
REPORT FOR: CABINET

Date of Meeting:	21 April 2016
Subject:	Harrow Leisure Centre Site Spatial Planning Framework and Phase 1 design
Key Decision:	Yes
Responsible Officer:	Michael Lockwood, Chief Executive
Portfolio Holder:	Councillor Keith Ferry, Deputy Leader and Portfolio Holder for Business Planning and Regeneration Councillor Sue Anderson Portfolio Holder Community, Culture and Resident Engagement
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	Marlborough Ward
Enclosures:	Appendix A: Harrow Leisure Centre Regeneration Site Plan

Section 1 – Summary and Recommendations

This report sets out the next steps for the regeneration of the site adjacent to Byron Park (where Harrow Leisure Centre and other leisure/sports facilities are located) through the development of a Spatial Planning Framework for the

delivery of residential (affordable, private rented and private), leisure and mixed use; including first phase detailed design on part of the site currently unoccupied. The c5 hectare site is identified as one of Harrow's key regeneration sites in the Harrow Regeneration Strategy December 2015. The masterplanning process will be subject to detailed engagement with existing site occupiers, leisure centre users, local residents and other key stakeholders.

Recommendations:

Cabinet is requested to approve the development of proposals for the regeneration of the wider site adjacent to Byron Park partly occupied by Harrow Leisure Centre and other facilities through the procurement strategy of master planning, urban design and planning services and delegate the approval of the award of contract(s) as follows:

1. Agree to commence procurement for the appointment of one or more specialist consultants or contractors to provide any services (including multi-disciplinary services) required under RIBA Stages 0-4 for the design and development of the site adjacent to Byron Park containing Harrow Leisure Centre, car park and other sports/leisure facilities (Appendix A)
2. Delegate authority to the Chief Executive, following consultation with the Portfolio Holder for Business, Planning and Regeneration, the Portfolio Holder for Community, Culture and Resident Engagement and the Portfolio Holder for Finance and Major Contracts, for the appointment of one or more consultants or contractors to provide any services (including multi-disciplinary services) required under RIBA Stages 0-4 for the wider site adjacent to Byron Park.
3. Delegate authority to the Chief Executive, following consultation with the Portfolio Holder for Business, Planning and Regeneration and the Director of Finance and Director of Legal and Governance to enter into discussions and any agreement/s with existing leaseholders for the Council owned sites that form part of the site as set out in section 2.3.
4. Delegate authority to the Chief Executive, following consultation with the Portfolio Holder for Business, Planning and Regeneration and the Director of Finance and Director of Legal and Governance to enter into any other agreements and take any other necessary actions, acting within approved capital budgets, to give effect to the regeneration programme outlined in the report.
5. Agree to release £1m of the 2016/17 regeneration capital budget to be used for the first phase of this project, as set out in the financial implications section of this report.
6. Note that any masterplanning exercise will enable residents and other stakeholders to be involved and feed into the site regeneration journey from beginning to end through a detailed engagement process.
7. Note that the programme supports the commercialisation agenda

through the delivery of Private Rented Sector housing on Council-owned sites, creating an on-going source of revenue for the Council.

8. Note that officers will bring a borough-wide Leisure Facilities Strategy for Cabinet consideration later in 2016 as part of and to help inform the masterplanning exercise

Reason: (For recommendations)

To approve the procurement of master-planning, urban design and planning services for the wider Harrow Leisure Centre site and first phase detailed design to RIBA Stages 0-4, as one of Harrow's key regeneration sites in the Build a Better Harrow Programme. The masterplan will also identify opportunities to refurbish or rebuild Harrow Leisure Centre as the key hub for the site. There will be a detailed engagement process with residents and stakeholders to inform the masterplan.

Section 2 – Report

2.1 Introductory paragraph

2.1.1. As part of delivering the draft Regeneration Strategy (December 2014), Cabinet approved the redevelopment of the c5 hectare Harrow Leisure Centre site to enable the re-provision of upgraded sports and leisure facilities alongside additional housing development; starting with engagement with key stakeholders. In addition to helping meet housing need in the Borough, development of the site would make a significant contribution to the following corporate objectives:

- Medium Term Financial Strategy: delivering income through private rented residential
- Asset Strategy: Commercialisation and Council assets
- Regeneration Strategy: Build a Better Harrow

This report seeks approval to commission the development of a masterplan and detailed design for the site as the next step in realising the vision for the site.

