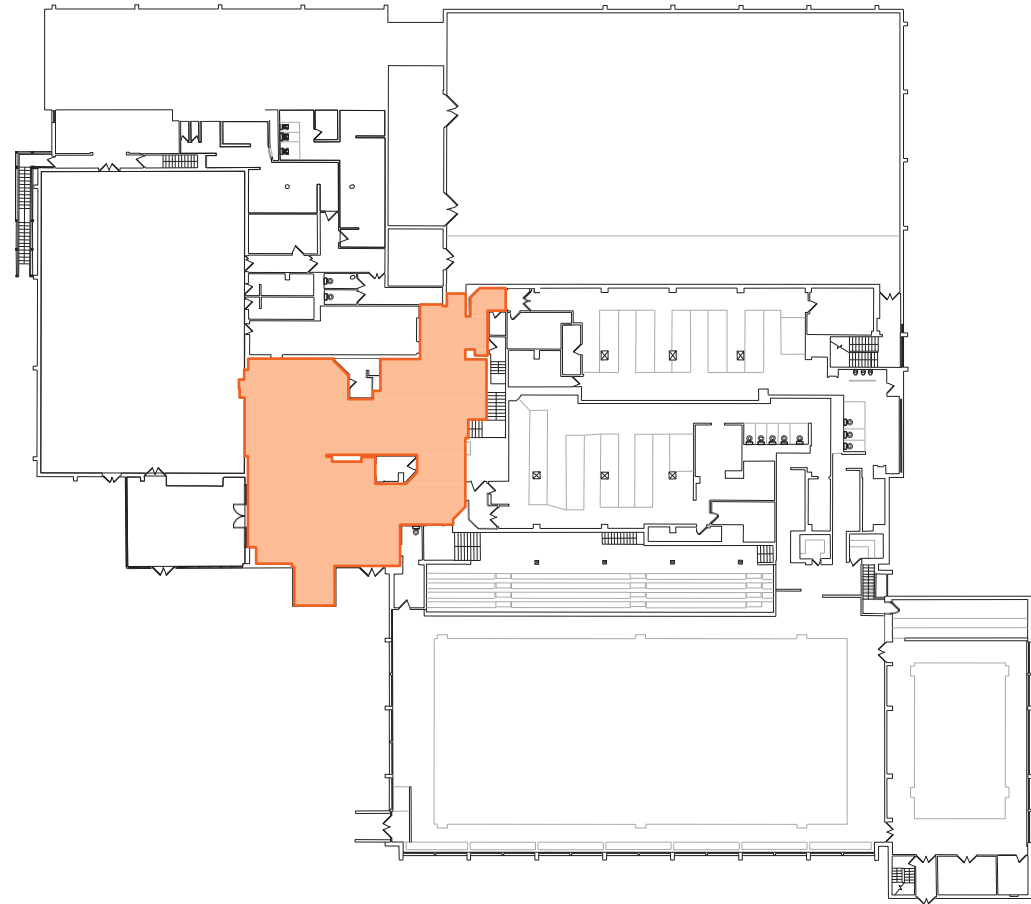


Wet Side
 Dry Side
 Health & Fitness
 Commercial
 Support

Plan is diagrammatic and not to scale.

