

Item No. 12.2	Classification: Open	Date: 22 April 2013	Meeting Name: Walworth and Borough and Bankside Community Council
Report title:		Report seeking comments on the proposed release of £300,000 from S106 agreements to towards costs of improving community access to the LSBU leisure centre on London Road SE1	
Ward(s) or groups affected:		East Walworth and Cathedral wards	
From:		Director of Regeneration and Strategic Director of Environment and Leisure	

RECOMMENDATION

1. That the community council provides comments for Planning Committee on the proposed use of £300,000 of s106 monies to contribute towards the costs of improving community access to the LSBU sports centre on London Road SE1.

BACKGROUND INFORMATION

2. Approval in respect of s106 funds over £100,000 for matters of strategic importance is a matter reserved to Planning Committee. Planning obligations under s106 of the Town and Country Planning Act 1990 are used to address the negative impacts caused by a development and contribute to providing infrastructure and facilities necessary to achieve sustainable communities. The council can enter into a legal agreement with a developer whereby the developer agrees to provide planning obligations. These obligations can take the form of financial contributions and can cover a range of facilities including the provision of funding for sports and leisure facilities.
3. In November 2010 the council agreed that a new Leisure Centre for the Elephant and Castle should be developed on the western portion of the existing site and that the eastern portion should be sold to generate a receipt which would help to fund the new facility.
4. Subsequently in November 2012 planning consent was granted for a new leisure facility comprising a 6 lane 25m community swimming pool, learner pool, 4 court sports hall, dance studios, spin cycle room, 140 station gym, crèche and cafe.
5. Sport England raised concerns during the planning process regarding the reduction from an 8 court to a 4 court sports hall and that these changes could potentially impact adversely on levels of sports participation in the area. To address this concern the council agreed to undertake a study to establish whether there are opportunities to work with schools and higher education organisations across the borough to improve community access to sport and leisure activities.
6. As noted at the time, one opportunity which was identified in the Elephant and Castle area was the potential to collaborate with London South Bank University to improve access to their sports facilities which includes a 4 court sports hall which would enable increased access to the facilities by the local community.

7. The purpose of this report is to seek Community Council comments on proposals to release s106 funds to contribute towards the costs of improving community access to the LSBU sports facilities. Comments received will be included in a report to be put to be considered by Planning Committee on 7 May 2013.

KEY ISSUES FOR CONSIDERATION

8. In the period since the Elephant and Castle Leisure centre received planning consent officers from the council's Leisure and Regeneration teams have continued to discuss proposals for increasing public access to the LSBU sports facilities. The Council's Strategic Director of Environment and Leisure now considers that the proposals, which are outlined in more detail in the following sections of the report, would help to meet the council's objectives of increasing participation in sport and leisure.
9. The LSBU leisure facilities comprise of the following; 45 station Fitness Suite, a dedicated Free Weights Room, a four badminton court sports hall, a small treatment room, and separate male/female changing facilities. The current public access to the facilities is from London Road. The access is however neither well signed or convenient for the general public as it requires users to navigate a route via the university administrative block and along corridors to the changing rooms in the lower ground floor of the London Road building.
10. The existing access arrangements to the facilities have created security concerns for the University and this issue coupled with the fact that the access arrangements are not convenient has had the affect of limiting the times at which the public can use the centre.
11. The University has now confirmed plans for a new public access at the corner of London Road and Thomas Doyle Street. The design would be fully DDA compliant and will provide a much more visible entrance with direct and more convenient access for the public to the changing rooms and leisure facilities within the building. The council's Director of Planning has confirmed that the proposals which have been the subject of pre application discussions are acceptable in principle.
12. The existing facilities are open at the times set out below. The new entrance will allow LSBU to move away from the opening times determined by the current surrounding university building arrangements and allow them to extend the opening hours in order to ensure a more flexible membership for customers. The new times are set out below. . The proposed opening hours result in 17 hrs worth of additional access to the facilities per week

Days	Current opening hours	Proposed opening hours
Monday - Friday	07:00 - 22:00	07:00 - 23:00
Saturday - Sunday	10:00 - 18:00	08:00 - 22:00

13. LSBU have completed a market testing exercise which demonstrates that there is the potential for the reconfigured centre to attract more members. The current membership base is approximately 5,000. The new entrance, improved facilities and longer opening hours are expected to increase the membership by at least 10%.

