


<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">Cabinet</p> <p style="text-align: center;">1 July 2019</p>	
<p>LINFORD CHRISTIE OUTDOOR SPORTS STADIUM – OUTCOME OF PUBLIC CONSULTATION</p>	
<p>Report of the Cabinet Member for The Economy – Councillor Andrew Jones</p>	
<p>Open report with Exempt Appendices Appendix 3 is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information</p>	
<p>Classification – For Decision Key Decision: Yes</p>	
<p>Wards Affected: College Park and Old Oak</p>	
<p>Accountable Director: Jo Rowlands, Strategic Director for the Economy</p>	
<p>Report Author: Nigel Brown, Head of Asset Strategy and Portfolio Management</p>	<p>Contact Details: Tel: 020 8753 2835 E-mail: nigel.brown@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report summarises the outcome of the public consultation on the options available to the Wormwood Scrubs Charitable Trust (the Trust) and the Council for the future of Linford Christie Outdoor Sports Stadium (LCOSS). The Trust is expected to be taking a decision as to what the next steps are to be at its Committee meeting on 26 June 2019. Any proposals or recommendations in this report are dependent on the outcome of the Trust’s Committee meeting and therefore officers will provide a verbal update to Cabinet on 1 July 2019. The Cabinet are not being asked to take a decision on the preferred option at this time.
- 1.2. A consultation was launched following reports to the Trust and the Council which identified the strategic case for making changes at LCOSS. It is unlikely that the Council can continue to subsidise the maintenance and operational revenue pressures of the LCOSS.

- 1.3. The Council and the Trust held a joint consultation that began on 22 March 2019 and closed on the 12 June 2019. The Council promoted the consultation widely, through social media and its website and letters to residents who live in the four wards north of Goldhawk Road. Over 8,500 people responded, with 81% in favour of the Council completing a major redevelopment as their preferred option. There was also majority support for the Trust or the Council making provision for professional sports, community sports and a venue for major entertainments.
- 1.4. This report seeks the allocation of a budget via a grant to the Trust to create an outline business case, subject to the Trust approving this at their 26 June 2019 committee meeting.

2. RECOMMENDATIONS

That Cabinet:

- 2.1. Carefully consider all the responses to the consultation including officers' comments in paragraph 5 as well as full details in Appendix 1 of this report.
- 2.2. Note there is public support for a major intervention at the Linford Christie Outdoor Sports Stadium.

That subject to the Trust approving the recommendations of the report to the Wormwood Scrubs Charitable Trust Committee dated 26th June that Cabinet:

- 2.3. Note the report to Wormwood Scrubs Charitable Trust Committee of 26 June, attached as Appendix 2 and agree the Procurement Strategy as set out as an exempt appendix of that report.
- 2.4. Delegate authority to the Strategic Director for the Economy, in consultation with the Chair of the Trust, to award contracts to multi-disciplinary advisors and enter into any other legal agreements which become necessary to obtain an Outline Business Case on behalf of the Trust.
- 2.5. Allocate a budget of £397,500 to progress the Outline Business Case on behalf of the Trust which will be funded from Community Infrastructure Levy receipts.

3. REASONS FOR RECOMMENDATIONS

- 3.1. At the forthcoming meeting of the Trust Committee on 26th June 2019, the Trust will be asked to delegate the development of an Outline Business Case to enable it to make a decision on a preferred way forward. This report asks Cabinet to approve the grant funding to the Trust to fund the Outline Business Case.

4. BACKGROUND

- 4.1. On 4 February 2019, the Cabinet received a report setting out the financial and strategic context for the Council and the Trust in relation to the LCOSS. This followed a report to the Trust Committee on 19 December 2018. The report set

out that the Council is subsidising the operation of the stadium, and therefore the Trust, by around £250,000 a year in revenue terms, while continuing to provide capital investment in the facilities. In the light of the Council's own funding position it has confirmed that it is unlikely to be able to continue providing this subsidy in the future.