Café & Reception – Precedent Images

Walnuts Leisure Centre

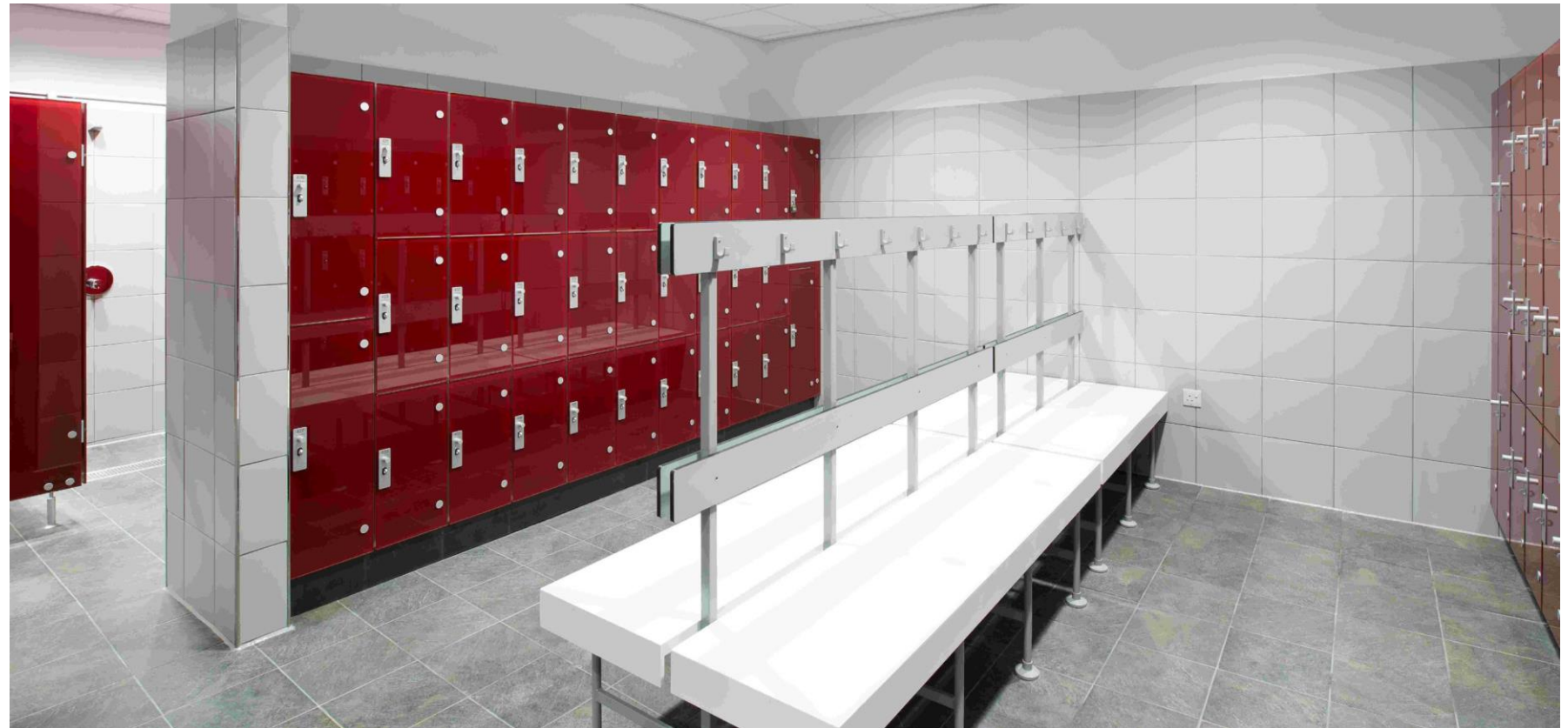
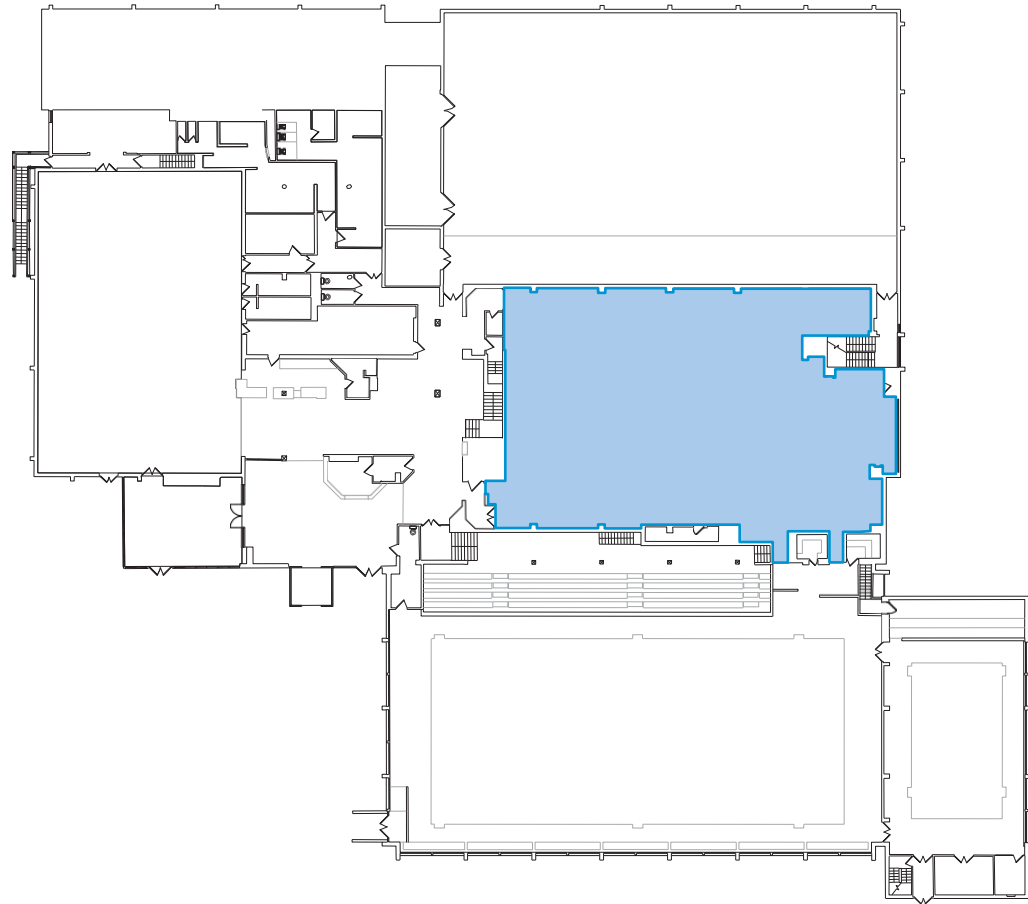


These images are intended to provide an idea of what the Café and Reception could look like with the interior strategy to be further developed during stage 4 of the design.