14. The Council and LSBU have carried out a price comparison with the Council's leisure centres and other providers in the area and are satisfied that the facility at LSBU compares favourably.
15. Council officers and LSBU have explored the issue of whether provision of additional sports and leisure capacity at the E&C will affect the viability of the council's new leisure centre which is scheduled to open to the public in early 2015. Discussions concluded that the increasing population in the area as a result of the regeneration program coupled with increasing participation in sport is more than sufficient to ensure continuing strong demand for both facilities. Discussions are continuing with LSBU to agree how joint marketing of the facilities can be executed and also to explore facility management options that result in improved choice and flexibility for customers.
16. LSBU have advised that the costs of the project which have been approved by their Executive are in the region of £950,000. Given the additional sports and leisure capacity that the scheme will bring and the potential this has to increase public participation particularly in the community council area it is recommended that up to £300,000 [see resource section below for details] is released from relevant s106 agreements towards the costs of the project. The Council's Strategic Director of Environment and Leisure confirms that given the potential benefits for sports and leisure participation this represents good value for the council as an investment. LSBU have confirmed that are able to fund the balance of the costs
17. It is recommended that the release of the s106 funds is subject to agreement with LSBU a business plan that addresses the following ;
 - Agreement with LSBU to maintain public access to the facilities for a minimum of 10 years.
 - Agreed annual participation targets and quarterly monitoring of public use of the facilities.
 - Agreed marketing strategy.
 - Agreed activity programming strategy.
 - Agreed pricing policy
 - Agreement on cost plan.
 - Programme for works including planning consent, and triggers for release of s106 funds.
 - Approved procurement report and tender evaluation report
18. The planning consent for the new works will be subject to a s106 agreement which will include the key conditions in the business plan and a claw back for any professional negligence in the tender process. This will ensure for example that the requirement to maintain public access to the facility for a minimum of 10 years is enforceable.

Policy Implications

Sport and Leisure Perspective

19. The plan to improve access to the existing LSBU accords well with the seven themes from Southwark's Sport and Physical Activity Strategy, which was agreed in 2009. The themes are listed below:

- Using physical activity for both the prevention and management of ill health.
- Providing a network of appropriate places and spaces for sport and physical activity.
- Improving access and choice for the whole population.
- Building and maintaining an effective multi-agency delivery system for sport and physical activity.
- Maximizing the use of London 2012 to promote physical activity.
- Maximizing the impact of all resources.

Community Impact Statement

20. The leisure offer at the Elephant and Castle is restricted for the next two years during the construction of the new leisure centre. The existing facilities at the LSBU will be largest facility available during this period and therefore it is important to support and improve community access to this in order to support the councils Sport and Physical Activity Strategy referred to in the policy section of the report.
21. The improvement of access to these existing facilities will have the potential for significant community benefits including; increasing leisure choice and activity leading to improved health outcomes including addressing the key challenges presented by obesity.

Resource implications

22. LSBU have retained professional cost consultants to prepare an initial budget estimate for the refurbishment of their sports facilities. The design this cost exercise is based on includes for a new entrance from London Road. The initial cost plan suggests that the works will cost in the region of £950k including professional fees and contingency. The s106 contribution will be limited to a total of £300k with the balance being met from LSBU budgets.
23. LSBU will be responsible for procuring and managing the works using a contractor from their framework. The works will be subject to competitive tender to ensure best value and the information to demonstrate this will be required to be supplied to the council prior to release of the s106 funds.
24. It is considered that this project represents value for money for the council as it will secure improved public access to sports facilities resulting in 17 hrs worth of additional access to the facilities per week for a minimum of 10 years.
25. Costs associated with monitoring the agreement can be recovered from the s106 management and administration budget.