- 4.2. Without the Council's subsidy, the Trust would have to rely on its own income and reserves to maintain and operate the facility. At the same time, the site needs major investment to bring it up to modern standards and it will be challenging for the Trust to continue to provide a stadium, athletics and sporting facilities of sufficient quality without an injection of capital and ongoing revenue resources from the Council.
- 4.3. This report sets out three main options that the Trust and the Council has considered, and the associated work completed to date to evaluate these options. The options presented for consultation were:
 - 1) Do nothing
 - 2) Enhance the current facilities
 - 3) Redevelop the site to create a larger venue to include athletics facilities
- 4.4. Within option 3, there were also further variations to consider ranging from a 45,000 multi-functional venue (that could accommodate sports and entertainment) to a smaller entertainment venue.
- 4.5. The Trust and the Council agreed that a joint public consultation should be completed.
- 4.6. A draft consultation questionnaire was presented to the Trust at the 13 March 2019 Committee meeting and it was agreed, subject to further amendments being made. The consultation was launched on 22 March 2019 and closed on 12th June 2019.
- 4.7. The consultation was widely publicised by the Council through its online channels. Letters were sent to residents in the four northern wards of the borough (closest to the stadium) and residents were able to request paper copies of the consultation for completion. Some residents on Old Oak Estate, near to East Acton tube, specifically requested hard copies of the consultation document, which were sent out.

5. OUTCOME OF CONSULTATION

- 5.1. The consultation closed on 12 June 2019, with 8,782 respondents completing a questionnaire, and 16 separately submitted written responses. The responses show there is clear public interest in the Trust or the Council pursuing a major redevelopment of the site.
- 5.2. The summary of the responses is shown in Appendix 1. Please note individual responses to question 10 did not allow responders to be specifically identified.

All of the consultation responses have been collated and made available to Cabinet Members to review.

- 5.3. There is a clear majority of respondents showing support for redeveloping the site to provide a major venue.
- 5.4. The results of the full consultation will be reported to the Trust Committee on 26 June 2019. A copy of the Trust report is attached in Appendix 2.
- 5.5. In summary some key consultation results are shown below. Not all respondents answered every question, so there are differences in the total number of respondents for each individual question. The analysis doesn't include details where no answer was given.

Summary of results:

- 80% (6,155) of respondents live in London, 23% (1,996) in Hammersmith & Fulham
- 93% (8,126) of respondents were aware of the existing stadium
- 49% (4,075) of respondents use the facility – with 56% (2,736) playing football, and 26% (1,269) using the pitches more generally
- Of the respondents from Hammersmith and Fulham, 10% (280) said they used the facilities, and 35% (99) said they played football, and 35% (99) said they used the pitches on the Scrubs
- The Scrubs itself is valued for:
 - Exercise – 52% (3,935)
 - Relaxation – 42% (3,079)
 - Its protected wilderness areas – 30% (2,141)
- Respondents preferred options were:
 - Major Redevelopment – 81% (7,020)
 - Improve the current facilities – 18% (1,561)
 - Do nothing – 1% (110)
- Respondents in Hammersmith and Fulham preferred options were:
 - Major Redevelopment – 68% (1,360)
 - Improve the current facilities – 29% (5,79)
 - Do nothing – 2% (43)
- Respondents thought the Council and the Trust should consider the following uses:
 - Professional Sports – 77% (6,662)
 - Community Sports – 73% (6,283)
 - Venue for major events – 52% (4,497)
 - Athletics – 43% (3,751)
 - Conference Centre – 31% (2,659)

- 87% (7,378) of respondents wanted to see improved facilities for people using the Scrubs, with a café 79% (6,096) and changing rooms 59% (5,269) the most popular requests
- The 5 most important issues that respondents thought the Trust and the Council should consider when making decisions were:
 - Ensuring local people benefit from employment opportunities – 74% (6,186)
 - Traffic management – 47% (3,907)
 - Preserving the biodiversity of the Scrubs 47% (3,908)
 - Impact of large audiences entering and leaving the site – 36% (2,992)
 - Impact on the hospital – 34% (2,786)