 Extent of Café / Reception Area

Wet Change – Precedent Images

Walnuts Leisure Centre

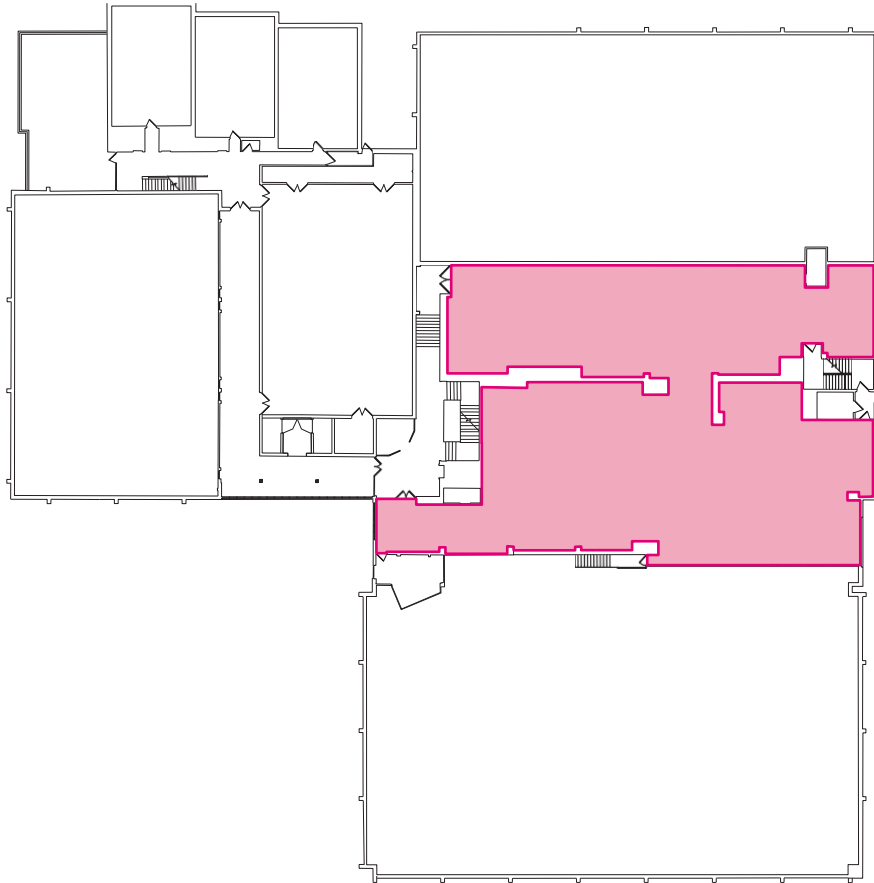


These images are intended to provide an idea of what the wet change could look like with the interior strategy to be further developed during stage 4 of the design.

 Extent of Refurbished Wet Change

Gym – Precedent Images

Walnuts Leisure Centre



These images are intended to provide an idea of what the gym could look like with the interior strategy to be further developed during stage 4 of the design.

 Extent of Proposed Fitness Suite



Appendix C: S106 Carbon Offset Funding RIBA 3

Recommendation for Contribution

S106 Carbon Offset Funding

A request using carbon offset funding (COF) of c£640k has been made to install air handling units (AHU) and new building energy management (BEM) systems at both the Walnuts and West Wickham Leisure Centres.

Paragraph 3.29 of the report set out the carbon and energy cost saving benefits.

The contributions, as set out on page 38 of this appendix, have been identified as suitable for use. This includes using funds with the earliest expiry date. (Approved planning applications without a 'spend-by-date' do not have an end date.)

It is recommended that any overspend requirement in relation to the COF funding would be approved by the Director of Environment & Public Protection who has delegated responsibility

for "Carbon management and reduction" in consultation with the portfolio holder and the Director of Housing, Planning and Regeneration who has responsibility for "authorising expenditure of money received through Section 106 Agreements, subject to the restrictions of the Council's Financial Regulations", or as delegated by the Executive up to a maximum of an additional 20% of the required £640,750, subject to available funding in the carbon offset fund budget.



Image 1: Derelict variable intake Louvres



Image 2: Failed Heat-Recovery Coil

Recommendation for Contribution

S106 Carbon Offset Funding

Carbon Offset Fund (s106) contributions:					
Planning Application	Address	Ward	Last Receipt	Spend by	Available £
16/05897/FULL1	Maybrey Business Park, Worsley Bridge Road, London, SE26 5AZ	Copers Cope	23/07/2019	24/05/2028	164,490.00
20/01280/OUT	Lubbock House, 1 Northolme Rise, Orpington, BR6 9RF	Farnborough And Crofton	08/09/2021	08/09/2031	41,400.00
18/00443/FULL1	GlaxoSmithKline, Langley Court, South Eden Park Road, Beckenham	Kelsey And Eden Park	01/10/2021		112,579.50
20/02903/FULL1	Banbury House Bushell Way Chislehurst BR7 6SF	Chislehurst	01/04/2020		4,320.00
21/04851/FULL1	West Wickham Library, Glebe Way, West Wickham, BR4 0SH	West Wickham	25/05/2022		59,195.00
19/01637/FULL1	Carlton Court , Beckenham Road, Beckenham, BR3 4PP	Clock House	31/07/2022	31/07/2029	29,286.00
20/05027/FULL1	34 West Common Road, Hayes, Bromley, BR2 7BX	Hayes And Coney Hall	31/07/2022		154,859.22
19/01263/FULL1	Allum House , 92 Plaistow Lane, Bromley, BR1 3HU	Plaistow And Sundridge	08/03/2023	08/03/2030	12,852.00
17/05084/FULL1	Land Adjacent To Bromley College, London Road, Bromley	Bromley Town	28/11/2023	28/11/2033	34,524.00
21/05812/FULL1	Capel Manor College, Mottingham Lane, Mottingham, London, SE12 9AW	Mottingham And Chislehurst North	23/08/2023	23/08/2033	7,517.00
20/02944/FULL1	Land Adjacent Anerley Town Hall Anerley Road, William Booth Road, Penge,	Crystal Palace	01/04/2020		447.03
17/03505/FULL1	Ashling Lodge, 20 Station Road, Orpington, BR6 0SA (for use at the Walnuts)	Orpington	06/10/2022		20,048.59
21/03220/FULL1	32 Homefield Rise, Orpington, BR6 0RU (distance restriction – to be used at Walnuts only)	Orpington	03/05/2022		7,125.00
Total:					648,643.34

