

# GREATER **LONDON** AUTHORITY

## REQUEST FOR DIRECTOR DECISION – DD1172

**Title: Crystal Palace Consultancy Services – Future of the National Sports Centre**

### Executive Summary:

Approval is sought for the release and expenditure of up to £75,000 of funding to provide consultancy services to inform decisions on the future role of the National Sports Centre (NSC).

A budget of £50,000 has been secured from the Housing & Land (H&L) Estates Crystal Palace budget and the remaining £25,000 will be funded by a virement from Development, Enterprise & Environment (DE&E).

### Decision:

The Executive Director is requested to approve the GLA's award of, entry into and execution of a contract for professional services (with a value of up to £75,000) required to deliver a study, including public consultation, assessing options and viability appraisals for the future role of the National Sports Centre (NSC).

### AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.  
It has my approval.

**Name:** David Lunts

**Position:** Executive Director – Housing and Land

**Signature:**



**Date:**

4/03/14

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. There has been a major sporting facility within Crystal Palace Park since the 19<sup>th</sup> century. It was the original home of Crystal Palace football club from 1905 and hosted the FA Cup final from 1895 to 1914. In addition, the park has hosted other sports including motor racing, cricket, rugby, show jumping and American Football.
- 1.2. The National Sports Centre (NSC) at Crystal Palace was constructed in 1964 and was one of five National Sports Centres run on behalf of Sport England. Until 2012, it was the main centre for athletics and swimming in London but that role is being taken on by Olympic venues in Queen Elizabeth Park, Stratford. As a result, a new focus is required for the facilities at Crystal Palace.
- 1.3. Ownership of the Crystal Palace National Sports Centre was transferred from Sport England to the London Development Authority in 2006 and then to the Greater London Authority (GLA) in April 2012. The centre is managed by GLL on behalf of GLA Land and Property Limited (GLAP). The contract with GLL is to be extended until 31 March 2016.
- 1.4. The National Sports Centre comprises a Grade 2\* listed building of c200,000 square feet which provides for both “wet and dry” activities in one vast, open hall, supported by a number of internal rooms providing squash courts, gymnasium, training pool etc.
- 1.5. The LDA spent in excess of £17m on upgrading the NSC between 2006 and 2012.
- 1.6. The athletics stadium has a capacity of 15,500 which is capable of expansion up to 24,000 by the use of temporary seating. Until 2012, the stadium had been the home of the Diamond League athletics meeting in London and is currently used for events such as the London Youth Games. In the past, pop concerts have been held in the stadium. There are a number of commercial tenants housed within the Jubilee Stand.
- 1.7. The complex also includes The Lodge. This is a hostel which provides 85 bedrooms with 144 bed places and has additional catering and conference facilities. There are also a number of residential properties in the grounds (houses and flats) which are used by sports related occupiers.  
  
In addition, Capel Manor College have an educational facility within the GLA’s demise. This comprises an educational/administrative building, animal shelters and is supported by additional rooms within the Jubilee stand.
- 1.8. Crystal Palace Park is owned by the London Borough of Bromley (LBB) and is bounded by the London Boroughs of Lambeth, Lewisham, Croydon and Southwark.
- 1.9. The NSC is leased to the GLA for a term of 125 years (less three days) at a peppercorn from 25<sup>th</sup> March 2006. Capel Manor Farm is held by way of an additional lease from the London Borough of Bromley, along similar lines to the main lease.
- 1.10. In early 2013, the GLA and LBB were approached by Zhong Rong Group (ZRG) who is keen to redevelop a large section of the north side of the park. A proposal to rebuild the Palace was launched at a joint press conference with the Mayor and Leader of Bromley Council on 3 October

2013. The intention is to rebuild the Crystal Palace on the 'top site' in a way that is faithful to the original building. The new Palace will be a major new cultural asset for London. Additionally, ZRG has committed to restoring the park in line with the approved masterplan to create a modern 21<sup>st</sup> Century park. The plans for the Palace will be developed over the coming months in consultation with the GLA, LB Bromley, stakeholders and the local community. ZRG's plans do not include the NSC

