

Streatham Area Committee

7 March 2007

Streatham Ice and Leisure Centre Funding and Construction

St Leonards Ward/Streatham Area

Report authorised by: Robert Overall: Executive Director, Environment, Culture and Community Safety.**Executive summary**

Sets out progress on the current proposals to procure the new Streatham Ice & Leisure Centre in conjunction with Tesco.

Note: this report has not been submitted for clearance to the Executive Director of Finance and Resources or Director of Democratic and Legal Services.

Recommendations

To note the report.

Consultation

Name of consultee	Directorate or Organisation	Date sent to consultee	Date response received from consultee	Comments appear in report para:
Internal				
None				
External				
Entered in Consultation and Events Diary?				
No				

Report history

Date report drafted:	Report deadline:	Date report sent:	Report no.:
27.02.07	22.02.07	27.02.07	356/06-07
Report author and contact for queries:			
David Lawrence, Consultant, Cultural Services. 020 7926 2896 DLawrence@lambeth.gov.uk			

Background documents

Minutes of each meeting of Streatham Area Committee in 2006-07

1. Context

1.1 This report provides the Streatham Area Committee with a progress report on the current proposals to procure the new Streatham Ice & Leisure Centre in conjunction with Tesco.

2. Proposals and reasons

2.1 The Streatham Hub project provides an exciting contribution to the leisure provision in Lambeth and the development of Streatham. The Council has been partnering Tesco in delivering this project particularly the new Leisure and Sports facility to replace Streatham Ice Ring and Swimming Pool.

2.2 The new leisure facility will set the standard for the experience our communities should have when using the Council's swimming pools, sports halls, fitness centres and other specialist sports facilities in the future.

2.3 However, not only will Lambeth have a 'state of the art' Ice Rink, Swimming and Sports Centre but completion of the leisure facility will trigger the development of:

- A major new 45,000 square foot - Tesco store
- 250 new homes – 87 of which are for social occupation & 25 for new employees of Tesco
- An improved transport hub – building a new bus terminal, creating an improved link & improving the 'network rail', train station.
- The creation of a 438 car parking facilities, in addition to the residents car parking.
- The replacement of a major sewer and improving other utilities in the immediate area.
- An upgraded street presence and the creation of an improved setting for the church.
- Training opportunities for 400 new jobs in Streatham.

2.4 The project is of a scale that brings with it a level of complexity, concerned with linking all the various components together.

2.5 For some weeks the Council has been aware of uncertainty around the Streatham Hub project as Tesco grappled with projections of the cost that appeared to steadily increasing partly based upon:

- delays in completing all the various statutory and legal agreements
- increasing construction costs
- the effects of phasing the development over a 4 year building programme

2.6 Presented with these concerns in December 2006 the Council agreed with Tesco's decision to undertake a complete review of the project. This review was completed at the end of January 07 and the finding presented to Council officers in February.

- 2.7 The Council officers have undertaken three weeks of review but agreed on the 26th February to extend the development phase for the scheme by 9 months in order to further refine the project and achieve greater certainty around the costs and building programme.
- 2.8 This process requires considerable, further, investment on Tesco's part. Tesco is anxious that this further investment is seen as reflecting their continued commitment to the scheme and to achieving a positive outcome for Streatham.
- 2.9 In order to bring increased certainty the Council and Tesco intend to exchange the various documents that confirm the Planning Permission, agreed three years ago, and the Development Agreement by the end of March 2007. This will confirm the timescales that Tesco and the Council will work within to take the scheme forwards.

3. Timetable for implementation

3.1 A programme from Tesco is currently being updated. An indicative timetable suggests the following:

- Finalise S106 agreement - March 07
 - Finalise Development Agreement – March 07
 - Agreement on final scheme to be developed – December 07
 - Complete stage 2 design development - December 07
 - Appoint Contractor – March 08
 - Enabling works commence – May 08
 - Ice and Leisure Centre construction commences –May 08
 - Ice and Leisure construction finishes – May 2010
 - Fit out of new centre – June 2010
 - Ice and Leisure opens - June 2010
 - Removal of existing ice rink – June 2010
-

This page is intentionally left blank