Report No.
HPR20224/015

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: FULL COUNCIL / EXECUTIVE

Date: For Pre-Decision Scrutiny by the Renewal, Recreation and Housing PDS Committee on Wednesday 17 April 2024

Decision Type: Non-Urgent Executive Key

Title: CRYSTAL PALACE PARK REGENERATION PLAN - PROCEED TO PROCUREMENT FOR CAPITAL WORKS

Contact Officer: Alicia Egan, Head of Regeneration
Email: Alicia.Egan@bromley.gov.uk

Tom Bevan, Heritage Capital Project Manager
E-mail: Tom.Bevan@bromley.gov.uk

Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: Crystal Palace & Anerley

1. Reason for decision/report and options

1.1 This report provides Members with an update on the delivery of the Crystal Palace Park Regeneration Plan and asks for approval to proceed to procurement for a main contractor to deliver the capital works of the next phase of the Plan.

2. **RECOMMENDATION(S)**

2.1 That Members of the RRH PDS note the contents of this report and make any comments available to the Executive.

2.2 That Members of the Executive approve proceeding to procurement, as set out in paragraphs 3.12 to 3.26, for a main contractor to deliver the capital works at a total estimated contract cost of £17.7m.

2.3 That Members of the Executive and Full Council increase the budget of the Crystal Palace Park Regeneration Plan already on the Capital Programme by £19.096m. The scheme will be funded through a £5m grant from the National Lottery Heritage Fund and the capital receipts from the sale of the two areas of parkland which are estimated to achieve £19.36m.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The park is visited by 1.4m visitors per annum. The majority of these visitors are from the communities that surround the park, some of which are within the 20% most deprived in the UK.
-

Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority:
 - (1) For children and young people to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - (4) For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: Estimated Cost: £23.9m estimated cost for Phase 1a of the Crystal Palace Park Regeneration Plan
 2. Ongoing costs: Non-Recurring Cost: Capital costs
 3. Budget head/performance centre: Crystal Palace Park Regeneration Plan
 4. Total current budget for this head: £4.5m forward funding on the capital programme to progress the project and £304k development grant from the NLHF totalling £4.804m
 5. Source of funding: Capital receipts, grants, and forward funding
-

Personnel

1. Number of staff (*current and additional*): 1 FTE
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: A tender will be undertaken in compliance with the Public Contract Regulations 2015, but if the tender timetable runs over the tender will need to be undertaken in compliance with the Procurement Act 2023.
-

Property

1. Summary of Property Implications: The Property Team support the procurement of a main contractor to deliver the capital works. The sale of the Parkland requires a number of Pre Conditions to be satisfied.
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: The Regeneration Plan will improve and expand open space across the Park by around 2.7ha and the quality of the open space will be greatly enhanced through new character areas, improved infrastructure and better accessibility.

Impact on the Local Economy

1. Summary of Local Economy Implications: The Crystal Palace Park Regeneration Plan will increase footfall to the area by 326,500. Once complete the interventions are estimated to generate 46 net jobs in the Greater London area.

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: Improved access to green spaces and an enhanced community activity programme will have a positive impact on the health and wellbeing of park users.

Customer Impact

1. Estimated number of users or customers (*current and projected*): The park is currently visited by approximately 1.4m people each year. Following these works visitor numbers are expected to increase to 1.72m.

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Ward Councillors continue to support plans for the Crystal Palace Park Regeneration Plan.

3. COMMENTARY

3.1 The Crystal Palace Park Regeneration Plan is an updated, scaled back and achievable version of the London Development Agency's 2007 masterplan for Crystal Palace Park which gained outline planning permission in 2010. It is a holistic scheme that will deliver benefits to the park through:

- The physical regeneration – capital works
- A new form of governance – the Crystal Palace Park Trust
- A new business model – enabled through the capital works and new governance.

The Regeneration Plan received outline planning consent in 2021. The legal agreements with the Local Planning Authority and the GLA were finalised in 2023. The new form of governance for the park and the new business model have been established, with the Crystal Palace Park Trust taking a 125 year lease in September 2023, which leaves the capital works to be implemented in order to secure a long-term sustainable future for the park.