Consultation

26. The proposed scheme will be subject to the normal planning consultation process and comments from Bankside, Borough and Walworth Community Council.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

27. Part 3H of the Council's Constitution states at paragraph 1 under Planning and Functions that the Community Councils can provide comments to the Planning Committee or its sub-committees in relation to the consideration of the expenditure of monies held under completed agreements entered into under section 106, Town and Country Planning Act 1990.
28. The requirement within the Constitution is that the expenditure must be within the same community council area. Paragraph 25 of this report confirms this.
29. The Council is obliged to utilise any monies paid by a developer under the terms of a section 106 agreement solely within the terms of each individual agreement. It would be unlawful for the Council to spend monies on any other purpose than specifically provided for.
30. The section 106 manager has in the following paragraphs of this report set out the references to the relevant section 106 agreements. It is confirmed that these Agreements contain such provisions referring to the use of funds for improvements for sports development within the vicinity of the site. The proposal set out within this report is therefore a lawful use of the funds.

S106 Manager

31. The development at Land At Ewer Street, London, SE1 10/AP/3316 a/n 594 secured over £1m worth of contributions of which half have been triggered and paid. This includes £54,831 for sports development. This proposed allocation is available and would provide some mitigation towards the developments impacts.
32. The development at Sea Containers House, Upper Ground, SE1 11/AP/1955 a/n 589, secured over £1m worth of contributions of which £800,000 have been triggered and paid. This includes £27,545 for sports development. This proposed allocation is available and would provide some mitigation towards the developments impacts.
33. The development at KINGS Reach Tower, Stamford Street, SE1 9LS 11/AP/1071 a/n 579, secured over £23m worth of contributions of which all but two payments have been triggered and paid. This includes £176,996 for sports development. This proposed allocation is available and would provide some mitigation towards the developments impacts.
34. The development at The Southwark Rose Hotel, 43-47 Southwark Bridge Road, London, SE1 9HH 06/AP/2188 a/n 420, secured £53,348 all of which has been triggered and paid. This includes £6,619 for open space, play or sports development. This proposed allocation is available and would provide some mitigation towards the developments impacts.
35. The development at Trinity Street, London SE1 4JE, 10/AP/3131 a/n 526 secured £279,565 all of which has been triggered and paid. This includes £42,777 of (£36,009 to be allocated) for open space, play or sports development. This proposed allocation is available and would provide some mitigation towards the developments impacts.

Strategic Director of Finance and Corporate Services (E&L/13/012)

36. This report is seeking comments from the community council on the proposed release of £300,000 S106 funds towards the cost of improving community access to the London South Bank University (LSBU) sports centre on London Rd SE1.
37. The proposal would enable the opening hours to be increased by 17 hours per week and the report indicates that the market testing exercise carried out by the LSBU demonstrates the potential to increase the current membership base of 5000 by 10%.
38. There are no detailed cost analysis available at this stage but it is understood that the cost of the project is estimated to be £950,000 and it is noted that the Council's contribution towards this cost via S106 funds is limited to £300,000 and LSBU will be responsible for financing the project.
39. The report provides details of several S106 agreements that are proposed to fund this contribution and it is noted the use of such funds are line with the legal agreements and that all related funds have been received by the Council.
40. It is also noted that the release of the proposed S106 funds is subject to agreement between the Council and LSBU on the business plan which maximises the benefits to the public and the wider community.
41. Staffing and any other costs connected with this recommendation to be contained within existing departmental budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Copy of S106 report	Planning 5 th Floor 160 Tooley Street London SE1	Zayd Al-Jawad 7525 7309

AUDIT TRAIL

Lead Officer	Jon Abbott Project Director and Tara Quinn Leisure and Sports Services Manager	
Report Author	Jon Abbott Project Director and Tara Quinn Leisure and Sports Services Manager	
Version	Final	
Dated	8 April 2013	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Section 106 Manager	Yes	Yes
Cabinet Member	No	No
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