2.2 Options considered

2.2.1 In December 2014, Cabinet approved an ambitious Draft Regeneration Strategy for Harrow which outlined a number of sites for regeneration including Harrow Leisure Centre site as follows:

‘Redevelopment of the Harrow Leisure Centre site, enabling the re-provision of upgraded sports and leisure facilities alongside additional housing development on this site (as proposed in the Area Action Plan AAP)’.

Cabinet approved a programme of engagement with key stakeholders to consider the redevelopment of the Leisure Centre and surrounding site. This engagement has confirmed the vision to transform the currently under-utilised site into a new leisure-led residential quarter with modernised, well-integrated sports facilities, public spaces and recreation opportunities.

2.2.2 A feasibility study has been conducted to inform the realisation of this vision and the most beneficial approach to optimising the use of the site. The objectives for the site have been identified as:

- Creation of a new, mixed-tenure, vibrant neighbourhood with leisure and well-being at its heart
- Achievement of a strong spatial and use relationship between the leisure centre and Byron recreation ground
- Retention or re-provision of current public open space and enhancement of space for multipurpose use
- Retention or re-provision of sufficient parking to serve leisure and ancillary uses
- Retention or re-provision of leisure uses on site

- Broader place-making to improve connectivity to the Green Grid, improving routes to the park and west-east from the Kodak site

2.2.3 The Council has a programme wide objective of delivering a defined number of Private Rented Sector (PRS) units across the regeneration and infill sites in the Borough. As a result, it has been identified that at least 200 PRS units are required to be delivered on the Leisure Centre site in order to ensure that the borough wide target is met. The former driving range site (currently unused) can be utilised to deliver the PRS element of the scheme, as this can be disaggregated from the rest of the site and can be delivered as a stand alone phase (Phase 1) although forming part of an overall masterplan.

2.2.4 The development of the leisure centre site includes a number of options for the retention, refurbishment or replacement of Harrow Leisure Centre. This needs to be seen in the wider context of leisure facilities across the borough. Sport England has conducted an initial mapping exercise for Harrow which will feed into a draft Harrow Leisure Facilities Strategy. This will be brought for Cabinet's consideration and approval later in 2016, to help inform the masterplanning exercise and final configuration of the leisure centre on this site.

2.2.5 The options considered are:

Option 1: Retain the current Harrow Leisure Centre and all facilities and manage repairs and maintenance requirements reactively (Do Nothing). Cabinet have already approved the site for regeneration with an identified level of PRS to be delivered. This option is not recommended.

Option 2: Retain existing facilities and redevelop remaining site

- A refurbishment of the existing Leisure Centre and retain all the additional uses in their current configuration. Within this option there is scope at the next stage to specify the exact nature of the refurbishment (subject to financial constraints).
- Redevelop the wider site to provide at a minimum 200 PRS units alongside complementary commercial and retail space with the current level of parking.
- This aim of this option would be to extend the life of the leisure centre building by a further 10-15 years.

Option 3: Retain and re-model

- A full refurbishment and reconfiguration of the leisure centre to improve the layout and meet identified needs. Within this option there is scope at the next stage to specify the exact nature of the refurbishment (subject to financial constraints).
- This would retain and re-provide the additional uses on or off site.
- Redevelop the rest of the site to provide at minimum 200 PRS units alongside complementary commercial or retail space and the current level of parking.
- The aim of this option would be to extend the life of the leisure centre building by at least 20 years.

Option 4: New build (large scale)

- Demolish the existing centre and replace with a brand new leisure centre on the site, providing a wide-range of facilities
- This would retain and reprovide the additional uses on or off site.
- Redevelop the rest of the site to provide at minimum 200 PRS units alongside complementary commercial or retail space and the current level of parking.
- The aim of this option would be to provide a new building with a life of between 35-40 years.

Option 5: New build (commercially focused)

- Demolish the existing centre and replace with a brand new leisure centre on the site, providing a more focused facility mix
- This would retain and reprovide the additional uses on or off site.
- Redevelop the rest of the site to provide at minimum 200 PRS units alongside complementary commercial or retail space and the current level of parking.
- The aim of this option would be to provide a new building with a life of between 35-40 years.