3.2 The next steps for the Crystal Palace Park Regeneration Plan were set out in report HPR2022/022 which went to the Executive in July 2022. As set out in this report the scheme is expected to be funded from the sale of the housing land (enabling development), with the remaining generated through grants. This approach was previously approved in 2017 (Report No. DRR17/029). It has been agreed with the Planning Authority that in order for the housing developments at either Rockhills or Sydenham Villas to commence, key milestones related to the heritage restoration must first be achieved. A new community centre by the Rockhills housing development must also be built to replace the demolished One O'clock Club position on the current Sydenham Villas site. Development of these proposals will shortly commence.

3.3 The following must be secured prior to commencement of the Rockhills enabling residential development as part of the shadow s106 agreement:

- Italian Terraces: A contract has been awarded for the carrying out of all stonework in the Italian Terraces and 30% of such stonework has been completed.
- Tidal Lakes: Either a contract has been awarded for the carrying out of all historic landscaping works at the Tidal Lakes and 30% of such works have been completed or a contract has been awarded for the restoration of all the dinosaurs at the Tidal Lakes and restoration of three of those dinosaurs has been completed; and
- Statues: A contract has been awarded for the restoration of at least four statues in the Park Land and restoration of the Paxton Bust in the Park Land has been completed but not necessarily moved into position.

3.4 The following must be secured prior to commencement of the Sydenham Villas enabling residential development as part of the shadow s106 agreement:

- Italian Terraces: A contract has been awarded for the carrying out of all stonework in the Italian Terraces and 10% of such stonework has been completed.
- Tidal Lakes: Either a contract has been awarded for the carrying out of all historic landscaping works at the Tidal Lakes and 10% of such works have been completed or a contract has been awarded for the restoration of all the dinosaurs at the Tidal Lakes and restoration of three of those dinosaurs has been completed; and
- Statues: A contract has been awarded for the restoration of at least four statues in the Park Land and restoration of the Paxton Bust in the Park Land has been completed but not necessarily moved into position.

- 3.5 In July 2022 (report no. HPR2022/022) the Executive approved the commencement of the forwarded funded heritage restoration capital works, limited to £4.5m (expected housing receipt £19.36m) noting that the Capital Programme will regularly be updated to reflect the impact of this on total scheme expenditure.
- 3.6 In March 2023 (report no. HPR2023/023) the Executive approved to accept a Development Grant from the National Lottery Heritage Fund (NLHF) to move forward with the capital works to the lower end of the park, namely the dinosaurs and wider landscape, the information centre and the playground. In March 2024, at the mid-development phase point of the grant, the NLHF formally approved the project to submit the Round 2 application in May 2024 to secure the full £5m grant. This approval is confirmation that the NLHF consider the project to meet all approved purposes and it is therefore strong indication that we will meet the requirement for the second stage application. A decision on this application will be made in September 2024.
- 3.7 In May 2023 (report no. HPR2023/026) the Executive approved the award of contract for a multi-disciplinary team to develop proposals for the lottery funded area of the park (dinosaurs – site A) as well as the Grade II listed Italian Terraces (Site B) being funded through the housing land capital receipt. The planned works on these sites include:

Site A:

- Renovating the Grade I listed dinosaurs and their setting, including the Tidal Lakes.
- Creating a vehicle entrance and exit gateway into Penge Gate car park which is separate from the pedestrian entrance;
- Creating a new dinosaur themed play area visible adjacent to the Tidal Lakes. Removing and grassing over existing play area; ng
- Creating a new-look Information Centre to form the hub of information for the park;
- Improving on-site maintenance facilities by replacing existing facilities with a new purpose-built maintenance depot;
- Renovating Penge Gate car park to maximise the usable area and including disabled bays, electrical charging points and secure cycle parking;
- Widening Penge Gate and installing a gateway feature to announce the entrance into park within the local neighbourhood.

Site B:

- Conserving and repairing the terrace walls and replacing missing balustrades and copings to redefine the Upper and Lower Italian Terraces;
- Creating viewing areas on each terrace to maximise expansive views over the Park to the east.

- 3.8 The total scheme cost for this phase is estimated at £24.3m. Income is expected as:

Source	Total (£)
Sale of land	19,360,000
NLHF grant	4,999,999
Additional fundraised income	403,000
Total	24,762,999

Expenditure is estimated as:

Activity	Total (£)
Enabling works	650,500
Professional fees	2,500,124
Site A capital works	9,060,000
Site B capital works	8,640,000
NLHF-funded activities	609,831
Other costs	100,210
S106 contributions	755,226
Sale of land	117,150
Rockhills community centre	1,500,000
Total	£23,933,041

- 3.9 In February 2024, a reserved matters application was submitted to the Local Planning Authority providing more detailed proposals for Sites A and B. This application is expected to be determined in June 2024. Prior to this submission, two public information days were held in the park to update users on plans. Feedback forms were made available and all returned forms indicated support for the scheme. Historic England have also been closely engaged through the planning process and have formally provided support for the proposals during the planning consultation period.
- 3.10 The property consultants Montagu Evans have been appointed by the Property team, to market the housing land for sale. The value of the land is currently estimated at £19.36m. This opportunity will be released to the market once the appropriate pre-conditions to the disposal have been satisfied. The development opportunity was also included in the Opportunity London Investment Prospectus, which indicates the high-level interest the sale is expected to generate.
- 3.11 As the shadow S106 requires a level of heritage restoration to be completed before the housing developments can commence, it is therefore important for potential purchasers to see progress made on these capital works to secure the sale. The procurement of a main contractor will be an important step in providing potential purchasers with this confidence. Without this the land sale is likely to be adversely affected.