Making a decision on a preferred option - developing an Outline Business Case

- 5.6. For the Trust to make a decision on a preferred option, it will have to take into account the Charity Commission's guidance on decision making. Any proposals developed for the site will need to fit with the Trust's charitable objects or there may need to be a scheme approved by the Charity Commission in order to enable any future development to proceed.
- 5.7. A key part of this, is making sure that the Trust is sufficiently informed and that relevant factors have been considered in the decision-making process. The report to the Trust on the 26th June 2019 recommends that the Trust commissions an Outline Business Case (OBC) from professional advisors to enable the Trust to make an informed decision.
- 5.8. The OBC will allow the Trust to consider the options and the alternatives, and the risks and benefits of a preferred option. It is proposed that the OBC will include:
- A detailed analysis of the consultation responses and how they should be factored into the business case
 - An options appraisal process to enable the Trust to agree a recommended way forward
 - Economic appraisals on the options
 - A benefits appraisal
 - A risk appraisal
 - Sensitivity analysis
 - Procurement, contractual and accountancy issues and options
 - The legal position of each option in relation to the Trust and the Wormwood Scrubs Act 1879
 - Financial models the financial appraisal
 - A plan for delivery
- 5.9. In order to develop an OBC, additional technical work and surveys maybe required and the consultants may be asked to provide advice where it is necessary to support the OBC on:

- Transport modelling
- Any environmental and other surveys
- Further design work
- Cost consultancy
- Planning advice

5.10. The OBC and report to the Trust will also consider the legal powers available to the Trust, the objects of the Trust and the impact any decision will have on the ability of the Trust to carry out its objects.

5.11. The OBC will recommend an option for the Council and the Trust to consider and the Council will need to decide whether it wants to proceed further at a future Cabinet meeting. Any preferred option would then be subject to the normal procurement, planning and public consultation requirements before it could move into a delivery stage.

Engagement with the Charity Commission

5.12. As the Council is the sole corporate trustee of the Trust therefore the Council and the Trust Committee must ensure that there is appropriate separation between Council functions and the different Council role as Trustee Committee. Any conflict of interests will be identified, considered, managed and recorded.

5.13. When making the future decisions, following receipt of the OBC, the Council and the Trust will have to consider any conflicts at that time.

Engagement with the Ministry of Defence (MOD)

5.14. The Wormwood Scrubs Act 1879 requires the consent of the MOD before any development can happen on Wormwood Scrubs. Officers have engaged with representatives of the MOD for some initial discussions in parallel to the public consultation.

6. Consultation

6.1. On 4th February 2019, Cabinet gave approval to consult upon the above proposals and the Council subsequently embarked on a detailed consultation exercise from 22 March 2019 for a 12-week period. Details of the consultation methodology and a detailed analysis of the responses made are contained within this report.

6.2. When the Trust and Cabinet have made recommendations following the OBC, then additional decisions, and appropriate consultation, will be undertaken.

6.3. If at a future date, a planning application is submitted then detailed consultation with residents will be undertaken in accordance with planning regulations.

7. Equality Implications

- 7.1. Any proposals that come forward in due course will need to be assessed in compliance with the Council's equality duties. Further consultation will be needed at that stage.

8. Legal Implications

- 8.1. The Council has undertaken an extensive consultation exercise, the responses to the consultation have been properly considered and summarised within this report as well as Appendix 1. The responses to the consultation are to be carefully taken into account before any decision on the proposals contained in this report can be taken.
- 8.2. The Council has wide powers to pursue the development of facilities for entertainment and leisure purposes including under section 145 Local Government Act 1972 and to encourage visitors (section 144). Additionally, there are powers to support non-profit distributing organisations such as the Trust in the provision of leisure and community facilities under section 19 Local Government (Miscellaneous Provisions) Act 1976. Delivery of any enhanced facilities are likely to improve sport and recreation opportunities that will support the Council's health and wellbeing duties under the NHS Act 2006 and Health and Social Care Act 2012. The Council may therefore fund the OBC through section 111 Local Government Act 1972 (as being calculated to facilitate or conducive or incidental to the Council's functions) pursuant to the above powers.
- 8.3. Following receipt of the OBC then a further report would be brought to the Cabinet and the Trust to consider the options to take matters further.
- 8.4. In order to ensure that conflicts of interest are managed, the consultation feedback is being considered by separate individuals on behalf of the Council and the Trust Committee in line with the arrangements that have been put in place pursuant to Charity Commission guidance. The report to the Trust Committee is at Appendix 2.
- 8.5. Implications completed by Bevan Brittan Solicitors and verified by Rhian Davies, Assistant Director Legal and Democratic Services, 07827 663794