2.2.5 Cabinet is now asked to approve the next stage which will be the development of a spatial planning framework for the site including detailed design for Phase 1. Appointment of a team of consultants or contractors to provide any services required under RIBA Stages 0-4 has to be purchased via an external tender, as the required services are not available within the Council. The cost of the design team has been factored into the overall development cost and is critical in order to get the site development ready. Delivery of this project will be monitored via the Regeneration Board.

2.2.6 This masterplanning process will be subject to further detailed engagement with existing site occupiers, leisure centre users, local residents and other key stakeholders to see how those facilities may be incorporated or re-provided on site or elsewhere, if necessary. This will include entering into discussions and any agreement/s with existing leaseholders for the Council owned sites that form part of the site. It will also include effective market engagement and procurement strategies to ensure good quality developers/contractors to build out the site as timetabled and identify the availability of capital funding and/or the ability to achieve cost neutrality through redevelopment of this site

2.2.7 The scope of works to be procured will cover the following services for the Royal Institute of British Architects (RIBA) stages of work 0-4:

- Detailed site analysis and a set of design principles to guide the development of the site;
- An options appraisal for the development site;
- A Masterplan that includes the proposed development site and the whole estate public realm;
- Design to achieve planning permission (either outline, hybrid or full);
- Detailed design to Stage 3 to safeguard design quality;
- Design for construction drawings.

Dependant on Cabinet approval, the draft timetable for the process would be as follows:

July 2016:	Appointment of professional team
April 2017	Completion and review of masterplan
April 2017	Cabinet approval of masterplan
July 2017:	Planning consent
Oct 2017	Appointment of developers/contractors
Nov 2017	Start on site
Feb 2019:	Phase 1 completion (PRS)
2019-20	Completion of site

The timetable will be confirmed with the contractors on commencement of the project.

2.2.8 In line with other regeneration schemes, the procurement process will encourage the consultants or contractors to partner with a number of smaller firms. This will allow the participation of SMEs, who would otherwise be unable to participate in this tender and help deliver the required services with a variety of inputs, expertise and experiences.

2.2.9 Therefore, this report seeks Cabinet approval to commence procurements for the appointment of one or more consultants or contractors to provide any services (including multi-disciplinary services) required under RIBA Stages 0-4 for the Harrow Leisure Centre site.

2.2.10 This report also seeks Cabinet approval that the decision to award a contract, subject to the approval of relevant budgets, is delegated by Cabinet to the Chief Executive, following consultation with the Portfolio Holder for Business, Planning and Regeneration and the Portfolio Holder for Finance and Major Contracts, for the appointment of one or more consultants or contractors to provide any services (including multi-disciplinary services) required under RIBA Stages 0-4 for Harrow Leisure Centre site.

2.3 Background

2.3.1. The Harrow Council owned c5 hectare site is bordered by Belmont Road, Christchurch Avenue, Byron Road and Stuart Road and contains a number of facilities including the following facilities:

- Harrow Leisure Centre and Byron Hall
- 400 space car park (managed by Harrow Council)
- Herga Bowls Club (Council leaseholder) and outdoor bowling green
- Harrow School of Gymnastics (Council leaseholder)
- Harrow Skatepark
- • Derelict former driving school area

2.3.3 The Harrow and Wealdstone Area Action Plan designated the site for mixed-use redevelopment, retaining the existing uses on site. There is a significant amount of inefficiently utilised space that could facilitate additional

uses including approximately 180 new homes as part of the Regeneration and Private Rented Sector housing strategies.

2.3.4 Harrow Leisure Centre is now over 40 years old and occupies a large footprint with a configuration of internal space including generous circulation areas, multiple function spaces, three sports halls and the main swimming pool of 33m which is not the correct length to hold competitions (required size is 25m or 50m). The facilities have been recently renovated with new climbing and bouldering walls, dry-side changing facilities and refit of the gym, studio spaces and free-weights area. The centre receives over 1.2million visits a year and generates £750k pa to the Council as net income including capital repayment.