Capital works – main contractor procurement

- 3.12 The value of the works contract is estimated at £17.7m.
- 3.13 Following procurement workshops with the multi-disciplinary team and LBB officers, a single-stage, traditional, restricted (SQ/PQQ), procurement route with CDP packages is recommended to meet the project objectives. Quality and cost have been identified as the priority objectives for the successful delivery of this project for the following reasons:
- Quality: to specifically ensure that the restoration and landscaping works are detailed and constructed to the highest standard to ensure that they are robust and long-lasting; that historic elements can be removed from the Heritage at Risk Register; and to create a high-quality destination.
 - Cost: priorities are to ensure that the project is delivered to a fixed budget and that there is cost certainty for London Borough of Bromley as the project needs to be fully funded through raised income and capital receipts.

- 3.14 A traditional procurement process will benefit the scheme by providing greater control over quality, cost certainty via a lump sum, and a fixed end date. It is recommended that all aspects of the project – landscaping, new build, conservation, and works to services/utilities – are procured under one single contract so that there is one single point of contact responsible for programming, managing the works, managing site logistics, and the responsibility for health and safety in the occupied park. A traditional route separates design from construction. It allows the Council, to retain control over decisions relating to design and quality of the project with the appointed project team.
- 3.15 In this approach, the construction contract would include Sectional Completion – a contractual obligation for the Contractor to complete a defined part of the Works or ‘Section’ by a prescribed date. This would allow LBB to take over, or occupy, the works on a phased basis whilst construction continues on other Sections. It also allows for liquidated damages to be applied to each defined Section in the event of late completion. It is recommended that the defined Sections would be:
- Section 1: Maintenance Yard and Buildings
 - Section 2: Information Centre
 - Section 3: Dinosaur area, playground, and Italian Terraces
- 3.16 The option to procure multiple, smaller construction contracts – rather than a single, main contractor - has been considered as this could garner greater interest from across the market and can reduce timescales as separate work packages can begin earlier. However, this is a complex approach for the client to manage and reduces the certainty of the total capital budget before works begin. It is also felt that this approach can incur greater prelim costs, increased contract liability issues, and more risk in procurement and is therefore not recommended for this project.
- 3.17 It is proposed that the project is tendered through a restricted procedure, with an initial Selection Questionnaire (SQ) issued to the open market and returns narrowed down to five principal contractors for tender. The SQ process would improve the quality of the bids and ensure that we have the correct contractors bidding at the tender stage.
- 3.18 An open procurement process – rather than a restricted process – has also been considered as this can also increase competition. This approach, however, has not been recommended as it has high resource implications, can result in low quality bids, and increases the likelihood of challenges.
- 3.19 The following frameworks could also be considered: Southern Construction Framework, Lot 3; London Construction Framework – Major Works, Lot 2/2.3/2.4; Scape Framework; CCS Framework, Lot 3.2. However, each of these frameworks are geared towards a two-stage tendering process which is not recommended for this project, as outlined below. Framework procurement may also be subject to a Framework Access Arrangement fee(s).
- 3.20 A single stage procurement process has also been recommended. This requires a full set of tender documents and accompanying design to be tendered to several Contractors within a pre-agreed tender period. Each contractor returns a tender price and any accompanying documents requested, which is used for evaluation and award. This route does not allow early Contractor involvement and requires that all Contractors expend time and cost preparing their price, which is not recoverable should they be unsuccessful.
- 3.21 A two-stage procurement process allows a competitive first-stage element, where Contractors compete on their preliminaries and overheads and profits provision, and costs required for the second-stage element, the Pre-Construction Service Agreement. This approach can improve

quality as the Contractor is involved at an earlier stage however the cost of works is not known until later in the process when the process completes the second stage. As this project needs to deliver value for money, particularly for grant funders, it is important that we have cost certainty from the outset and so this approach has not been recommended.

3.22 Due to the complex nature of the project and the importance for a high-quality restoration of the heritage assets, LPM have undertaken early market engagement to test the approach of a single-stage, traditional, restricted (SQ), procurement route with potential bidders. On learning more about the project and proposed approach through a short presentation, all those engaged indicated that they are interested in bidding when the tender opens.