- 1.11 In 2007 the London Development Agency (LDA) commissioned Latz + Partner to create a masterplan for the park which enhanced the landscape and gave the National Sports Centre facilities a stronger future. The vision was to rejuvenate Crystal Palace Park as a metropolitan park, heritage asset, cultural, leisure, educational and recreational resource to meet the needs of the local people, sports people whether elite or amateur, and the public at large. The masterplan included proposals for housing on the eastern boundary of the park to generate funds towards the delivery of the rest of the masterplan. It also included significant changes to the NSC.
- 1.12 The success of the proposed new Palace is inextricably linked to its wider landscape setting, and the two must work together to ensure that the Palace and park together offer a great day out. The addition of a major new cultural attraction in the park means that it is necessary to revisit the masterplan to test which elements should be reconsidered in light of the changed circumstances.
- 1.13 A planning application in relation to the Park may be referable to the Mayor under his strategic planning powers in London. The proposed consultants will be appointed by the GLA in its capacity as landowner of the NSC as a body with regeneration powers and not on behalf of the Mayor or the GLA in relation to their statutory planning functions. Comments made in this decision paper are made purely by the GLA in its landowning and regeneration capacity and not in its or the Mayor's statutory planning capacity.

## 2. Objectives and expected outcomes

- 2.1 The overall objective for GLA and LBB is to secure a sustainable future for Crystal Palace Park and there are a number of existing workstreams working towards this.
- 2.2 This activity will seek to identify a preferred future for the NSC facilities that ensures they maximise the opportunity of the wider proposals for the Park, provide relevant sports facilities that match the demands of current and future users and achieve a commercially sustainable future for its continuing operation.
- 2.3 The commissioned studies (of which this is one) will need to address the key interrelated elements as set out below:

<b>Planning context</b>	<p>The Palace is a new proposal which as yet has not been considered in local planning policy. Whilst some of the boroughs may wish to consider the Palace proposal as part of the updating of their plans this is unlikely to be done before a planning application for the Palace comes forward. As such the existing local plans, together with the London Plan, are likely to form the policy context within which the major application would be determined.</p> <p>A study will undertake a review of the existing planning policy context established by the five borough's Local Plans and the London Plan and identify a list of requirements likely to be necessary in order to make the new Palace development acceptable in policy terms.</p>
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<b>Impact on Masterplan</b>	A study will analyse the existing Masterplan to test which elements should be reconsidered in light of the new Palace. Any direct conflicts with the Masterplan need to be identified. It will identify all indirect consequences of the addition of the Palace. Opportunities for improvements and efficiencies should be made, for example whether those facilities identified in the Masterplan could be incorporated into the new Palace.
<b>The future role of the NSC (The focus of this DD)</b>	<p>This study will consider the future role of the NSC in the context of changes in the wider park.</p> <p>It will explore a broad range of options for the future of the NSC and athletics track; in particular consider educational uses, community facilities and the potential role of sports clubs. It will consider the future of the NSC in light of the Palace proposal to identify options where the NSC and Palace could work together to complement each other.</p> <p>The study will particularly consider how an educational facility could be aligned with the NSC and what form this might take and recommend a process for how this could be achieved.</p> <p>This will include analysis of the future users of the NSC will be and how this fits within the wider vision for the park. The NSC currently accommodates significant sports facilities including unique facilities for volleyball and diving. The study will consider the need for such facilities given the changed context following the London 2012 Olympics.</p> <p>The study will assess a series of scenarios for the future role of the NSC taking into account the running and maintenance costs of each scenario, as well as potential funding sources. The study will include recommendations for how each scenario could be achieved, both in terms of physical works which might be required and operational changes.</p>

- 2.4 The procurement of consultants for this commission is to be via GLA/TfL approved processes for a tender to invited bidders (given the specialist nature of the commission) and officers will liaise with TfL procurement in this regard. The assessments will be made by officers from Strategic Projects & Property and Regeneration.

### **3. Other considerations**

- 3.1 There is reputational risk associated with this work. The transfer of major sporting events to the Olympic venues in east London potentially leaves south London exposed, unless a long term strategy for the NSC is put in place.
- 3.2 The regeneration of Crystal Palace Park has been established as an important priority for London and the scale of the proposed Palace redevelopment requires that individual issues are dealt with in an integrated way.
- 3.3 It is important that this work is progressed in a timely manner in order that a strategic position on the future of the NSC can be integrated within the wider Crystal Palace Park objectives and reflected in the proposals to redevelop the Palace so that global benefits can be realised.

- 3.4 In view of the extensive activity currently taking place, co-ordination is a key requirement, especially in relation to any public consultation undertaken.

#### **4. Financial comments**

- 4.1 Approval is being sought for revenue expenditure of up to £75,000 relating to the Crystal Palace NSC and its future role.
- 4.2 Funding for this work of up to £50,000 will be met from the 2013/14 GLAP Crystal Palace Estates budget in Housing and Land. The remaining £25,000 will come from the Central Programme budget for 2013/14, as requested by the Regeneration unit in Development, Enterprise and Environment.
- 4.3 An approval to carry forward this budget from 2013/14 will be made as part of the year end process to fund the completion of this work in 2014/15. In the case that the budget carry forward request is not approved, expenditure will need to be contained within the Housing and Land and Development, Enterprise and Environment existing budgets for 2014/15.
- 4.4 All requisite budget adjustments will be made.
- 4.5 Any changes to this proposal must be subject to further approval via the Authority's decision-making process.
- 4.6 The Strategic Projects and Property Unit within Housing and Land will be responsible for managing this spend with the assistance of the Regeneration unit in Development, Enterprise and Environment.

#### **5 Legal comments**

- 5.1 Officers have indicated in this report that the decisions requested fall within the statutory powers of the GLA to do such things which are considered facilitative of or conducive or incidental to the discharge of the GLA's principal functions, namely promoting economic development, wealth creation, social development and improvement of the environment in Greater London. In deciding how to exercise those functions, the GLA must have regard to the effect that its proposals will have on the health and health inequalities of people living in Greater London, the achievement of sustainable development in the UK, climate change and the consequences of climate change and it must exercise its powers in a way which the GLA considers will best promote and contribute towards achieving those goals. The GLA should also pay due regard to the principle that there should be equality of opportunity for all people and consider consulting with appropriate bodies.

#### **6. Planned delivery approach and next steps**

- 6.1 The procurement of consultants is to be via GLA/TfL prescribed processes and officers will liaise with TfL procurement to progress this.
- 6.2 It is intended that consultants for the NSC Options Appraisal be appointed in March 2014 with the programme of delivery to be two staged, completing in September 2014.

6.3 Activity will be integrated with other work being undertaken on the Palace and the wider Crystal Palace Park

6.4 The programme is as follows:

Tender submission	21 <sup>st</sup> March
Date of appointment	28 <sup>th</sup> March
Start of commission	31 <sup>st</sup> March
Submission of interim report containing long list of options for consideration	27 <sup>th</sup> June
Presentation to HIG/IPB for agreement on options for consideration	July
Consultation period	mid July to mid August
Final report	29 <sup>th</sup> August
Presentation to HIG/IPB for decision on way forward	September

**Appendices and supporting papers:** None

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval 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: Until a contract has been put in place so as to ensure competitive fee quotes are obtained

Until what date: 4 April 2014

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Malcolm Beadle has drafted this report in accordance with GLA procedures and confirms that:

✓

**Assistant Director/Head of Service:**

Simon Powell has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**



**Date**

*24.03.14*