9. Financial Implications

- 9.1. The recommendations in this report include the approval of a budget of £397,500 for the preparation of an Outline Business Case to inform any decision to be made by the Council and the Trust on options for the future of Linford Christie Outdoor Sports Stadium (LCOSS). This is subject to the Trust approving the need for support in preparing an Outline Business Case.
- 9.2. It is proposed that the Council fund the costs relating to the Outline Business Case.
- 9.3. A breakdown of the costs of the business case are set out in the table in exempt appendix 3 and are estimated to be £397,500, which includes a £40,000 (10%)

contingency. The breakdown of the estimated costs for specialist advice is outlined in Appendix 3.

- 9.4 It is proposed that these costs are met from Council Community Infrastructure Levy (CIL) receipts. As at 18th June 2019, the Council held CIL receipts of £4.4 million.
- 9.5 The Full Council meeting on 23 January 2019 approved a capital budget of up to £45.6 million for the refurbishment and fit out of the Town Hall building as part of the West King Street Renewal programme to be substantially funded from expected Community Infrastructure Levy receipts of £33.7 million (subject to risks around commencement and phasing of developments). Use of CIL receipts to meet the OBC costs as set out above will reduce the CIL receipts available to fund the Town Hall refurbishment which will otherwise need to be met from borrowing. Based on the 50 year borrowing rate at 13 June 2018 of 2.14% and a minimum revenue provision of 2% an increase in borrowing of £397,500 will increase annual revenue costs of £16,456 per annum for 50 years (or until the borrowing is funded through the application of CIL or other capital receipts or revenue contributions).
- 9.5 Financial Implications completed by Emily Hill, Assistant Director, Corporate Finance, 020 8753 3145.

10. Commercial Implications

- 10.1 The Council will seek value for money from the Trust for the procurement of the specialist consultant team.

11. IT Implications

- 11.1. IT Implications: There are no apparent IT implications resulting from the proposals in this report.
- 11.2. The contracts for consultant services will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.
- 11.3. *Implications to be verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, tel 0208 753 3481*

12. Implications for Business

- 12.1. When procuring the consultants WSCT will be encouraged to invite local companies with relevant expertise to participate in the procurement process in reflecting their charitable status position. The initial scoping work has the potential to create supply opportunities for small and medium size business.
- 12.2. Implications completed by David McNulty, Assistant Director, Operations.

13. Risk Management Implications

The table outlines key risks as well as mitigation proposals. These will be reviewed following the WSCT Committee meeting on 26 June 2019.

Risk	Mitigation
If at a future date, the full business case concludes the project does not proceed then the Council will not be able to recover these costs	The information and data secured from the consultants' work could be used for alternative proposals that may come forward.
CIL income that is currently profiled funding may fall short.	CIL Board regularly monitor and track CIL income and expenditure commitments so Chief Planning Officer is confident there will be funds to meet the expenditure above.
Secure commitment from WCST that consultant advice received can be shared with H&F.	To ensure intellectual property rights of the consultants' reports will be allow sharing of the reports, data and information with H&F
The Trust does not take account of and adhere to the Charity Commission's guidance on decision-making which could invalidate the process.	The Trust has been established since the Wormwood Scrubs Act 1879 and the Trust Committee has a long track record of managing the land and the Trustees have experience of complying with Charity Commission's guidance under the Charities Act 2011.
Risk that a suitable consultant team will not be appointed or that tenders received are in excess of the approved budget.	To request the Trust set out a timeline and procurement process for the appointment of the suitable consultant team and provide regular updates via the Trust Committee. Robust scoping of specifications for the tendering of the consultant team should provide tenders are within the budget. If the tenders are in excess of the agreed budget, then the Trust will be requested to bear this additional cost.

Risk implications verified by David Hughes, Director of Audit, Fraud, Risk and Insurance

14. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.

Appendices

Appendix 1 – Summary results of the Public Consultation

Appendix 2 – Report to Wormwood Scrubs Charitable Trust 26th June 2019 including an exempt appendix (Procurement Strategy)

Exempt Appendix 3 – Breakdown of OBC Budget