Contractor	Relevant experience	Interest level
Coniston	Building contractor, with specialism in conservation and restoration works. Projects include: National Gallery, British Museum.	Interested in bidding
Blakedown	Landscape contractor and civil engineer expert, including restoration of large-scale parks. Projects include: Boston Manor Park, Natural History Museum	Interested in bidding
Maylim	Public realm and landscaping contractor. Projects include: Battersea Power Station, Exchange Square.	Interested in bidding
Elite	Landscape contractor (principally residential)	Interested in bidding
Sir Robert McAlpine	Heritage restoration and signature new build projects. Projects include: Maggie Cander Care Centres, and heritage work at Royal Albert Hall and The Courtauld Institute of Art	Interested in bidding

3.23 It is planned, subject to the recommendations in this report being approved, that bids will be evaluated 60% on quality and 40% on price. Whilst this is a deviation away from the Council's usual process, market engagement has indicated the likelihood of a failed tender without doing this, as many heritage contractors have a policy of not bidding on works that favour price over quality. Therefore this is recommended due to the importance of the heritage involved and the need for a contractor who has the relevant experience to meet the quality priority for the project. It is an important output of the project that the heritage assets are removed from the Heritage at Risk Register on completion. The project will also be fully funded through raised income or from the capital receipts which are ringfenced solely for the Regeneration Plan. Members should be reassured that this approach has successfully been taken on other projects including the Subway. Not taking this risk of moving to 60 quality and 40 price, and having a failed tender process, would delay the works on site, delaying the land sale(s).

3.24 The ITT documents will include a detailed preliminaries document which outlines the requirements for heritage restoration noted in the shadow S106 agreement, alongside the need to work with the Crystal Palace Park Trust's events programme, and to consider the use of the park by the public. It will be a requirement that the heritage restoration is prioritised in the works programme, along with the building of a new maintenance building, as these are required to enable commencement of the housing developments.

3.25 The tender will include a mandatory question requiring explanations around the added value that bidders can provide to assist the Council in securing economic, social and environmental improvements. Through the quality questions, the bidders will be asked to submit a method statement on the provision of Quality Apprenticeships/Trainee opportunities.

Proposed procurement programme

<u>Activity</u>	<u>Timeline</u>
Early market engagement	Mid-March 2024
Preparation of prelims and pricing documents	May-June 2024
Finalise ITT documents	Early July 2024
Issue PQQ	Mid-July 2024
Evaluation of PQQ responses	Early September 2024
Issue tender documents	Early-September – early November 2024
Evaluation of bids	Mid-November 2024
Contract award	December 2024

3.26 The contract award will not be finalised until confirmation of the full NLHF grant is received in September 2024 and a housing developer has been secured. A report will come back to Members to approve the award of the works contract.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The Regeneration Plan will have a positive impact on vulnerable adults and children. The park is an unrestricted public space and leisure facility which is easily accessible by public transport and car.

4.2 The Park is designed for public enjoyment and education and includes the popular dinosaurs which are a unique London attraction. The Regeneration Plan will improve access and public enjoyment, and will increase the amount of high quality, freely accessible public land within the park. The Park provides green space for many local families who do not have access to gardens of their own.

5. TRANSFORMATION/POLICY IMPLICATIONS

5.1 The Regeneration Plan has been a long-term strategic solution for the Park which has a significant conservation deficit. Progressing this scheme will ultimately lead to a restored and sustainable park as well as eventual revenue savings.

5.2 The project will contribute to the Corporate Strategy to Make Bromley Even Better. It will meet the following objectives:

- For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
- To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

6. FINANCIAL IMPLICATIONS

6.1 The report requests Members of the RRH PDS to note the contents of the report and make any comments to executive.

6.2 The report also requests members of executive to approve a budget increase to the CPP Regeneration Plan by £19m to £24m, this will be funded via the already secured National Heritage Lottery fund and capital receipts from sale of two pieces of Parkland.

- 6.3 Finally executive are also requested to approve the procurement of a main contractor to deliver the capital works at a total contract cost of £17.7m.
- 6.4 Given the increase to the capital programme required this report will also need to go to full council for approval.
- 6.5 To secure the sale of the parklands, there is a requirement to have the restoration works commenced and delivered to a certain standard to show progress of works, this will be a requirement of any developer looking to purchase the land and therefore it is important for the main contractor procurement to be approved, see paragraph 3.11 for further details.
- 6.6 Although the contract value for the main contractor is £17.7m, there is an estimation of circa £2.2m of works will be required before the sale can finalise, this cost can be contained and managed out of the £4.5m forward funding already agreed.
- 6.7 There should be no additional cost pressure to the council's capital budget to implement the requests above and the entire restoration costs can be contained within the funding outlined in the table in section 3.8 above.
- 6.8 Members should be made aware that any and all costs incurred to date could become a revenue cost pressure if the project does not achieve the milestones required to secure the sale of the land, this will impact on the additional grant funding and the existing grant funding already secured is at risk of being required to be paid back if the restoration is halted.

7. LEGAL IMPLICATIONS

- 7.1 The Council has the legal power to hold, maintain and develop its landholdings and buildings in connection with its functions and general powers and in connection with its leisure and recreation powers under section 19 Local Government Act (Miscellaneous Provisions) Act 1976. Section 1(1) of the Localism Act 2011 gives the Council the power to do anything that individuals may do and under Section 111 Local Government Act 1972 the Council has power to do anything calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. In furtherance of these statutory powers, the Council may proceed to procure through a contract, the intended works as more fully set out in this report.
- 7.2 The procurement of these works is a public works contract in accordance with the Public Contracts Regulations 2015 and due to the proposed value of the contract being above threshold the procurement will need to comply with the Regulations. Under Regulation 65 a restricted procedure can be restricted to a minimum of 5 bidders. As outlined in the report, early market engagement has been undertaken with an expected tender response from 5 bidders.
- 7.3 The procurement will need to be conducted in accordance with the Council's Contract Procedure Rules (CPRs). Specific requirements in relation to proceeding to procurement and relevant authorisations are set out in the Procurement implications.
- 7.4 Ongoing Legal advice should be sought in relation to the procurement and on the appropriate form of contract to utilise for this tender.