2.4 Implications of the recommendation

2.4.1 *Social Value Considerations.* The procurement process for both sites will include the requirement for a sustainability and social value assessment in line with the Council's Sustainable Procurement Policy (SPP).

2.4.2 Change Management

The project will operate a pre-contract and post-contract change control process that will begin once the outcomes, programme and budget have been formally agreed. The change control process will be administered by the Project Manager and overseen by the Project Sponsor. Details of the change control process (including authorities, mechanisms and triggers) are still being determined though will be in place once the objectives, programme and budget have been formally agreed.

2.4.3 Procurement Options

The project team undertook an options appraisal of relevant procurement routes including accessible frameworks .

2.4.3 (a) A full OJEU procurement was considered and discarded due to the fact that it is resource hungry and presents greater financial and reputational risk to the council and provides no greater benefits than that available under an accessible framework

2.4.3 (b) The council has achieved excellent results so far by using the GLA/TfL ADUP Framework for Haslam House and Station Road Quarter. The reasons for selecting this route over others are:

- The project requires a specialist set of skills including experience of residential and leisure centre architecture and design,
- There is an opportunity to maximise positive press and engagement on this project through open competition.
- It allows authorities a certain amount of flexibility, giving them a range of options, which allow a tailoring of the process according to the authority's needs.

2.4.4 Evaluation and appointment

The tender for both design teams will be carried out using the council's e-procurement system. The procurement evaluation criteria will be 70% on quality/technical and 30% on price/resource. This is generally considered a

standard quality/cost spilt when appointing teams providing services required under RIBA Stages 0-7 and is considered acceptable for projects of this scale and importance. Appointment of a preferred bidder or bidders will be subject to the availability of funding to cover the costs of the relevant contract.

2.4.5 Contract Management

The contract will be managed by a dedicated lead Project Manager. Performance criteria for the contract will be set out in detail in the ITT documentation. The contract used will be the RIBA Standard Agreement 2010 (2012 revision): Architect, plus sub-contractor agreements where required.

2.4.6 Staffing/workforce:

Delivering this project will require specialist skills including planning, surveying, architecture and construction project management. Some of these specialist skills will be acquired through the commissioning of the design teams and project management skills will be delivered in-house.

2.4.7 Performance Issues

Performance of the project is monitored as part of the overall Regeneration programme via the Regeneration Board and the Regeneration Programme Dashboard.

2.4.8 Environmental Implications

Although no major Environmental Implications have been identified, delivery of the project objectives will enable a more efficient use of the Council's site and facilities such as the leisure centre.

2.5 Risk Management Implications

2.5.1 There is a separate high level risk register in place as below.

Issue	Risk	Mitigation
Planning risk particularly in relation massing/ density and affordable housing provision.	Need to meet affordable housing obligations of PRS phase and low densities impact scheme viability and reduce capital receipt.	Early engagement with planning officers and GLA (if necessary) and other stakeholders such as Sports England.
Construction cost inflation.	Construction cost inflation increases delivery cost of the Leisure Centre and impacts viability of residential scheme,.	Contingency provision and monitor.

Market conditions.	Market conditions may change, impacting developer interest and/or reducing capital receipt.	Monitor.
Delivery structure and phasing.	Elements of the scheme may/will be delivered by different parties, impacting timing / phasing.	Co-ordinated phasing programme.
Acquisition of third party interests.	Acquisition may not be possible via private treaty, or estimated acquisition costs increase.	Early engagement with third party interests.
Developer appetite	Issues such as procurement process, viability etc may impact developer interest.	Soft market testing.

2.6 Legal Implications

2.6.1 The site is subject to several occupational interests and, in part, a restriction on title, all of which will need to be considered and appropriately resolved before the implementation of any masterplan.

2.6.2 The procurement of contractors and consultants must be undertaken in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015.

2.6.3 Under Contract Procedure Rule 10.1 the form of the contracts and any development agreements must be approved by the Director of Legal and Governance Services

2.7 Financial Implications

2.7.1 A high-level financial appraisal has been undertaken based on the development capacities and costs and borrowing associated with the leisure centre and associated uses. This appraisal is based on the following assumptions:

- The PRS element of the scheme is excluded from the analysis. This is captured in the Programme –wide financial model, with the income ring-fenced for the MTFs
- The remaining residential development is assumed to be delivered by a third party developer, with the land sold, and the Council receiving a capital receipt.
- The elements of the scheme (excluding PRS) which will be delivered by the Council are included within the cash-flow model, including lease acquisition costs, delivery of the Leisure Centre etc.
- Land receipts are applied to fund Leisure Centre costs.
- The net cost of any scheme for the Leisure Centre would need to be funded from additional borrowing by the Council, with the financing costs being an additional revenue cost to the Council. These costs would need to

be met from additional income generated by the new Leisure Centre to avoid any effect on the Council's MTFs.

- Debt repaid over 40 years (economic life of asset).

2.7.2 The total projected spend on the design process for the Harrow Leisure Centre site development is estimated to be between £2.7million to £3.2 million (based upon an estimated contract value) to progress to a full planning permission and detailed design (Stage 3+/4) with estimated spend of £1million in 2016/17. This £1m formed part of the overall regeneration capital budget approved by Cabinet and Council in February 2016. An indicative breakdown of this expenditure for the project budget against key project stages is provided below.

Business Case (RIBA Stages 0-1) (including options appraisal and delivery strategy)	22.5%
Masterplan (RIBA Stage 2)	19%
Detailed Design for Phase 1 (RIBA Stages 3-4) (including public realm design)	52.5%
Consultation and engagement strategy	5%
Surveys and background info	1%

2.7.3 The level of fees will ultimately depend on the scale of the project undertaken which will be informed by the outcome of the masterplanning process. Budgets have currently been approved to permit the commencement of the process outlined above, with a further report anticipated to go to Cabinet later in the year to request approval for budgets for years 2017/18 to 2019/20, which will enable the level of costs outlined above to be met. In the event that budgets are not approved for any reason, the contracts are such that they can be called off by the Council.

2.8 Equalities implications / Public Sector Equality Duty

2.8.1 An initial draft equalities impact assessment has been undertaken on the overall Regeneration Strategy. This draft EqIA has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality are being addressed. A full EqIA will be carried out for this development site once procurement commences and through the masterplanning process.

2.8.2 In order to understand the technical feasibility issues that would impact upon the redevelopment of the leisure centre and to understand any issues relating to the development capacity of the site, targeted consultation has been undertaken with the following:

- Relevant Council officers (leisure & culture, planning, housing, highways, parking services, business & economics, corporate communications, parks/ecology)
- The Council's leisure contract provider, Everyone Active
- Sport England
- Harrow Gymnastics Club
- Herga Bowls

- Skate park users

2.8.3. A Communications Strategy and Consultation Plan for the Leisure Centre project is currently being developed to ensure consultation happens at appropriate stages in the process. This will capture the requirement for both communication with Harrow residents regarding the project as it moves forward and consultation with users and stakeholders on the potential development options of the site.

It will include:

- Short term actions including ongoing stakeholder consultation on the site master planning
- Short/Medium term communications and consultation on the potential for meanwhile uses on the site, for example through using the Residents Panel
- Longer term consultation with Harrow residents and users of the site regarding the future development of the leisure centre and the wider area will be conducted

2.9 Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

Through this regeneration project, we will deliver the Council's aim to make a difference for:

- Build a better Harrow
- Be more Business-like and Business Friendly
- Protect the Most Vulnerable and Support Families

By supporting the delivery of new family homes and businesses on an underused site.

Section 3 - Statutory Officer Clearance

Name: David Roberts	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 11 April 2016		
Name: Stephen Dorrian	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 10 April 2016		

Ward Councillors notified:	YES , as it impacts on all Wards
EqIA carried out:	NO, as indicated above
EqIA cleared by:	N/A

Section 4 - Contact Details and Background Papers

Contact:

Marianne Locke Programme Director Cultural Regeneration 020 8736 6530

Marianne.locke@harrow.gov.uk

Background Papers:

Cabinet Report: Draft Regeneration Strategy 2014:

<http://www.harrow.gov.uk/www2/documents/g62358/Public%20reports%20pack%20Thursday%2011-Dec-2014%2018.30%20Cabinet.pdf?T=10>

Call-In Waived by the Chair of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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