

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2526

Title: Crystal Palace National Sports Centre concept design development

Executive Summary:

Owned by GLA Land and Property Limited, the Crystal Palace National Sports Centre (NSC) is in urgent need of major capital investment to secure its long-term future as a sports facility for Londoners. Approval is sought for expenditure of up to £1,020,000 to further the work authorised under MD2220 for design, feasibility and options appraisal for the NSC estate, progressing to concept design stage. This includes procuring a new operator, as the current contract ends in March 2021.

The commissioned works will establish a confirmed project brief and scope, obtain existing building and site information and fully test and consider a broad range of design options in greater detail building on feasibility work undertaken to date. Works will have an option to break after each identified stage, as more information and clarity is developed on future options. It is recognised that external funding will need to be secured to deliver significant changes to the Centre. The activities proposed in this decision are a necessary precursor to this.

Decision:

That the Mayor approves:

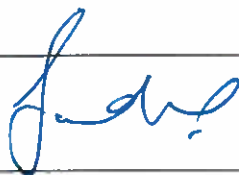
1. Expenditure of up to £150,000 to appoint a specialist leisure consultant to assist the GLA in the procurement of a new leisure operator for the NSC;
2. Expenditure of up to £270,000 for required surveys for the NSC estate, including a measured survey, arboricultural survey, and intrusive building and services condition survey; and
3. Expenditure of up to £600,000 for architectural and consultancy services to develop the feasibility design work to concept design stage, reflecting RIBA stage 2, including outline structural and building services design, associated project strategies, preliminary cost information, final project brief and business plan.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

18/11/19

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1 Introduction and background

- 1.1 Crystal Palace Park is located in the borough of Bromley, immediately to the north-east of Upper Norwood. The park borders the London boroughs of Southwark, Lambeth, Croydon and Lewisham.
- 1.2 The park is a valued open space and contains the National Sports Centre (NSC). Whilst the Park and its facilities attract 1.68 million visitors a year, many areas are in a neglected state and generally the character, quality and range of facilities have degenerated. The Park itself is a Grade II* listed landscape and contains the internationally significant Grade I listed prehistoric animal sculptures, the Crystal Palace Dinosaurs.
- 1.3 Constructed in 1964, the NSC was one of five National Sports Centres run on behalf of Sport England. Ownership of the Crystal Palace NSC was transferred from Sport England to the London Development Agency in 2006 and then to GLA Land and Property Limited (GLAP) in April 2012.
- 1.4 The NSC sits in the middle of the park, and is a large multi-use sports centre and athletics stadium, comprising the Grade II* National Recreation Centre, the stadium, supporting ancillary accommodation and outdoor sports areas. The centre is currently managed by Greenwich Leisure Limited on behalf of GLAP. A GLA subsidy of circa. £1million per annum covers some operational costs of the centre, including utility costs and unrecoverable VAT.
- 1.5 The NSC is over 50 years old and is in urgent need of major capital investment to secure its long-term future as a sports facility for Londoners. The state of aspects of the buildings means that ‘do nothing’ is no longer an option. A detailed feasibility study and options appraisal, including an outline business case, has reviewed minimal maintenance options against more significant redevelopment options, testing each one’s ability to deliver a commercially viable centre that meets the current and future sporting and community needs.
- 1.6 A range of options have been considered, including the ‘mothballing’ of the NSC and transferal of the lease to a 3rd party. The strategic investment case for each has been reviewed against its ability to deliver a reduction in the need for continued subsidy and the potential for a positive annual return dependent on the mix of sporting and leisure uses.
- 1.7 Analysis and appraisal of the site, including existing structures, landscape, access and connectivity have been undertaken to identify key issues and constraints that are currently detrimental to the experience and performance of the NSC and its relationship with the wider park. In response, the study set out some suggested key moves to improve this relationship and the facilities to deliver a vibrant community facility with a sustainable long-term future.
- 1.8 The design studies and scenarios were further tested through consultation, and in relation to the emerging business plan and cost options. The more transformative options received strong support through public and stakeholder engagement and recognised a context of growing momentum for action across the board relating to health, wellbeing and an active lifestyle. Any level of investment needs to be considered alongside the sporting and broader social outcomes that an improved or remodelled centre will deliver.
- 1.9 It is recognised that external funding sources will need to be pursued to deliver these options. Approaches have been made to the Heritage Lottery Fund (HLF), Sport England and other National Governing Bodies (NGBs). These avenues and others, including approaches to the Department of

Culture, Media and Sport (DCMS) will need to be progressed further in due course as options are refined and more refined cost information becomes available.

- 1.10 The contract with Greenwich Leisure Limited (GLL) to manage the NSC is due to expire in 2021. Running the procurement of a new operating contract alongside the planning and delivery of the redevelopment of the centre would give the new operator the opportunity to input on maximising commercial activities and on operational design considerations.
- 1.11 The regeneration vision of the NSC is driven by local aspirations, captured and articulated through a programme of community and stakeholder engagement. It has taken account of a range of views from user groups, sporting bodies, heritage and other amenity groups, local boroughs and organisations, including schools and clubs as well as the wider public. This has set the path for the vision of the NSC to revolve around delivering a revitalised, fit-for-purpose community asset that will be accessible to all Londoners, offering a wide range of activities for competitive and casual users alike.
- 1.12 A more vibrant, inclusive and diverse offer at the NSC could have a marked impact on the wider health and wellbeing of residents in the five surrounding boroughs, across South London and across the South East region if implemented. The options considered reflect the Mayor's strategies on sport and activity, reducing health inequalities, improving social cohesion and encouraging investment into community infrastructure.
- 1.13 The project is also driven by the need to proactively address the current liabilities of ongoing subsidy, critical maintenance requirements of the buildings and the longer-term financial commitment required for the facilities to have a sustainable future.
- 1.14 The feasibility work and outline business case approved in January 2018 through MD2220 explored options for the future business plan and operation of the site, including management and governance, operations and opportunities for revenue generation to reduce the annual GLA subsidy currently required to keep the centre open. The work reflected RIBA Stage 1 deliverables. This work now needs to be built upon, addressing the questions that remain following the feasibility exercise and fully testing the design options and business case conclusions.
- 1.15 Any capital investment case for the NSC must be based on a sustainable business plan and facilities that are more commercially astute and meet the needs of a modern fit-for-purpose sport and community hub. Redevelopment would need to address the lack of investment over the years and build on a sustainable and long-term management plan. Key to its commercial success is an increase in visitors/members and their dwell time, so making the facility more desirable to spend time at before and after sporting and community activities is an important driver.
- 1.16 In addition, the study also identifies a wider opportunity to maximise the potential of the site to become a destination hub for South Londoners to be physically active, outside of competitive and club sports.
- 1.17 This decision seeks approval to draw down the relevant budget to progress this work further to develop a fully considered and clear route forward. If approved, this decision will take total expenditure on the project to a maximum of £1,250,000.
- 1.18 The requested expenditure associated with the appointment of a specialist leisure consultant has been informed by market research and reviewed by Sport England.
- 1.19 The projected costs of the associated survey work have been collated from fee proposals from suitable contractors.
- 1.20 The requested expenditure associated with architectural and consultancy fees to RIBA stage 2 has been calculated by the existing design team consultants and reviewed by GLA officers.

2 Objectives and expected outcomes

- 2.1 The NSC estate needs a coherent strategy that enables it to support local community and sporting uses sustainably into the future. The objective of the work proposed is to build upon the feasibility work done to date, to further develop the evidence base and to fully test the proposed design options to help inform future decisions. The work will help to secure a sustainable future for the NSC, to provide a space for sports and recreation, health and well-being, that meets the needs of both sports communities and local people. Any scheme must also better integrate the NSC into the wider park setting and improve and protect the landmark historic building.
- 2.2 Expenditure of up to £600,000 for architectural and consultancy services, progressing the project to RIBA Stage 2 ("Concept Design") will include the production and early coordination of outline proposals for both the overall masterplan and individual buildings, landscaping, structural design, building services systems, outline specifications and cost information. By the end of Stage 2 the Final Project Brief will have been developed and confirmed in line with the RIBA Plan of Work 2013.
- 2.3 The expected outcomes from the work include a more detailed appraisal of the commercial opportunities, a thorough testing of design options, a more robust cost plan including inputting of existing building condition and information and a clear route forward for the NSC to secure a sustainable future.
- 2.4 The work required to fully test and explore design options and to develop a final project brief includes (but will not be limited to):
- the engagement of a full project team to assist in developing and finalising the project brief and design;
 - the development of a funding strategy and schedule for funding applications for external partners, including the production of an evidence portfolio that makes the case for investment in the NSC;
 - the development of a project programme, taking into account design stages, funding processes, procurement, ongoing stakeholder consultation, and planning consent periods;
 - the development of a preliminary construction programme, including phasing sequencing studies to reflect optimal operational usage, construction schedule and buildability;
 - the production of a business strategy which interrogates appropriate commercial opportunities to sit alongside the sports facilities at the NSC;
 - a full transport and travel plan, to integrate parking strategies and inform best practice provision;
 - a holistic rebranding and visual identity exercise for the NSC, including a renaming exercise to reposition the centre as no longer of 'National' status; and
 - detailed design development on the preferred capital works option.
- 2.5 Retention of the design team for Stage 2 has been allowed for in the existing contract, with a clause to extend to cover this stage of the work. The proposed work will have clear 'break' options at identified progress stages, to allow for the scope and fees not incurred to be reviewed or altered, or to enable the termination of the consultant contract should a more minimal level of work or refurbishment emerge as the preferred development option. In any case, a significant level of survey information is required to accurately determine any route forward, and the procurement of a new operator, including the consideration of all potential governance models for the centre must be pursued.
- 2.6 Expenditure of up to £270,000 for surveys to obtain existing building and site information will involve several surveys from multiple contractors, including topographical information, measured surveys of existing buildings to be retained, utilities and drainage surveys, and structural condition surveys including

intrusive building surveys. This work will be procured through a standard competitive procurement process. The required information will be reviewed at each identified progress stage to ensure the scope, number and type of surveys are still relevant.

- 2.7 Expenditure of up to £150,000 relates to specialist leisure consultancy services to assist with the procurement of a new operator for the NSC beyond March 2021. These services will be procured through a standard competitive procurement process. The specialist leisure consultant will assist the GLA in all required work associated with the procurement of a new operator, broadly including:
- a holistic review of the potential operator models and their suitability;
 - the drafting and preparation of required specification and contractual documentation;
 - the project management of the procurement process including OJEU process; and
 - the production of the outcome-based leisure operator contract.
- 2.8 This commission will review all procurement options, carry out soft market testing and make evidence-based recommendations to the GLA on the best way forward.

3 Equality comments

- 3.1 The project will be developed and delivered in compliance with relevant Codes of Practice and in line with the Public Sector Equality Duty to ensure that the full range of issues has been considered. All proposals will be assessed in terms of accessibility to ensure we minimise disadvantages suffered by people who share a protected characteristic relating to age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation.
- 3.2 The project will work collaboratively with consultants and other agencies to promote the value and relevance of Inclusive Design through planning, procurement and commissioning of projects and programmes. This will support the Mayor's commitment to creating an inclusive city by ensuring accessible and inclusive design is an integral part of new developments, public facilities and public spaces, addressing existing barriers to getting around the built environment.
- 3.3 One example of this is the proposed creation of a direct, well-lit accessible pedestrian and cycle route from Crystal Palace station to the NSC. This would go some way to remove barriers to walking and cycling to the centre, encouraging a safer and more sustainable transport route for all centre users. Any future capital works will look to improve access to the centre and improve step-free connections through the NSC estate section of Crystal Palace Park, contributing to the Mayor's work to make London an easier, cheaper and safer city to travel around.
- 3.4 The GLA and appointed consultants will strive to lead by example on creating inclusive workplace cultures, workforce diversity and challenging personal and unconscious bias.
- 3.5 Engagement and consultation with centre users, key stakeholders and the local community is an important part of the project and this part of the work will continue to proactively involve groups who share a protected characteristic, or characteristics, so that their views, interests and opinions are represented and fully integrated into the design proposals. This process will seek to identify such opportunities.
- 3.6 The procurement and construction of any capital works will seek to incorporate an emphasis on workforce integration, promoting work and training opportunities for young people in the local area, especially those from a BAME background. Participation in the GLA's Workforce Integration Network (WIN) will be heavily encouraged through the tender process.
- 3.7 The NSC estate is an important sporting and community facility for London and the South East. It supports a variety of sporting pathways, from participation to elite competition, and is host to a range of

associated events. The work set out in this decision is intended to inform a future for the NSC estate which secures viable and sustainable sports, leisure and community facilities for all South Londoners and beyond, to help Londoners lead safe, healthy, fulfilling lives.

4 Other considerations

Key risks and issues

Risk description	Response and Mitigations
<p>Operator procurement: There is a tight timescale to draft and produce a specification and to retender for a new operator prior to the existing contract extension ending. Delays could lead to the risk of a temporary closure of the centre.</p>	<p>Specialist leisure consultants to assist with the specification have been identified and a brief for them has been prepared. The GLA are working with TfL procurement to consider ways in which to further extend the existing contract to avoid temporary closure of the centre. The specification will need to define the intended development works for the NSC, therefore it has not been appropriate to retender until the future of the NSC has greater clarity.</p>
<p>Site information: There is currently insufficient site information available to fully inform design, approvals or redevelopment works. As a result, inaccuracies could be recorded in design and reporting, leading to delays to the project programme and unforeseen costs not allocated in the budget.</p>	<p>The collation of information will be prioritised to provide greater clarity and reduce the associated risks. Surveys, investigations and assessments have been identified that will be required to inform the work going forward, including the timescales for delivery for the various project stages. Fee proposals have been obtained. Certain ecological surveys can only be carried out at certain times of the year or may take a finite amount of time to prepare and collate, and these have been programmed to ensure sequential commissioning is achieved.</p>
<p>Funding: It is recognised that external funding sources will need to be pursued for any capital works development. If no other sources of funding are available or insufficient funding is secured, the outcomes of the work associated with this approval could be undermined, reduced in scope or quality, or the work could be abortive.</p>	<p>Seek early further engagement with and outline commitment from funding partners such as Sport England, NCBs, Heritage Lottery, etc. In pursuing a more detailed understanding of the development options and outlining a clearer proposal for the future of the NSC, potential funders will have a greater awareness of the investment opportunities and intended outcomes.</p>
<p>Capital works cost: Projected cost plans cannot adequately allow for the unknown costs and complexities associated with a building of this age, type of construction, unusual structural design, aquatics retaining structures and swimming pool environment, public liabilities and listed status. Accurate cost information for the project cannot be determined at this stage.</p>	<p>Provide detailed building information to inform the cost plan and review the information at regular stages to assist with cost control. Allow for substantial contingency costs to be included at this stage until greater clarity on the anticipated building works is known. Ensure there is sufficient contingency built into the redevelopment works programme to reflect the risks involved. Consider value engineering to reduce capital costs and manage spend for the duration of the project.</p>

Links to Mayoral strategies and priorities

- 4.1 A more vibrant, inclusive and diverse offer at the NSC could have a marked impact on the wider health and wellbeing of residents in the five surrounding boroughs, across South London and across the South East region if implemented. The preferred development option strikes a clear chord with the Mayor's leading strategic documents on sport and activity (Sport for all of us), reducing health inequalities (Better health for all Londoners), improving social cohesion (All of Us; the Mayor's strategy for social integration) and encouraging investment into community infrastructure.

Consultations and impact assessments

- 4.2 Engagement and consultation with centre users, key stakeholders and the local community is an important part of the work which this decision seeks approval for. Every aspect of the project will be developed and delivered in compliance with the General Data Protection Regulation (GDPR) and the UK Data Protection Act 2018.
- 4.3 The project will promote improvements in the health and activity levels of Londoners and seeks to reduce health inequalities in South London. The project aims to support the work of the GLA's Health team, with particular regard to integrating the learnings and ambitions from their work on Healthy Children, Healthy Places and Healthy Living.
- 4.4 Young Londoners have a major role to play in shaping London and will be invited to further participate in the engagement and consultation process for the project. All work will be carefully planned and delivered to comply with the GLA Child Policy and Protection Procedures (CPPP), also taking in account the requirements of GDPR and the UK Data Protection Act 2018. All consultants and people working on the project will be made aware of these procedures and be required to follow the policies, exercising due diligence and taking all reasonable steps to ensure the safeguarding of children and young people.

Conflicts of interest

- 4.5 There are no conflicts of interest to note for any of those involved in the drafting or clearance of the decision.

5 Financial comments

- 5.1 This decision requests approval for expenditure up to the value of £1.02m. This expenditure will further support development plans for Crystal Palace National Sports Centre and will be spent on:
- £150k to appoint a specialist leisure consultant
 - £270k for required surveys for the centre
 - £600k for architectural and consultancy services to develop the feasibility design work to concept design stage, reflecting RIBA stage 2
- 5.2 As the expenditure will take place over two financial years, the breakdown of this will be as follows:

Crystal Palace National Sports Centre development	2019-20 (000)	2020-21 (000)	Total (000)
Specialist leisure consultancy services	25	125	150
Surveys	141	129	270
Development of feasibility design	84	516	600
Total	250	770	1,020

- 5.3 This project will be funded from the Capital Programme Reserve.
- 5.4 Any additional work required as a direct result of findings from this proposal will be subject to further approval via the Authority's decision-making process.

6 Legal comments

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the Authority to promote and/or to do anything which is facilitative of or conducive or incidental to the promotion of social development within Greater London and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
- (a) pay due regard to the principle that there should be equality of opportunity for all people
 - (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
 - (c) consult with appropriate bodies.
- 6.2 In taking the decisions requested of him, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3 Officers must ensure that the procurement of the specialist consultant, the survey services and architectural services be procured in accordance with the GLA's Contracts and Funding Code (the "Code") and with the assistance of Transport for London's procurement team. Furthermore, officers must ensure that appropriate contractual documentation be executed by both the GLA and the relevant service providers prior to the commencement of the required services.

7 Planned delivery approach and next steps

Activity	Timeline
Appoint specialist leisure consultant	November 2019
Instruct site information surveys	November 2019
Commence Concept Design Stage (RIBA stage 2)	November 2019
Option to procure consultancy to developed design RIBA stage 3	July 2020
Planning submission target date subject to developed design	April 2021
Capital works implemented	November 2021 +

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason: Publication to be deferred until after the General Election on 12 December 2019 as per legal advice.

Until what date: 13 December 2019.

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form - YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Shona Scales has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Debbie Jackson has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 18 November 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Elce

Date

18.11.19

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Bellamy

Date

18/11/2019.