8. PROCUREMENT IMPLICATIONS

- 8.1 This report seeks approval to proceed to procurement using the Open tender procedure for a suitable main contractor to deliver the Crystal Palace Capital Works Project at a total contract cost of £17.7m commencing December 2024.

- 8.2 This is an above threshold works contract and the procedure must be conducted in line set out in Part 2 of the Public Contract Regulations.
- 8.3 The Council's specific requirements for authorising proceeding to procurement are covered in the Rules 1 and 5 of the Council's with the need to obtain the approval of Executive following agreement of the Portfolio Holder, Assistant Director Governance & Contracts, the Director of Corporate Services
- 8.4 In accordance with Contract Procedure Rules 2.1, Officers must take all necessary professional advice.
- 8.5 As per 8.2.1 of the Council Contract Procedure Rules, this procurement must make use of public advertisement, and therefore must also be advertised on Contracts Finder and Find a Tender. The relevant award notices must be published.
- 8.6 The procurement must comply with the principles of transparency and equal treatment. Any time limits imposed, such as for responding to adverts and tenders, must be reasonable and proportionate.
- 8.7 Executive should note that should there be a delay with the tender timetable beyond the 31st September 2024, the Council will be required to undertake this action under Procurement Act 2023 and ensure that the relevant contract process and notices are published in compliance with any updates to the Council's Contract Procedure Rules.
- 8.8 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

9. PROPERTY IMPLICATIONS

- 9.1 The Property Team support the procurement of a main contractor to deliver the capital works. The sale of the Parkland requires a number of Pre Conditions to be satisfied.

10. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 10.1 The Regeneration Plan was assessed against the existing socio-economic baseline conditions as part of the outline planning application. Different socio-economic baseline conditions were considered to assess effects at a local, borough and regional level. The socio-economic baseline conditions were established using nationally recognised data and research, including (but not limited to) the 2011 Census, Office for National Statistics employment data, and statistics released by the Department for Education and National Health Service. Once complete and in operation, the Regeneration Plan interventions will generate 46 net jobs in the Greater London area through a variety of means.
- 10.2 The future occupants of the new residential developments within the Regeneration Plan are estimated to spend approximately £3.6 million per annum in Greater London each year. The 210 additional dwellings will account for 3.3% of the total housing target set for Bromley in the London Plan between 2015 and 2025.
- 10.3 Primary healthcare facilities within 1km of the Site currently have an average of 1,863 patients per GP, which is broadly in line with the standard of one GP per 1,800 registered patients. The residential elements of the Regeneration Plan will increase this ratio to 1,875 patients per GP, but this is still in line with the set target for the UK. These healthcare facilities fall in two five different London boroughs, including Bromley.

- 10.4 The landscaping works within the Regeneration Plan will improve and expand open space across the Park by around 2.7ha and the quality of the open space will be greatly enhanced through new character areas, improved infrastructure and better accessibility. The works aim to re-establish the Park's cultural significance and identity.
- 10.5 The Regeneration Plan will provide 2,730m² of publicly accessible play space across three separate areas. This space will be accessible from the residential units within the Regeneration Plan and will cater for the needs of children of all ages within these units. In addition, the over-provision provided by the Regeneration Plan will improve the provision of local play space and will be accessible to visitors and the community.
- 10.6 The assessment for the outline planning application identified no potential significant adverse effects relating to socio-economics within either the construction/demolition or operational phase hence there is no requirement for mitigation. Significant beneficial effects are anticipated during operation as a result of the provision of open space in the local area (major beneficial) and the provision of open space locally (moderate beneficial).

11. IMPACT ON THE LOCAL ECONOMY

- 11.1 The impact on the regeneration of Crystal Palace Park will be positive for residents and users of Crystal Palace Park, as well as wider Borough residents as there will be less financial pressure on other capital grants. Once complete and in operation, the Regeneration Plan interventions are estimated to generate 46 net jobs in the Greater London area through a variety of means.

12. IMPACT ON HEALTH AND WELLBEING

- 12.1 Improved access to green spaces and an enhanced community activity programme will have a positive impact on the health and wellbeing of park users.

13. CUSTOMER IMPACT

- 13.1 The number of visitors to the park is expected to increase by 15% as a result of this regeneration.
- 13.2 The activity programme funded by the NLHF is expected to reach at least 37,000 people over two years.

14. WARD COUNCILLOR VIEWS

- 14.1 Ward Councillors have supported the regeneration plan and the grant application to date.

Non-Applicable Headings:	Personnel implications
Background Documents: (Access via Contact Officer)	Report No HPR2022/22 Report No HPR2023/026 Report No HPR2023/023 Report No. DRR20/018 Report No. DRR19/058 Report No. HPOR2021/033 Report No. HPR2022/015

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank

Agenda Item 9

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank