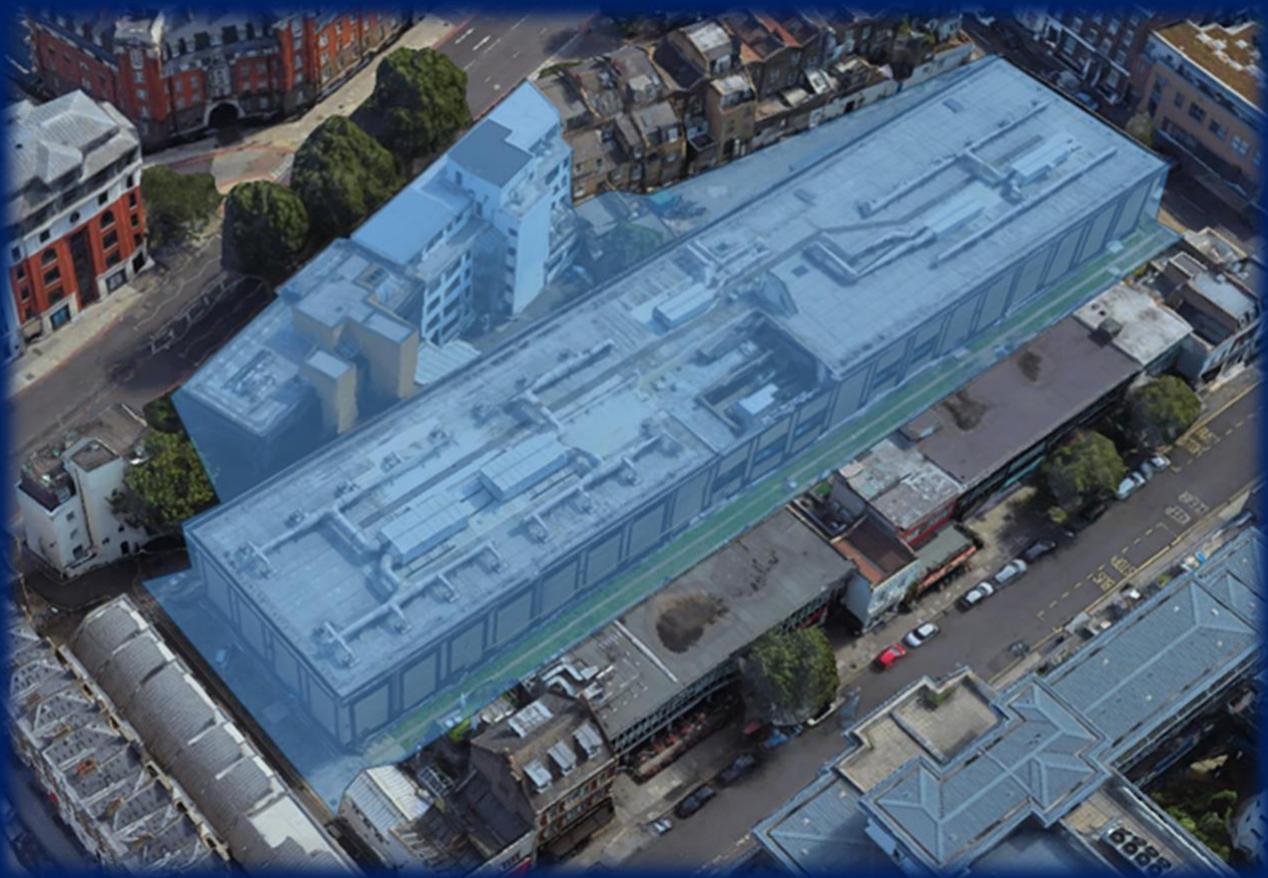


Westminster City Council

Queen Mother Sports Centre – Strategic Outline Case

Final Report

February 2026



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1. Executive Summary

PURPOSE OF THE BUSINESS CASE

- 1.1. This Strategic Outline Case ('SOC') considers the redevelopment of the Queen Mother Sports Centre Site ('The Location'), assessing the existing arrangements, spending objectives, potential scope, and the benefits and implications of site redevelopment.
- 1.2. The Queen Mother Sport Centre ('QMSC') site, for the purposes of this document, comprises Queen Mother Sports Centre, 231 Vauxhall Bridge Road and 215 Vauxhall Bridge Road (The Parkinson's building).
- 1.3. The SOC has been prepared based on a proportional approach to the HM Treasury Green Book, 5 Cases Model that will look to support the Council's decision-making process. The structure of the business case will include key information under each of the following sections:
 - **The Strategic Case** - considers the case for change, its context and outlines how the proposal fits with the wider policy and strategic objectives of the Council.
 - **The Economic Case**- demonstrates that a range of potential options have been considered and compared against the existing landscape and that a preferred option is able to better achieve the strategic goals of the Council.
 - **The Commercial Case** – seeks to answer the question “can the proposal be effectively delivered through a workable arrangement or arrangements?” It sets out the procurement activities and contractual opportunities for delivering the preferred approach.
 - **The Financial Case** – considers the affordability, cost implications and financial risk of the Preferred Approach. It seeks to identify how the preferred solution will be funded and the broader financial consideration for the Council in taking forward this approach.
 - **The Management Case** - demonstrates whether the proposal is deliverable by setting out the governance structure, project planning, risk management and communication and engagement arrangements required to ensure the successful delivery of a proposal.
- 1.4. The key elements of each case are summarised overleaf:

STRATEGIC CASE

2. As part of the Future Housing Pipeline, the Queen Mother Sports Centre (QMSC) Housing Opportunity Location has been identified as a site where further consideration of future options may be appropriate, in light of long-standing site constraints (see 2.10). The Strategic Outline Case therefore explores whether alternative approaches to the existing leisure centre and

associated buildings could enable improved leisure provision and the potential delivery of new homes, including genuinely affordable housing, within a highly accessible central London location.

- 2.1. The redevelopment presents a major placemaking opportunity, enabling the creation of a new public space in Victoria, introducing a sense of place in a location that has limited street frontage or publicly accessible external space.
- 2.2. Given the interdependencies with the proposed Chelsea Barracks Sports Centre ('CBSC'), any redevelopment of QMSC must give careful consideration to this planned provision at Chelsea barracks to ensure a coherent approach to leisure space across South Westminster, ensuring that any future decisions deliver maximum value for residents, communities and the Council.
- 2.3. The opportunity to deliver a new leisure centre alongside new housing on the QMSC site is well aligned with the Council's key strategic objectives set out in the *Fairer Westminster Strategy*, particularly the pillars of *Fairer Housing*, *Fairer Communities*, and *Fairer Environment*, and contributes directly to the Council's target to deliver 20,685 new homes by 2040.
- 2.4. The opportunity to redevelop the site also aligns with wider regional and national priorities, including the GLA's London Housing Strategy, London Plan, and Towards a New London Plan, as well as the UK Government's target to deliver 1.5 million new homes by 2029. This project will therefore form part of Westminster's direct contribution to London-wide housing delivery and there is a clear case for change.

ECONOMIC CASE

- 2.5. Within the Economic Case, an Options Appraisal for QMSC was undertaken where options were evaluated through a Multi-Criteria Decision Analysis (MCDA).
- 2.6. The assessment process has allowed the Council to discount a number of unfeasible or undeliverable approaches and identify a long list of options that could support the Council's strategic objectives and create a credible long-list of potential solutions for the Housing Opportunity Location. The long list of options reached for this location is:

Reference	Category	Detail
Option 1	Do Nothing	Maintain and extend the life of the existing leisure centre and the office buildings at 231 and 215 Vauxhall Bridge Rd through a series of capital works
Option 2	Asset Disposal	Sell the asset to generate a capital receipt for reinvestment in affordable housing and council infrastructure priorities,

		alongside delivery of affordable housing and council infrastructure in line with Policy guidance.
Option 3	Refurbish Existing and Extend	Refurbish and extend the existing buildings on site; 215 and 231 Vauxhall Bridge Road with an additional floor on each and the leisure building altered to include a new facade and three new housing blocks built above it.
Option 4	QMSC Redevelopment	Redevelop the QMSC Core Site to provide new leisure, residential and commercial provision.
Option 5	QMSC redevelopment + 52–73 Wilton Road	Redevelop the QMSC site, incorporating the adjacent privately owned land at 52–73 Wilton Road, to create a larger, comprehensive development

2.7. To enable a structured comparison of options to reach a short list and evaluate a preferred way forward, the options were assessed against Critical Success Factors and spending objectives, drawing upon the drivers identified in the Strategic Case:

- **Critical Success Factors** - The attributes essential for successful delivery of the project
- **Spending Objectives** – What the Council is trying to achieve through the project

2.8. Based on performance against spending objectives and CSFs, **the lead option is Option 4 ‘QMSC Redevelopment’**. Notably option 5, ‘QMSC Redevelopment + 52-73 Wilton Rd’ scored similarly on the economic appraisal. As the 52-73 Wilton Rd site sits outside the Council’s ownership, Option 5 will be carried forward and subject to early engagement with the landowner.

2.9. Option 4 offers substantial benefits, particularly in housing delivery and regeneration. It also presents an opportunity to enhance placemaking within this location by improving the public realm, while facilitating the development of a modern, fit-for-purpose leisure centre that meets community needs and promotes resident wellbeing. Option 2 – asset disposal – has been discounted, with the following options shortlisted:

- **Option 1** – Do nothing
- **Option 3** – Refurbish Existing and Extend
- **Option 5** – Redevelopment Whole Location and 52-73 Wilton Road

- 2.10. The emerging Preferred Way Forward for Queen Mother Sports Centre is the redevelopment of the location, which has been identified through comparative assessment as offering the most robust and deliverable route to achieving housing, community and place-based objectives. If approved, the Council will undertake further engagement with residents, businesses and stakeholders to develop and test the shortlisted options, opportunities and impacts, prior to recommending a final option for consideration.
- 2.11. Options involving third-party land have the potential to deliver higher notional housing yields; however, these carry increased delivery, timing and control risks and have therefore been assessed accordingly at Strategic Outline Case stage.
- 2.12. The identification of a Preferred Way Forward at this stage represents a direction of travel for further work rather than a final decision on design, scale, tenure mix or delivery approach.

COMMERCIAL CASE

- 2.13. The Commercial Case sets out the realistic, deliverable routes to market for the preferred way forward, and outlines a series of next steps for the Council to consider at the next stage to ensure this is commercially viable. Progression to planning will be dependent on resolving the funding challenge as part of the next stage.
- 2.14. In preparation for the Outline Business Case, should this Housing Opportunity Location progress, the Council will undertake an assessment of the relative merits and risks of each delivery route and their suitability for this project. Key considerations include:
- Commercial return, required to attract developers to share risk
 - Scale of Housing Opportunity Location and setup cost, some delivery routes require significant time and resources to establish and will suit larger locations or groups of locations
 - The Council's requirements and project brief, which will need to be sufficiently advanced to ensure a successful procurement and to minimise the risk of cost increases caused by scope changes after appointment
 - Level of sales risk, where the Council intends to retain the bulk of the assets the benefits of entering in a development agreement or joint venture are diminished.

2.15. The following actions are proposed to progress QMSC to the next stage of feasibility and business case development:

- Undertake further work to test the viability and affordability of potential options, including refinement of cost, design, funding and delivery assumptions, subject to securing the necessary budget.
- Assess QMSC in the context of wider leisure provision in South Westminster, including coordination with the proposed Chelsea Barracks Sports Centre, to support complementary and financially sustainable provision.
- Appointment of specialist consultants to support the MDCT to carry out design development and prepare the Outline Business Case (OBC), which may include:
 - Building Management Strategy Consultancy
 - Sales and Commercial Consultancy
 - Property and Legal Services
- Engage with the Greater London Authority (GLA) to initiate discussions on funding, regeneration alignment, and grant eligibility.
- Undertake soft market testing with a range of potential suppliers to understand available delivery routes.

FINANCIAL CASE

2.16. The Financial Case concludes that currently, constraints around affordability mean no budget has been allocated to any Housing Opportunity Location past RIBA Stage 1.

2.17. A budget request has been submitted to explore alternative partnerships, delivery routes and potential uses for the site. Subject to future financial capacity, full redevelopment remains a longer-term aspiration.

MANAGEMENT CASE

2.18. The Management Case demonstrates that appropriate governance and programme management arrangements are in place at SOC stage for QMSC. This will be developed further as the project progresses to Outline Business Case.

3. Strategic Case

3.1. The purpose of this section is to set out the project, outline how it fits with the wider policy and strategic objectives of Westminster City Council ('the Council'), and demonstrate the case for change and the need for intervention.

INTRODUCTION

- 3.2. Westminster City Council has a strong track record of delivering new homes across its development and regeneration programme, having embarked on its most ambitious housebuilding programme in a generation. The Council has a well-established development programme and experienced internal resource that continues to deliver its ambitious programme which include landmark estate regenerations at Ebury Bridge and Church Street, and a growing pipeline of projects.
- 3.3. Local Authorities across the UK are exploring how they can meet the challenge of emerging mandatory housing targets, with 1.5 million homes earmarked for delivery in the current parliament. In response, the GLA's emerging London Plan is expected to set a target of 88,000 new homes a year for the next 10 years. ¹
- 3.4. To meet these challenges, the Council is exploring further opportunities to accelerate affordable housing delivery across the city. This includes assessing the feasibility of Council-owned Housing Opportunity Locations that could contribute to the future housing pipeline.
- 3.5. This Strategic Outline Case forms one of six concurrent documents, representing the next tranche of projects which are being assessed as part of the future housing pipeline. While the Housing Opportunity Locations have a shared strategic context, the particulars of each location present differing opportunities to address local housing need and deliver wider benefits to the Council and its residents.

SUMMARY OF HOUSING OPPORTUNITY LOCATION

- 3.6. Queen Mother Sports Centre (QMSC) is located in the North Pimlico Ward of Westminster, close to Victoria Station and within a highly accessible central London location. The Housing Opportunity Location comprises three buildings. The Council's existing leisure centre, which occupies a back land location, i.e. one situated behind other buildings along the surrounding streets with its only street presence on Longmore Street where it presents an inactive frontage set behind a security fence. Public access to the QMSC is via Douglas Houghton House, a four-storey Council-owned office building, also within the Council's redline.
- 3.7. In 2022, the Council expanded the location through the acquisition of the Parkinson Building at 215 Vauxhall Bridge Road. The five-storey building, consisting of open plan office space is

¹ Towards a new London Plan <https://www.london.gov.uk/programmes-strategies/planning/london-plan/next-london-plan>

currently vacant, and when combined with Douglas Houghton House creates a continuous frontage along Vauxhall Bridge Road.

3.8. The wider development opportunity includes 52-73 Wilton Road, a third-party asset that the Council does not currently own. Initial discussions have been had with the freeholder, to understand their aspirations for the site. The 52-73 Wilton Rd site consists of Ground-floor retail with upper-floor residential, and benefits from an implemented planning permission (19/06682/FULL) for a mix-used scheme including offices, residential and retail, although significant construction work is yet to commence. Both parties acknowledge the opportunities for, and benefits of, a wider masterplan, such as greater provision of leisure and housing alongside a stronger overall placemaking agenda.

Sq. Ft.	Leisure	Office
QMSC	46,381	-
Douglas Houghton House	-	8,008
Parkinson Building	-	16,216
Total	46,381	24,224

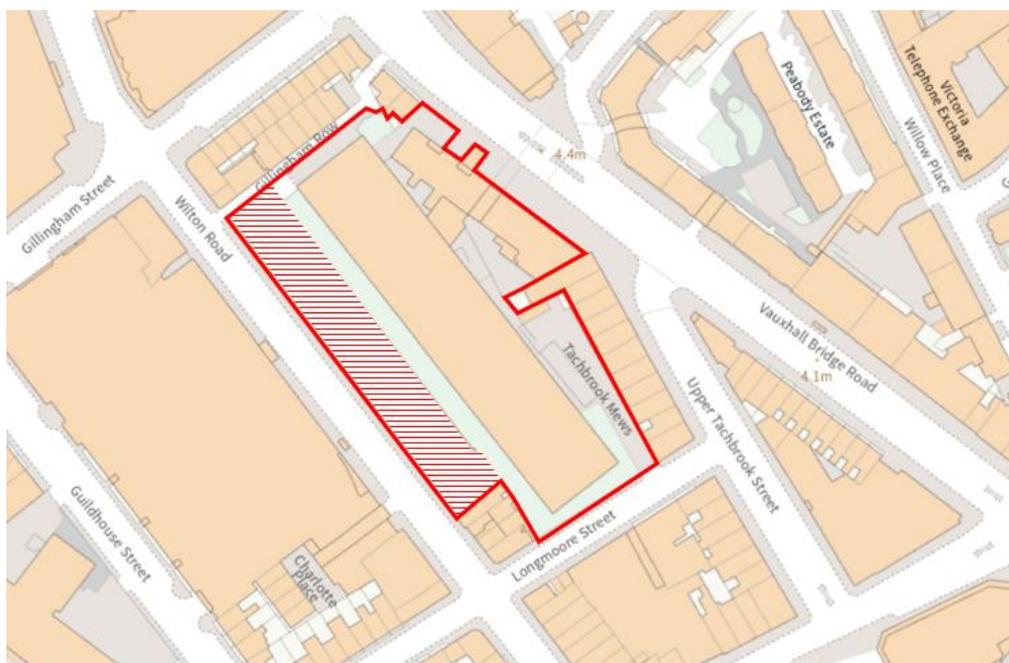


Figure 1

3.9. Figure 1 sets out the indicative site extents considered within this SOC. Option 4 comprises a partial redevelopment area (red line), whereas Option 5 includes the full location boundary (with additional areas hatched in red).

3.10. Queen Mother Sports Centre is a 46,000 sq. ft. location that includes three pools (main, leisure and teaching pool) a spa, squash courts, gym, and a 5-court sports hall. The facility is currently

managed by Everyone Active under the Council's existing leisure contract and currently has around 4,000 members. QMSC operates at (or near) capacity across a number of activities and generates an operational surplus, demonstrating its importance in both service and financial terms for the Council.

- 3.11. The existing buildings across the QMSC Site face a number of structural, operational and accessibility challenges. The leisure centre is more than 40 years old and has significant physical constraints including inefficient layouts which prevent the facility from meeting modern sports and leisure centre standards. These issues were highlighted in the Council's *Built Facilities Strategy (2021)*, which identified QMSC as one of the borough's most constrained facilities, reinforced through the *2024 Facility Review*, which reiterated the challenges posed by the current structure. This reflects the issues of the wider location, which is largely dated and reflects a disjointed and piecemeal approach to development over the preceding 100 years. There is also an identified shortage of water space in South Westminster, which QMSC is currently unable to accommodate fully.
- 3.12. The cost of maintaining the leisure centre is escalating year-on-year coupled with being energy inefficient, reliant on non-renewable energy sources, contributing significantly to the Council's carbon footprint.
- 3.13. The centre is oversubscribed in multiple areas and potential growth in membership and use is throttled by the existing building. As an example, the central gym space is overcrowded and undersized relative to demand (47 members per station vs. industry standard of 35).
- 3.14. The Douglas Houghton and Parkinson Building currently offer functional office accommodation which does not align with contemporary best in class standards. As a result, whilst the buildings remain lettable, they are unable to achieve prime headline rents without significant investment. The scale of refurbishment required to upgrade the buildings would generate a significant amount of carbon, potentially offsetting the environmental benefits of a retrofit-led approach.
- 3.15. The QMSC site presents a significant opportunity to redevelop a strategically located Council asset to deliver new, modern leisure and sports facilities alongside new housing, including genuinely affordable homes. The site also offers the opportunity to consider the future of leisure provision across South Westminster in a coordinated way, alongside the proposed Chelsea Barracks Sports Centre (CBSC).

PROGRAMME & PROJECT OBJECTIVES

- 3.16. The Future Housing Pipeline Programme reflects the Council's continued ambition to work to identify, assess, and bring forward potential Housing Opportunity Locations that can deliver housing and wider local improvements and benefits for Westminster's communities.
- 3.17. The Council regularly reviews its estate to identify options for rationalisation as well as underutilised assets. This best practice enables Councils to assess whether they are securing the best value for money for their owned Housing Opportunity Locations or whether an alternative uses or disposal would provide the best overall value.
- 3.18. Through these asset reviews the Council has identified six Housing Opportunity Locations which warrant further exploration through Strategic Outline Cases to assess the best way forward at the current time.
- 3.19. Following shortlisting, a Cabinet Member decision in June 2025 approved the appointment of four multi-disciplinary consultant teams lead by the following Project Managers AECOM, Arcadis, Pulse Associates, Ridge and Partners - to undertake initial design and feasibility work across each of the six Housing Opportunity Locations. The findings of this work have informed this document.
- 3.20. The programme is governed by the Regeneration and Development Pipeline Programme Board, which includes strategic leads across key Council services and is tasked with providing leadership, direction and coordination across the portfolio of Housing Opportunity Locations.

THE STRATEGIC CONTEXT

- 3.21. The project is underpinned by a clear strategic context across local, regional and national level policy documents, including:

Westminster City Council

- *Fairer Westminster Strategy (2022)* – Documents the Councils' overall strategic objectives to create a Fairer city for its residents.
- *City Plan 2019 – 2040 and Partial Review* – The Council's Planning Policy Framework, alongside with its Partial Review.
 - *New Policy 43 Retrofit First Policy Guidance* – Emerging guidance on the Council's 'Retrofit First' policy, as part of the environmental supplementary planning document.
 - *Planning Policy - Policy 17 Community Infrastructure and Facilities* – Requirement that existing community facilities and floorspace must be protected unless it meets several criteria.

- *Climate Action Plan 2025* – The Council’s framework for collectively achieving a ‘Net Zero’ Council by 2030 and city by 2040.
- *Health and Wellbeing Strategy 2023-33* – The Council’s 10-year plan to improve health and reduce inequalities by addressing promoting healthy homes, safe neighbourhoods, active travel, access to green space and inclusive community facilities.
- *ActiveWestminster Strategy 2024-28* – Vision for Westminster to be “a city where everyone is active and has a healthier life”, including improving accessibility and participation.
- *Built Facilities Strategy and 2024 Facility Review* – The Council’s Strategy to develop more modern, efficient and sustainable community-based physical activity leisure and sport facilities, and review of its facilities.
- *Truly Affordable Housing Strategy (2022) decision* – commits to significantly increase Social Rent homes. It identified Council-led delivery, optimal use of land, enhanced delivery mechanisms and partnerships with housing associations as ways of contributing to the delivery of these homes.
- *Strategic Housing Market Assessment (2024)* - provides the evidence base for housing policy and delivery, identifying a need for 17,953 homes by 2040 of which 85% must be affordable.
- *New Housing Strategy 2026-2031* - Sets out a comprehensive plan to tackle the borough’s housing challenges and deliver better homes for all residents. Consultation on this strategy closed Sunday 21st December 2025.

Greater London Authority (GLA)

- *The GLA London Housing Strategy (2018)* – Sets out the strategic direction on housing across London.
- *The London Plan (2021)* – Sets out the strategic approach to housing across London, alongside the recent consultation of its update *Towards a New London Plan (2025)*.

UK Government

- *UK Government policy commitment and mandatory housing targets to deliver 1.5m new homes in the next 5 years (2024-2029)*

3.22. The alignment of the project with these local, regional and national level policy documents is set out in greater detail below.

3.23. The Council launched its *Fairer Westminster Strategy* in 2022, with the aim of creating a fairer city for its residents. This five-year strategy was supplemented by the Year 3 Delivery Plan for 2025/26. The strategy is structured around five key pillars:

- *Fairer Communities* – Making Westminster a healthier and equitable place for all our residents.
- *Fairer Housing* – Delivering high-quality homes across a range of tenures including affordable housing to ensure our tenants and lessees have access to secure and stable homes that support long-term well-being.
- *Fairer Economy* – Building a strong, diverse and growing economy that benefits all residents and businesses.
- *Fairer Environment* – Working to become a Net Zero Council by 2030, and a Net Zero City by 2040.
- *Fairer Council* – A Council that is more transparent and visible to its residents, businesses and external stakeholder partners.

3.24. The Future Housing Pipeline schemes directly advance the aims of *Fairer Housing* and the QMSC project makes a significant contribution to the programme's principle objectives. The scheme delivers new, genuinely affordable homes, while providing modern, high-quality community and leisure facilities on location. These interventions bring essential amenities closer to existing communities alongside prospective new residents, and improves equity of access to services.

3.25. The Pipeline also contributes to *Fairer Communities* and *Fairer Environment* pillars. The delivery of a new, modern leisure centre, improved public spaces, and a new pedestrian route through the Housing Opportunity Location will improve neighbourhood safety, accessibility, and wellbeing. These improvements create more inclusive and active environments, strengthen local connectivity and support healthier lifestyles, and sustainability benefits will be advanced through modern, energy-efficient buildings and enhanced greening. Furthermore, residential intensification schemes often have the additional benefit of making local services more sustainable and viable with a positive impact on the local economy. All five key pillars of Fairer

Westminster are embedded in the decision-making process for each Housing Opportunity Location.

3.26. The QMSC Housing Opportunity Location contributes to Westminster's overarching commitment to deliver 20,685 new homes by 2040, as set out in the City Plan and Fairer Westminster delivery plans. Redevelopment of QMSC also directly advances Fairer Communities by modernising an ageing leisure facility and improving accessibility, participation, and health and well-being outcomes. As a significant contributor to the Council's carbon footprint, its redevelopment aligns closely with Fairer Environment. Given its role as the only public leisure centre in South Westminster, QMSC is also critical to delivering Fairer Westminster's ambitions around inclusive access to physical activity.

City Plan 2019 – 2040 and Partial Review

3.27. In 2024, the Council set out new proposed planning policies in its partial review of the City Plan of which the independent examination is ongoing albeit it is at a very advanced stage and cabinet is expected to consider adoption later in the month. The updated policies set a requirement for 50% affordable housing to be delivered on publicly owned land, requiring at least 70% of those affordable homes to be social rent homes, with the remaining 30% intermediate homes.

3.28. The Council's Partial Review set out a 'Retrofit First' policy. This policy recognises the impact the built environment has towards carbon emissions, particularly embodied carbon i.e. the total carbon emissions associated with the construction of the building, including disposals of materials from demolition.

3.29. The policy requires developers to consider retrofit for all developments requiring demolition of a building greater than a single storey, with planning to only be granted for redevelopment where retrofit is appraised, in line with the policy, to be inappropriate. In line with this policy, Retrofit is assessed as an option for all Housing Opportunity Locations within the Economic Case.

3.30. The Retrofit First policy aligns with the *Fairer Environment* pillar and the Council's *Climate Action Plan 2025*, which sets out an ambition to becoming a Net Zero Council by 2030 and a Net Zero City by 2040. The plan identifies housing communal heating supplies as one of the

largest sources of the Council's emissions, and by progressing these projects the Council can implement modern, low carbon heating solutions that improve environmental performance.

- 3.31. Planning Policy 17 Community Infrastructure and Facilities requires that existing community facilities and floorspace must be protected unless it meets several criteria.
- 3.32. Redevelopment of QMSC provides an opportunity to replace an outdated facility with a modern, accessible leisure centre aligned with local community needs, also aligning with the *Fairer Communities* objective to enhance local facilities and strengthen social cohesion. By addressing the issues with the current Housing Opportunity Location, a redeveloped QMSC has the potential to achieve high quality place making, where the existing iterative development has failed, in part through creating new active frontages and improving the permeability between the location and surrounding roads. Emergent designs incorporate enhanced public realm, including green space which is lacking.

Health and Wellbeing, Active and Facilities Strategies

- 3.33. The Council's Health and Wellbeing Strategy 2023-33 sets out a 10-year plan to improve health outcomes and reduce inequalities by addressing the wider determinants of health, including housing quality, safety, and access to green space.
- 3.34. The redevelopment of the six Housing Opportunity Locations, including QMSC, supports these aims by delivering improved quality, energy-efficient homes, improving accessibility and safety and enhancing the public realm across the estates to promote active travel and healthier lifestyles.
- 3.35. The *Active Westminster Strategy 2024-28* highlights the need to modernise leisure facilities, address barriers to participation, particularly among underrepresented groups, and improve accessibility. QMSC's current layout limits women-only swimming sessions and other targeted provision for those who experience barriers. These issues were highlighted in the Council's *Built Facilities Strategy*, which identified QMSC as one of the borough's most constrained facilities, and reinforced through the *2024 Facility Review*, which reiterated the challenges posed by the current structure. Redevelopment of QMSC leisure centre should aim to address these barriers to participation and improve the quality and accessibility of facilities, and should

also consider the proposed CBSC so that overall leisure quality, access and resource efficiency is maximised across South Westminster.

UK Government and GLA Policy Context

- 3.36. The strategic context for the *Fairer Housing* objective runs through all levels of public policy, with the UK Government pledging in 2024 to deliver 1.5m new homes in five-year parliament. This has translated to mandatory housing targets for local authorities across the UK, with the GLA required to deliver 88,000 new homes per annum across the 32 boroughs.
- 3.37. The Council have committed to a target to deliver 20,685 homes under the current development plan running to 2040. This Future Housing Pipeline plays a significant role in achieving that objective.
- 3.38. The GLA's London Housing Strategy (2018) sets out the priorities for London to tackle the ongoing housing crisis, with a key mayoral strategic priority being building thousands of genuinely affordable homes to buy and rent. It is anticipated that the Future Housing Pipeline projects will bid for GLA funding and therefore will align with this mayoral strategic priority.
- 3.39. The adopted London Plan currently sets Westminster's housing target, but a review is underway in response to new government ambitions, with adoption expected in 2028. The consultation document *Towards a New London Plan (2025)* confirms that while all affordable tenures are needed, the greatest demand is for social rent, and the 50% affordable housing threshold on public land is expected to remain. This aligns with Westminster's commitment to increase genuinely affordable homes, as set out in its *Truly Affordable Housing Strategy (2022)* decision and reinforced through regeneration programmes at Ebury Bridge and Church Street.
- 3.40. Alongside this, the Council's new Housing Strategy (2026–2031) - currently under review - aims to ensure every resident has access to safe, sustainable, and affordable housing, prioritising increased supply, homelessness prevention, and improved housing quality. Delivery of social rent homes remains central to meeting acute need, supported by evidence from the *Strategic Housing Market Assessment (2024)*, which identifies a requirement for 17,953 new homes by 2040, 85% of which should be affordable, with a strong emphasis on social rent..

3.41. To respond to these challenges and future targets, Westminster must continue to identify and bring forward a new tranche of sites beyond Ebury Bridge and Church Street. This approach will optimise housing delivery, support health and wellbeing, and ensure alignment with adopted and emerging policy priorities.

CASE FOR CHANGE

3.42. The wider QMSC Housing Opportunity Location has been identified as an underutilised Council asset, with a relatively low density in a large footprint within an urban area. The existing QMSC building itself, while heavily utilised as a sports facility, is more than 45 years old and harboured by accessibility, operational, and building performance issues. Despite investment of £990k capital works in 2020/21 and a further joint investment of £350k and Everyone Active, the facility no longer meets the standards expected of a modern sports centre.

3.43. The wider Housing Opportunity Location, i.e. Douglas Houghton and the Parkinson Building along with assets outside of the Council control, is dated and reflects piecemeal development over the past century. The combination of ageing buildings, inefficient layouts, and underutilised land presents a strategic opportunity to deliver new homes, modern leisure facilities, and introduce new mixed-use homes where appropriate.

3.44. Through the Council's 2024 asset review, the QMSC Housing Opportunity Location has been shortlisted as part of the Future Housing Pipeline due to its potential to contribute to the Council's overarching ambition to delivery 20,685 new homes by 2040. The Housing Opportunity Location has the capacity to deliver a significant number of new, high-quality housing and its redevelopment will play a key role in helping the Council to accelerate the delivery of affordable homes, while also addressing wider regeneration and *Fairer Westminster* objectives.

3.45. There is a clear and pressing need to accelerate the housing delivery across Westminster, with demand for genuinely affordable housing far exceeding supply, as demonstrated by current housing need in the borough exceeding 7,000 applications. The redevelopment of the QMSC Housing Opportunity Location provides an opportunity to optimise and repurpose an underutilised location and deliver a mix of homes that respond to this need. This aligns directly with the Council's, the GLA's, and the UK Governments strategic priorities and policy context as set out above.

3.46. The existing office buildings require a significant amount of capital works to bring them up to modern standards and regulations. The existing buildings have low floor-to-ceiling heights,

limiting the potential for modernisation as well as requiring enhancements to lifts and risers. Their current layouts do not lend well to conversion to residential as their footprints deliver only a limited number of quality homes.

- 3.47. A new leisure centre is required to meet modern expectations, increase participation, and meet the needs of underserved groups. There is therefore an opportunity to deliver new, modern community leisure facilities that better meets local needs to respond to the Council's Built Facilities Strategy and 2024 leisure review and support the *Fairer Communities* objectives and the aims of the *Health and Wellbeing Strategy 2023-33* to promote inclusive, healthy neighbourhoods.
- 3.48. Given QMSC's is generating significant operational profit, any redevelopment or closure will need to carefully consider the impact on income and the Council's revenue position. All options for maintaining continuity of leisure provision during a period of redevelopment should be fully considered.
- 3.49. The proposals have significant place making benefits by opening up the location, create additional green space which is lacking in the area. The current Housing Opportunity Location presents continuous, inactive front to the surrounding streets and proposals seek to increase permeability as well as having active frontages.
- 3.50. Overall, the case for change is driven by the opportunity to replace ageing, inefficient community facilities with a new, modern, accessible and sustainable leisure space, and deliver much needed genuinely affordable housing. Intervention will address long-standing and structural and environmental inefficiencies, and accessibility limitations, deliver new affordable housing, and enhance local community provision. Without intervention, the Housing Opportunity Location will remain underutilised, representing a missed opportunity to deliver against Westminster's housing objectives and for its communities.

CURRENT SITUATION / BAU

- 3.51. Under a business as usual (BAU) scenario, the existing QMSC would remain operational but require substantial investment to maintain current service continuity and extend its economic life. The Council has budgeted £1.9m for near-term maintenance, with updated estimates indicating that up to £18.5m of further capital works would be required to extend the building's life by around 30 years. These upfront works would be alongside a 30-year maintenance budget of £22.3m.

- 3.52. These works to maintain the QMSC would not address the existing deficiencies that limit participation and prevent the centre from meeting modern standards. The leisure offer would remain constrained, and opportunities to address unmet demand would be lost.
- 3.53. The Council has sought a tenant for the Parkinson Building, however the building has limited commercial appeal due to its low floor-to-ceiling heights and dated internal layout. Any rental income achieved is likely to be modest and would not reflect the true potential of office space in this location. This would continue to represent an underutilisation of a Council-owned asset, with the building not realising its full potential. In the meantime, the building would remain vacant and underutilised, continuing to incur holding and opportunity costs.
- 3.54. The BAU scenario therefore fails to meet the Council's wider strategic objectives, particularly those set out in the Fairer Westminster Strategy (2022). It would also represent a missed opportunity to optimise the use of public land for affordable housing delivery and contribute little towards Westminster's target of 20,685 new homes by 2040 and fail to deliver the benefits achievable through redevelopment.

STAKEHOLDER ENGAGEMENT

- 3.55. Westminster have committed to becoming more transparent and visible to residents are part of its Fairer Council strategic objective. To date the Council have engaged with internal and external stakeholders and local residents through a range of activities.
- 3.56. To date, Internal Stakeholder Engagement has included:
- Insight Sessions with Council service stakeholders including Adult Social Care, Housing, Communities, Finance, Corporate Property, Place Shaping and Children's Services from the outset. These sessions were used to:
 - Inform stakeholders
 - Explore Council service requirements
 - Explore wider opportunities to inform development of the options for the Pipeline Housing Opportunity Locations
 - Understand local stakeholder activities and initiatives
 - Internal Engagement has been maintained through the distribution of Pipeline Bulletins, Open House sessions and bi-monthly Programme Board meetings.
 - Briefing meetings held with Pimlico North and Pimlico South Ward Cllrs, Cabinet Member for Regeneration and Renters, Cabinet Member for Communities and the Leader of the Council.

3.57. Engagement with ward councillors has been undertaken through two detailed, in-person briefing sessions, providing opportunities for discussion and feedback, alongside follow-up updates issued via written communications.

3.58. This structured approach ensures service needs are reflected in design development and supports robust option development and assessment.

3.59. External Stakeholder and resident engagement to date includes:

- An Early Listening Period through July 2025 to December 2025 including:
 - Focus groups with members of the Pimlico Neighbourhood Forum and FREDA.
 - Key leisure user engagement area walks
 - Early vision and objective setting

3.60. Should the project progress, the Council will continue to identify key stakeholders and engage through the design and development process to ensure community voices are captured and reflected in the outcomes of the project. This process will include the launch of formal consultations from February/March 2026 likely to comprise key stakeholder focus groups, leisure users, secondary stakeholders as well as wider neighbourhood engagement and consultation. A set of next steps for the Council are:

- Provide the Strategic Outline Case update to the Community and key stakeholders;
- Extend engagement beyond the original key stakeholders;
- Identify the range of consultation activities stakeholders would like to participate in (co-design, steering groups);
- Coordinate capacity building training in areas such a viability, planning, height and massing (deliverability);
- Identify any additional specialist resources required to support and facilitate the consultation at individual Housing Opportunity Locations; and
- Consultation on range of options.

CONSTRAINTS/DEPENDENCIES/OPPORTUNITIES

3.61. The Housing Opportunity Location has a number of constraints, including but not limited to:

- Age and condition of existing facilities

- Potential operational impacts during construction
- Live leisure facility: QMSC is an operational sports centre, so any redevelopment must manage continuity of leisure provision, decant, or reprovision.
- Planning requirements and policy
- Transport and servicing constraints
- Loss of leisure income and community access if full or partial closure is required during redevelopment
- Tight urban site: Limited footprint and constrained access make construction logistics difficult.
- Market and Partner constraints on a Complex leisure-led mixed-use scheme

3.62. The Housing Opportunity Location has a number of dependencies:

- Alignment with the Council's Health and Wellbeing, ActiveWestminster and Facilities strategies
- Securing planning consent
- Potential engagement with the freeholders of 52-73 Wilton Rd regarding adjoining land
- The strategy for future broader leisure provision across Westminster and the south of the Borough, e.g. potential future provision of other leisure developments

3.63. The Housing Opportunity Location has a number of opportunities:

- Delivery of a modern integrated leisure facility, alongside other uses that can act as a hub for health, wellbeing and active lifestyles whilst providing and driving revenue for the Council
- Increased provision of housing, including genuinely affordable housing
- Improve location layout and urban design, including more active frontage on Vauxhall Bridge Road, Longmore Street and Gillingham Row
- Public space provision, routes through the site connecting adjacent roads in response to local neighbourhood plans

- New buildings that deliver on the Council’s sustainability agenda
- Linking into the proposed SWAN network to realise energy and potentially cost-efficiency benefits

CONCLUSION

- 3.64. As part of the Future Housing Pipeline, the QMSC Housing Opportunity Location represents a clear opportunity for the Council to address the long-standing constraints that currently characterise the location to deliver a new, modern leisure centre and new homes including genuinely affordable housing within a highly accessible central London location. The redevelopments presents a major placemaking opportunity, enabling the creation of a new public space lined with active frontages and introducing a sense of place in an area that currently has little street frontage or publicly accessible external space.
- 3.65. Given the interdependencies with the proposed Chelsea Barracks Sports Centre, careful consideration of options should be given to ensure a coherent approach to leisure provision, funding and cost efficiency across South Westminster, ensuring that any future decisions deliver maximum value for residents, communities and the Council.
- 3.66. The project is well aligned with the Council’s key strategic objectives set out in the *Fairer Westminster Strategy*, particularly the pillars of *Fairer Housing*, *Fairer Communities*, and *Fairer Environment*, and contributes directly to the Council’s commitment to deliver 20,685 new homes by 2040.
- 3.67. The project also aligns with wider regional and national priorities, including the GLA’s London Housing Strategy, London Plan, and Towards a New London Plan, as well as the UK Government’s target to deliver 1.5 million new homes by 2029. This project will therefore form part of Westminster’s direct contribution to London-wide housing delivery and there is a clear case for change.

4. Economic Case

4.1. The purpose of the Economic Case is to assess the range of potential options available to the Council for achieving its strategic objectives and delivering best public value, in line with HM Treasury's Green Book guidance.

INTRODUCTION

4.2. The approach to developing the Economic Case involves identifying a long list of options that are credibly capable of meeting the Council's objectives for the location. Informed by the assessments already undertaken by the Council in conjunction with its MDCTs, the long list is appraised against a set of evaluation criteria to identify both the preferred way forward and several options to be carried forward as the shortlist.

4.3. Identifying the preferred way forward sets the direction of travel of the project, while ensuring the Council does not narrow its options prematurely. A number of feasible options have therefore been taken forward to shortlisting for further consideration and testing to be undertaken in the next stage. This will happen prior to preparing Outline Business Case recommending a preferred option for consideration.

4.4. The following section sets out the long list, the appraisal process used to evaluate each option, and the rationale for identifying the shortlist and preferred way forward.

4.5. For consistency across the Future Housing Pipeline, the Council has assessed options for all six Housing Opportunity Locations within four broad categories:

- **Do Nothing** – the counterfactual option required to baseline all other options against
- **Dispose of the Asset** – sale of the asset on the open market
- **Retrofit** – retention and refurbishment of the asset where feasible in line with Retrofit First Policy Guidance
- **Redevelopment** – demolition and delivery of new homes and public spaces

4.6. Within each category, several sub-options have been considered, reflecting the range of delivery options on the site and how those interventions would address the Council's strategic objectives of the location. Through an assessment process, the Council has created a credible long-list of potential solutions for the Housing Opportunity Location. It should be noted that

while each option has been considered in detail to ensure they are deliverable, each represents only a direction of travel rather than explicit development options. They are subject to refinement through detailed design, consultation and the planning process.

REVIEW OF HOUSING OPPORTUNITY LOCATIONS

4.7. The Council regularly reviews its estate to identify options for rationalisation as well as underutilised assets. This best practice enables Councils to assess whether they are securing the best value for money for their owned Housing Opportunity Locations or whether an alternative uses or disposal would provide the best overall value.

4.8. Through these asset reviews the Council have identified six Housing Opportunity Locations which warrant further exploration through Strategic Outline Cases to assess the best option for each, following the Council's recognised business case process which is based on the government's 5-case business case model.

4.9. Following a Cabinet Member Report in June 2025, the Council instructed MDCTs to undertake initial feasibility studies to consider a range of options for each Housing Opportunity Location, which have been filtered to a credible long-list of options.

LONG LIST APPRAISAL

4.10. The long list of each Housing Opportunity Location is the product of the feasibility workstreams undertaken by the MDCTs, assessing the potential refurbishment and development options to reach credible, deliverable options. In co-ordination with its MDCTs, the Council has considered a wide range of potential options within each category, assessing them against criteria such as:

- Costs and financial impact
- Alignment with retrofit first
- Total Housing delivery
- Planning policy
- Environmental and sustainability
- Overall Deliverability

4.11. This assessment process has allowed the Council to discount a number of unfeasible or undeliverable options and create a credible long-list of potential solutions for the Housing Opportunity Location.

4.12. A set of evaluation criteria grounded on the programmes spending objectives and Critical Success Factors has been created, enabling a structured comparison of options to reach a short list of options for evaluation at each Housing Opportunity Location to establish a preferred way forward.

Reference	Category	Detail
Option 1	Do Nothing	Maintain and extend the life of the existing leisure centre and the office buildings at 231 and 215 Vauxhall Bridge Rd through a series of capital works
Option 2	Asset Disposal	Sell the asset, requiring the purchaser to re-provide the leisure centre and deliver at least 20% affordable housing on-site.
Option 3	Refurbish Existing and Extend	Refurbish and extend the existing buildings on site; 215 and 231 Vauxhall Bridge Road with an additional floor on each and the leisure building altered to include a new facade and three new housing blocks built above it.
Option 4	QMSC Redevelopment	Redevelop the QMSC Site to provide new leisure, residential and commercial provision.
Option 5	QMSC Redevelopment + 52-73 Wilton Road	Redevelop the QMSC site, incorporating the adjacent privately owned land at 52-73 Wilton Road, to create a larger, comprehensive development

4.13. The Housing Opportunity Locations will be assessed against Critical Success Factors and spending objectives

- **Critical Success Factors** - The attributes essential for successful delivery of the project
- **Spending Objectives** – What the Council is trying to achieve through the project

4.14. For each CSF and Spending Objectives, options can score between minus one and three marks, based on a judgement of how well the option advances that criteria. The general approach is set out below:

- ✘ The option detracts from the CSF or Spending objective, delivers a lower level than the status quo position or has a very low probability of success. This results in a score of minus one.

- - The option neither achieves or detracts from the CSF or Spending Objective, maintains the status quo, or has a low probability of success. This results in a score of zero
- ✓ The option contributes minimally to the CSF or spending Objective, provides an improvement against the status quo, or has a medium probability of success. This results in a score of one.
- ✓✓ The option contributes well to the CSF or spending Objective, provides a good improvement against the status quo, or has a high probability of success. This results in a score of two.
- ✓✓✓ The option contributes very well to the CSF or spending Objective, provides a very good improvement against the status quo, or has a very high probability of success. This results in a score of three.

Spending Objectives

4.15. Based on the Council's strategic objectives for the project, a set of spending objectives has been identified:

Spending Objectives	Description	Strategic Links
Optimise and modernise the leisure centre at QMSC in a way that will positively impact the health and mental wellbeing of Westminster Residents	<ul style="list-style-type: none"> Optimise and modernise the current mix of facilities at QMSC Improve accessibility of the new facility Contribute to enabling residents to lead an active, healthier and happier life. 	<ul style="list-style-type: none"> Health and Wellbeing Strategy 2023-2033 ActiveWestminster Strategy 2024-28 Build Facilities Strategy and 2024 Facility Review Fairer Communities
Increase the quantity and quality of housing in Westminster, contributing to the Council's objective of 20,685 new homes by 2040	<ul style="list-style-type: none"> Deliver a net increase in total housing within the red line boundary of all tenures Improve the overall quality of homes within the Council's estate, e.g. modernising aging housing stock 	<ul style="list-style-type: none"> Fairer Westminster – <i>Fairer Housing</i> WCC housing target of 20,685 new homes by 2040
Deliver at least 50% affordable housing in line with current housing need	<ul style="list-style-type: none"> At least 50% of net new housing should be of an affordable tenure Affordable housing should be 70% social and 30% intermediate The size of properties (in terms of number of bedrooms) should reflect current housing need. 	<ul style="list-style-type: none"> Local housing needs evidence City Plan and Partial Review
Contribute towards the Council's environmental objective of being a net zero Council by 2030 and net zero City by 2040	<ul style="list-style-type: none"> Adopt a retrofit first approach Minimise embodied carbon in construction and ongoing carbon emissions in the operational of homes, for example through low carbon heating solutions 	<ul style="list-style-type: none"> Fairer Westminster – <i>Fairer Environment</i> Retrofit First Policy Guidance Climate Action Plan 2025
Safeguards community assets and provides modern, fit for purpose facilities	<ul style="list-style-type: none"> In line with planning policy community infrastructure and floor space is at least retained and where re-provided, is done so with regards to the needs of the local community 	<ul style="list-style-type: none"> City Plan and Partial Review Fairer Westminster – <i>Fairer Community</i>
Improve safety, access, and wellbeing for residents	<ul style="list-style-type: none"> Create accessible, safe, well-connected public realm and homes 	<ul style="list-style-type: none"> Health and Wellbeing Strategy 2023-33

Spending Objectives	Description	Strategic Links
Ensure affordability and prudent use of resources	<ul style="list-style-type: none"> • Provide value for money and optimise public investment • Carefully consider capital investment affordability, borrowing levels, long-term liabilities, and financial robustness so as not to expose the Council to unacceptable financial risk 	<ul style="list-style-type: none"> • Local Government Act 2003 • CIPFA Prudential Code

Critical Success Factors

4.16. Based on the Council's strategic objectives for the project, a set of Critical Success Factors (CSFs) have been identified. The following CSFs have been used to appraise the longlist:

Critical Success Factor	Description – How well the option
Aligns with current or anticipated local planning policy and has a high probability of achieving necessary consents in a timely manner	<ul style="list-style-type: none"> • Meets the policies in the City Plan and it's the Council's proposed policies in its partial review. E.g. retrofit first, affordable housing. • Reflects feedback from Pre-app engagement with Local Planning Authority (LPA)
Is capable of being delivered by using existing resources (including land) or through resources reasonably expected to be obtained	<ul style="list-style-type: none"> • Can the option be delivered using existing resources • Where land is outside of the Council's ownership, there is a reasonable prospect it can be acquired in a timely manner
Provides optimum value for money and benefit to the Council given the level of cost and risk	<ul style="list-style-type: none"> • Provides the optimum value for money when compared to alternative provision (e.g. buying homes on the open market) • Balances risk exposure with the Council's return (financial and non-financial)
Safeguards and creates jobs and employment opportunities within the borough/local area	<ul style="list-style-type: none"> • Aligns with Fairer Economy and re-provides and modernises existing economically beneficial uses to secure jobs and local employment, enhancing the provision where appropriate. Through contracts (e.g. construction) creates local employment opportunities and other economic benefits captured through social value
Where required, is likely to result in a competitive and productive procurement process, with many interested parties	<ul style="list-style-type: none"> • Likelihood of interest from capable delivery partners <p>Capable of being delivered via non-novel procurement routes</p>

4.17. Other factors under consideration and will be explored in more detail at OBC stage, but are not treated as Critical Success Factors at this stage:

4.18. **Pace and Quantum of Delivery:** The Council's target of delivering 20,685 homes by 2040 is relevant to the options being considered and it is anticipated that all schemes will deliver within that time frame. However, this has not been included as a critical success factor, as the Council would consider the relevant advantages of a project that delivers outside of that window but delivers a greater quantum of housing, e.g. through land assembly, or a better-quality solution.

4.19. **Public Support:** The Council is committed to a programme of community engagement, a process that has already commenced, as part of its *Fairer Council* commitment. However, rather than being a critical success factor for differentiating between schemes, feedback from that engagement will be woven into the development of options.

	Option 1 – Do Nothing	Option 2 – Asset Disposal	Option 3 – Refurbish Existing and Extend	Option 4 – QMSC Redevelopment	Option 5 – QMSC Redevelopment + 52–73 Wilton Road
Spending Objective					
Optimise and modernise the leisure centre at QMSC in a way that will positively impact the health and mental wellbeing of communities	- Maintained	✓✓ Land sale contingent on delivery of new leisure centre	✓ Limited by existing building	✓✓ Delivers an enhanced leisure centre with enhanced place making	✓✓✓ Delivers an enhanced leisure centre with greatest place making impact
Increase the quantity and quality of housing in Westminster	- None	✓✓ Potential	✓ 30k sqft	✓✓	✓✓✓ 160k+ sqft
Deliver at least 50% affordable housing in line with current housing need	- None	✗ Market levels c. 20%	✓✓✓ 50%	✓✓✓ 50%	✓✓✓ 50%
Contribute towards the Council's environmental objectives	✓ Minimal	✓ Disposal would reduce Council control over design quality and delivery of sustainability and carbon objectives.	✓✓✓ Higher performance, no demolition	✓✓ High performance but demolition	✓✓ High performance but most demolition
Safeguards community assets and provides modern, fit for purpose facilities	- Safeguards	✓✓ Driven by planning requirements	✓ Enhanced leisure but minimal public realm	✓✓✓ Enhanced leisure, placemaking and public realm	✓✓✓ Enhanced leisure, placemaking and public realm

	Option 1 – Do Nothing	Option 2 – Asset Disposal	Option 3 – Refurbish Existing and Extend	Option 4 – QMSC Redevelopment	Option 5 – QMSC Redevelopment + 52–73 Wilton Road
Improve safety, access, and wellbeing for residents	- Issues remain	✓ Minimal (not prioritised)	✓ Location and public realm Limitations remain	✓✓✓ Enhanced	✓✓✓ Enhanced
Ensure affordability and prudent use of resources	✗ Escalating costs to maintain status quo	- Land value receipt achieved; however, leisure centre delivery costs remain with the Council.	✗ Revenue Deficit, no current budget allocation	✗ Revenue Deficit, no current budget allocation	✗ Revenue Deficit, no current budget allocation
Critical Success Factors					
Aligns local planning policy with a high probability of achieving necessary consents in a timely manner	✓✓✓ No Planning required	✓ Likely but commercial approach to requirements	✓✓ Retrofit First	✓✓ Non-Retrofit and height, alongside significant package of public benefits	✓✓ Non-Retrofit and height, alongside significant package of public benefits
Is capable of being delivered by using existing resources or resources reasonably expected to be obtained	✓ Above current budget, Council owned assets, sufficient expertise	✓ Subsidy likely required for leisure centre, Council owned assets, sufficient expertise to sell to market	✓ Exceeds current budget, Council owned assets, sufficient expertise	✓ Exceeds current budget, Council owned assets, sufficient expertise	✗ Exceeds current budget, relies on assets outside of Council control, sufficient expertise

	Option 1 – Do Nothing	Option 2 – Asset Disposal	Option 3 – Refurbish Existing and Extend	Option 4 – QMSC Redevelopment	Option 5 – QMSC Redevelopment + 52–73 Wilton Road
Provides optimum value for money and benefit to the Council given the level of cost and risk	✓ Low cost, low reward	✓ Loss of control of asset/benefits	✓ High cost for less impact	✓✓ High cost but greater leisure, housing and placemaking benefit	✓✓ Highest cost but greatest housing and placemaking benefit
Creates jobs and employment opportunities within the borough/local area	✗ None	✓ Potential	✓ 25k sqft class E	✓✓✓ Class E, leisure centre jobs	✓✓✓ Class E, leisure centre jobs
Is likely to result in a competitive and productive procurement process, with many interested parties	✓✓ Likely, flow through current and future leisure operators	✓✓ Likely, subject to how Leisure Centre delivery is secured	✓✓ Likely	✓✓ Likely	✓✓ Likely, subject to a clear vacant possession strategy
Total Score	6/36	13/36	16/36	24/36	24/36
Initial Conclusion	Counterfactual, carried forward	Discounted	Carried Forward	Lead Option	Carried Forward

SHORTLIST

- 4.20. Based on performance against spending objectives and CSFs, Options 4 and 5 score the highest.
- 4.21. Option 5, 'Redevelopment of QMSC and 52-73 Wilton Rd, scores highest, but the Council recognises the potential risk of progressing a preferred way forward reliant on assets outside of the Council's control and therefore it is only carried forward at this stage, while discussions with the landowner continue.
- 4.22. Option 4, Redevelopment of QMSC is progressed as the preferred way forward. This option provides the significant benefits in terms of housing delivery, has a positive place making impact on the location, increasing public realm, while enabling delivery of a modern, fit for purpose leisure centre to meet the needs of the community and improve wellbeing of residents.
- 4.23. The regeneration option outperforms the refurbishment option by providing a significant uplift in employment space, generating more jobs, as well as addressing a number of existing accessibility issues with the site which could not be addressed within the existing layout.
- 4.24. The following options were also shortlisted
- **Option 1** - Do nothing
 - **Option 3** – Refurbish Existing and Extend
 - **Option 5** – Redevelopment of QMSC and 52-73 Wilton Rd (under third-party freehold ownership)
- 4.25. . For Option 5, Engagement with the landowner has taken place on the potential benefits of developing the wider area. It is intended that further engagement will occur to better understand these benefits, the vacant possession strategy of the 52- 73 Wilton Rd and potential delivery routes. Option 5 is therefore carried forward alongside the preferred way forward to the Outline Business Case.
- 4.26. At this stage, option 2 disposal has been discounted. While financially this is likely to provide a positive capital receipt to the Council it does so at the detriment of the Council's wider strategic objectives. It also carries risk that the expected leisure centre specification cannot be delivered within the locations land value, requiring the Council to accept a lower land value or subsidise this element of the site.

4.27. It is anticipated that some of the Council's objectives would align with the market's objectives, for example improving the overall placemaking of the location, as these would enhance private sales values and therefore overall viability, however the Council will become more reliant on planning policy and a competitive procurement process to drive its other objectives.

BENEFITS APPRAISAL

- 4.28. Each shortlisted redevelopment option generates a range of expected benefits relative to the counterfactual. These include:
- More housing and affordable housing
 - Improved leisure facilities that are modern, accessible and meet the Council's needs
 - Opening up the location and presenting more active frontage to the surrounding streets
 - Modern and enhanced Class E employment space created
 - Increase green space and improved public realm

VALUE FOR MONEY

- 4.29. The value for money assessment of proposed options is undertaken at Outline Business Case stage, when proposals are more advanced and a full cost benefit analysis can be undertaken.
- 4.30. However, at this stage it is worth noting that the Council faces significant challenges of social housing waiting lists and unprecedented demand for temporary accommodation that creates a very real cost to the Council.
- 4.31. The Council are targeting to secure TA properties, net of Local Housing Allowance, at £19k per annum. Delivery of social housing would directly or indirectly mitigate this cost by reducing its reliance on short term lets and rental properties, generating a revenue saving to the general fund.
- 4.32. Alternatively, where supported housing is provided, this would reduce the cost of private placements.
- 4.33. The cost of the development has been benchmarked against similar Westminster projects. On a per-unit basis, costs are in line with other large regen sites, excluding the leisure costs, which is an exceptional additional cost.

- 4.34. The alternative to building new affordable homes is acquiring existing market homes and converting them to affordable properties. Data from Vestega shows that flat prices range significantly in Westminster from a 10th percentile value of £400k to a 90th percentile value of £2.1m. Normally suitable properties would be between the 25th percentile, £520k, to the 50th £735k.
- 4.35. While the Council may acquire those properties for less than the cost to build new homes, they may not achieve the environment objectives, present management challenges by being spread throughout the city and with non-standard parts. A significant acquisition strategy would also be likely to distort the market, increasing house prices and preventing working families from acquiring properties.

OPTIONS APPRAISAL CONCLUSION

- 4.36. All options were evaluated through a Multi-Criteria Decision Analysis (MCDA) incorporating alignment with Spending Objectives, Critical Success Factors, and expected benefits.
- 4.37. Option 4 – Redevelopment of QMSC is the emerging preferred way forward, with the entirety of the location within the Council’s control. Option 5 – Redevelopment of QMSC + 52-73 Wilton Road scores highest however is only carried forward at this stage as a further opportunity, with early engagement with the landowner currently in progress. This option along with the other shortlisted options are taken forward for further consideration.

5. Commercial Case

5.1. The purpose of the Commercial Case is to demonstrate that the proposal is commercially viable in principle and that there are realistic, deliverable routes to market.

PROCUREMENT

5.2. The proposed project aligns with similar opportunities the Council has successfully taken to the market in recent years. The Council has a well-resourced procurement function with access to a range of frameworks as well as experience in running open tenders including self-delivery, joint venture partnerships and development agreements.

5.3. The preferred way forward of redevelopment of the whole location lends itself to a number of commercial routes:

- Self-delivery – where the Council acts as developer undertaking the design work through consultant teams, securing planning permission and then entering into a building contract with a construction company. The Council would carry all cost and sales risk, subject to fixing prices in for example the construction contract. Within this route the Council may consider:
 - One stage construction contract – where the Council progresses design to RIBA stage 4 and appoints a construction company to build out those designs
 - Two stage design and build contract – where the Council brings the construction company on-board earlier to develop designs and then price on those completed designs
- Development Agreement – where the Council procures a developer to take forward the Housing Opportunity Location. The third party would carry the development, construction and sales risk. The Council will be able to specify and control the Housing Opportunity Location through the development agreement, although this will be less flexible than self-delivery, and require specifying at the point of procuring a developer.
- Joint Venture – where the Council enters into a shared risk and reward arrangement with a third party. A joint venture can take a number of forms but enables the Council to retain greater control over the Housing Opportunity Location, managing the ongoing development and delivery of the Housing Opportunity Location through a joint venture board with representation from both the Council and third party.

- As this project has a significant 3rd party landowner, there are a number of partnership routes open to the Council which will be explored in the delivery strategy at OBC stage

	Self-Delivery	Joint Venture	Development Agreement
Risk	Highest	Shared	Lowest
Reward	Highest	Shared	Lowest
Control	Highest	Shared	Lowest
Complexity	Lowest	Highest	Medium
Resource Requirements	Highest	Medium	Lowest

5.4. In preparation for the Outline Business Case, should this Housing Opportunity Location progress, the Council will undertake an assessment of the relative merits and risks of each delivery route and their suitability for this project. Key considerations include:

- Commercial return, required to attract developers to share risk
- Scale of Housing Opportunity Location and setup cost, some delivery routes require significant time and resources to establish and will suit larger locations or groups of locations
- Council’s requirements, which will need to sufficiently advanced to ensure a successful procurement and reduce the risk of cost increasing from changing scope post appointment
- Level of sales risk, where the Council intends to retain the bulk of the assets the benefits of entering in a development agreement or joint venture are diminished.

VACANT POSSESSION

5.5. The Council have identified vacant possession will be required of the leisure centre from the operator. The Council have identified vacant possession will be required of the leisure centre. Any temporary closure of the leisure centre will result in loss of access for communities and income the Council and the operator. Options therefore are being considered for how the

impacts of temporary closure can be minimised, through temporary pool provision or phasing. ..

5.6. Vacant possession will also be required of Parkinson's and Douglas Houghton House.

5.7. Option 5 includes 52-73 Wilton Road, and the Council have already had initial discussions with the landowner and will continue to advance those. However, it is anticipated that the design and phasing of the redevelopment option will be flexible should the acquisitions not be possible.

NEXT STEPS

5.8. The SOC recognises that there is a significant funding challenge to address and that this is the priority next step for the project. Once this is addressed, the following actions are proposed to progress QMSC to the next stage of feasibility and business case development:

5.9. Procurement of necessary specialist consultants to support the MDCT to carry out design development and prepare the Outline Business Case (OBC).

5.10. Engage with the Greater London Authority (GLA) to initiate discussions on funding, regeneration alignment, and grant eligibility.

5.11. Undertake soft market testing with a range of potential suppliers to understand available delivery routes.

5.12. Continued Engagement with the third-party landowner at 52-73 Wilton Rd and assessment of potential vacant possession and delivery strategies, for example a joint development partnership.

5.13. Continued collaboration between ActiveWestminster and Development Teams, resource allocation, and senior leadership on S106 renegotiation.

SOCIAL VALUE

5.14. The Council is committed to ensuring its activities deliver meaningful social value for Westminster's residents and communities and that its social value requirements are embedded within its procurement processes. This project will contribute to this through the following mechanisms:

- Suppliers are required to select up to 4 options from a menu of themed Social Value obligations which are meaningful to Westminster’s residents, communities and organisations. As part of these commitments, suppliers must set out what will be delivered, how and when it will be delivered, who will deliver it and will benefit.
- The successful suppliers’ social value commitments including the appointed MDCT are contractually binding and accompanied by a Responsible Procurement Delivery Plan, setting out delivery milestones throughout the duration of their services.
- Delivery of Social Value obligations forms a core Key Performance Indicator (KPI) and is monitored throughout the project. Performance is reported regularly, ensuring that commitments are fulfilled and benefits are realised locally.

COMMERCIAL CASE CONCLUSION

5.15. The Commercial Case sets out the realistic, deliverable routes to market for the preferred way forward, and outlines a series of next steps for the Council to consider at the next stage to ensure this is commercially viable. Progression to planning will be dependent on resolving the funding challenge as part of the next stage.

6. Financial Case

- 6.1. The purpose of the Financial Case is to demonstrate the affordability, cost implications and financial risk of the proposal. It seeks to identify how this will be funded and the broader financial considerations for the Council in taking it forward, with further analysis at Outline Business Case (OBC) stage.

INTRODUCTION

- 6.2. The assets collectively known as the Queen Mother Sports Centre sit within the Council's General Fund and it is proposed that any development work undertaken would be funded via its capital programme.
- 6.3. Council finances across the country are facing significant challenges, with an increased number of authorities seeking exceptional financial support from the Government. Westminster's General Fund faces considerable financial pressure driven by a range of factors impacting the affordability of its capital programme including, investment in its own estate to comply with recent building safety regulatory changes as well as a large number of capital schemes across all Council portfolios that are being delivered within the next 5 years. In addition, the Council's cost of capital has increased, in part due to a sustained period of higher PWLB interest rates but also changes to the statutory guidance on minimum revenue provision.
- 6.4. Delivering 50% affordable homes across the Council's programme comes at a cost, a cost most private developers would mitigate by lowering the affordable provision on grounds of viability. However, the Council's approach is to carry a deficit on these projects, rather than target a minimum profit metric. While over time the Council can recover this investment through net rents, from the leisure and commercial premises as well as retained affordable housing, albeit that the latter is held within the Housing Revenue Account (HRA), the payback period can be significant, where viability is particularly challenging. These factors would need to be taken into consideration in the options appraisal to ensure the best use of council resources.
- 6.5. The options appraisal in the economic case takes this into consideration but it should be recognised that affordability is an absolute criterion and may require more financially viable options to take precedence over less financially viable ones which better meet other Council policy objectives.

6.6. The delivery of policy-compliant affordable housing on public land may result in schemes that do not generate a commercial return in the short term and may carry a deficit, reflecting the Council's place-based and stewardship-led approach to investment.

OPTIONS ASSESSED

6.7. The long list of options were evaluated, the outputs of which are included in the shortlist appraisal in the economic case.

- Option 1 - Do Nothing – Maintain and extend the life of the existing leisure centre through a series of capital works
- Option 2 - Asset Disposal – Sell the asset utilising a development agreement to require buy to re-provide the leisure centre and deliver at least 20% affordable housing on location.
- Option 3 - Retrofit – Retrofit 215 and 231 Vauxhall Bridge Road as workplace buildings and introduce residential homes of top of the retrofitted QMSC
- Option 4 - Whole Location Redevelopment – Redevelop whole location to provide new leisure, residential and commercial.
- Option 5 - Whole Location Redevelopment + 52-73 Wilton Road – Bring in the land within private ownership to provide a larger overall development.

6.8. The shortlist appraisal resulted in Option 4 being identified as the preferred way forward, with option 3 and 5 carried forward alongside the counterfactual “Do Nothing” option.

COSTS AND FUNDING

DETAILS ARE CONTAINED WITHIN EXEMPT APPENDIX XX – FINANCIAL IMPLICATIONS QMSC

AFFORDABILITY AND BUDGET CONSTRAINTS

6.9. In July 2025, £1.6m was approved across all 6 pipeline Housing Opportunity Locations to develop schemes up to RIBA stage 1. From an affordability perspective, this is currently the only budget that has been approved, so is therefore a significant constraint to the delivery of the preferred way forward.

- 6.10. Early analysis of the options based on cost information given suggests none of the options apart from asset disposal can cover their costs, either in capital or revenue terms, with the latter comparing the net revenue income generated from the Housing Opportunity Location against the ongoing borrowing costs of the capital expenditure. Again, this is a significant constraint to affordability.
- 6.11. The QMSC Opportunity is a complex one, with a range of delivery options available. To allow time to work on these delivery routes and to maximise the viability of the location, a total working budget of £500k in 2026/27 has been submitted as part of the council's budget setting process. This allows the site to remain within the future housing pipeline remit without ringfencing a full project budget which, given the currently viability of the project, has the potential to make the Council's overall General Fund capital programme unaffordable.
- 6.12. The cost estimates for all options are provisional and subject to change, with a detailed assessment of the Housing Opportunity Location to be undertaken during the Outline Business Case (OBC) stage to refine figures, assuming this scheme is taken forward.

REVENUE IMPLICATIONS

- 6.13. QMSC is at capacity and currently generates an operational profit, its closure for redevelopment will therefore have an impact, albeit temporarily on the Council's revenue position. Consideration will need to be given to the relative advantages of a phased approach to construction which will impact leisure users less but have a greater capital cost or full closure which whilst cheaper has the potential for members to switch to alternative provision, or given the lack of suitable alternatives, become less active.
- 6.14. QMSC is the only public leisure centre in South Westminster and whilst private alternatives exist these are less accessible and more expensive in terms of membership costs. Non-continuity of service could lead to the centre reopening with a reduction in membership that may take several years to rebuild, so whilst a new centre should in the long run may attract more revenue or may take several years to reach capacity.
- 6.15. Notwithstanding the temporary impacts during construction, redevelopment of QMSC presents a significant opportunity to improve the long-term revenue position. A modern, higher-quality leisure facility is expected to attract a larger and more diverse membership base, support

higher utilisation across a broader range of activities, and increase secondary income streams (including classes, events and ancillary services).

FINANCIAL CASE CONCLUSION

6.16. At present, affordability constraints mean that no budget has been committed to progress Housing Opportunity Locations beyond RIBA Stage 1. The working budget allocated to QMSC will, however, enable the Council to explore alternative delivery routes, partnership models and the optimum use for the site. Subject to improvements in the financial position, full redevelopment remains a long-term aspiration.

7. Management Case

7.1. The purpose of the Management Case is to demonstrate that the project is deliverable, it sets out the governance structure, project programme, key risks and dependencies and next steps required to ensure the successful delivery of a proposal.

GOVERNANCE

7.2. The QMSC project will sit within the Regeneration and Development Pipeline Programme, overseen by the Regeneration and Development Pipeline Programme Board ('the Programme Board'). The Programme Board operates under agreed Terms of Reference and provides leadership, direction and strategic oversight across the portfolio of pipeline Housing Opportunity Locations progressing through feasibility.²

7.3. The Programme Board has the role and remit to:

- Oversee the assessment and optioneering of the Housing Opportunity Locations and ensure clarity, continuity and constructive collaboration across the organisation;
- Oversee the associated decision-making process, with a particular emphasis on areas of cross over with and importance to other departments across the council;
- Provide a forum to question and confirm programme decisions from an end-to-end perspective;
- Hold robust discussions on issues and make decisions that will enable the portfolio of Housing Opportunity Locations to be progressed through to SOC; and
- Obtain commitment from all stakeholders and ensure that sufficient resources are allocated and made available to projects.

7.4. The table below sets out the Programme Board members and their roles:

² [Pipeline Programme Board - Terms of Reference.docx](#)

Role	Name
Executive Director REP	Debbie Jackson
Director, Development	Setareh Neshati
Senior Development Manager, Regeneration & Development	Mollie Mills O'Brien
Senior Development Manager, Regeneration & Development	James Bolton
Senior Programme Manager, Regeneration & Development PMO	Joe Smith
Senior Communications Manager, Development	Martin Crank
Director of Communities	Serena Simon
Interim Director of Corporate Property	Peter Mitchell
Director of Culture and Place Shaping	Richie Gibson
Director of Assets, Investments and Housing Standards	Claire Barrett
Director of Integrated Communications	Gareth Wall
Director of Finance	Rikin Tailor
Strategic Finance Manager	Georgina Nash

CONSULTATION STRATEGY

7.5. The Council recognises that meaningful stakeholder and community engagement is critical to the successful delivery of the QMSC project. Initial engagement has been undertaken with key stakeholders in the form of a Listening Exercise. This approach enabled open dialogue with stakeholders and residents, provided opportunities for feedback on the current location and their neighbourhood, and helped identify early priorities and concerns for any future scheme.

7.6. The listening period commenced in May 2025 and concluded in December 2025 with activities structured around three phases:

Phase	Date	Activities	Purpose
Informing Stakeholders	May-June 2025	Formal meetings and explainer sessions	Sharing the vision for the project and gaining initial insight
Feedback Collection	July-November 2025	Formal meetings, briefings, and site visit	Information gathering and understanding priorities and emerging themes
Conclusion	December 2025	Communication to stakeholders and formal meetings	Playback of listening exercise feedback to date.

7.7. Engagement activities undertaken by the Council for the QMSC project since the beginning of the Listening Period include:

- Four meetings with the Pimlico Neighbourhood Forum and FREDA;
- Two formal briefings with Pimlico North and Pimlico South Ward Cllrs;
- Two design team sessions with the council’s Leisure team to feedback current views of the centre and future opportunities;
- Project Briefings with internal project teams such as Leisure and Corporate Property;
- A site visit with Pimlico Neighbourhood Forum, FREDA and the ActiveWestminster team including Everyone Active, the QMSC operator; and
- Initial survey feedback with key Pimlico VCSE groups.

7.8. The Council’s strategy to engage with key stakeholders has been driven by the following principles:

- Early engagement with the Pimlico Neighbourhood forum, FREDA, and other key stakeholders;
- Clear briefing for key stakeholders on the Council’s principles for future development, stakeholder engagement, and alignment with the Fairer Westminster Strategy;
- Provision of clear and accessible information to residents and stakeholder groups to allow early listening feedback; and
- Presentation of existing information and past consultation exercises, recognising the context of the Pimlico Neighbourhood Plan.

7.9. To ensure effective engagement throughout the process, the Council has:

- Prioritised effective communication and information sharing, including by sharing FAQs and contact information;
- Raised awareness of the overall vision, objectives and rationale for potential development; and
- Established platforms for engagement, for example meetings and questionnaires.

7.10. The activities to date have primarily been to inform and enable the Council’s key stakeholders to participate in the Listening Period. Should the project progress beyond SOC, the Council will implement a structured and proportionate consultation strategy aligned to the next stages of business case development that enables increased opportunities for community influence and engagement. This will follow a phased framework of:

- Inform: Activities which raise awareness and understanding of the project to increase the likelihood of stakeholders taking part;
- Involve: Facilitating meetings and site visits to enable residents to better understand the project and how to give feedback; and
- Influence: Activities which influence decision-making to inform any future consultation process.

7.11. During the Listening Period, feedback was gathered on key themes including facilities and access, placemaking, and housing opportunities. This feedback identified stakeholder priorities, opportunities for improvement, and areas of concern.

7.12. Feedback consistently highlighted that QMSC is perceived as an outdated facility. Issues frequently cited included poor navigation and wayfinding, limited space for users and storage, low levels of natural light, and a lack of inclusivity for certain user groups. Disabled users and school groups in particular noted that existing changing facilities are inadequate.

7.13. Stakeholders also expressed a clear opportunity to create a destination leisure and wellbeing facility serving the south of the borough at QMSC. Leisure provision in South Westminster was felt to be comparatively limited when set against the north of the borough, reinforcing the perception that the current centre is not fully realising its potential. While stakeholders broadly recognised the need and demand for new homes on the site, there was a strong emphasis on avoiding overly bulky development, with future density and townscape impacts identified as key considerations.

7.14. Feedback also indicated strong support for improving the permeability of the site. Enhanced connectivity was seen as an opportunity to improve public realm, legibility and wayfinding, while potentially accommodating active ground-floor uses such as retail or business space that could increase footfall and vitality across the site.

7.15. Next steps for future engagement at the next stage of the project include:

- Further communication and engagement with the wider community in Pimlico;
- Extensive consultation and engagement activities on the opportunities of the location
- Increased engagement reach with stakeholder mapping of local residents, schools, businesses, organisations and community groups;
- Continued meetings with the Pimlico Neighbourhood and FREDAs, as well as increasing representation and participation from other stakeholders to form a dedicated stakeholder engagement framework;
- Utilisation of further communication methods, including a project website and newsletters.

PROJECT PROGRAMME AND TIMELINE

7.16. An indicative project programme (which assumes phased delivery of the site to ensure continuity of pool provision throughout delivery) is set out below, subject to budget approval for the site:

Milestone	Date
Programme Commencement	Q1 2026
Budget Development	Q1 – Q4 2026
Planning Submission	Q3 2027
Planning Determination	Q1 2028
Phase 1 Start on Site	Q3 2029
Phase 1 Completion	Q1 2032
Phase 2 Start on Site	Q2 2032
Phase 2 Completion	Q1 2035

HIGH LEVEL PROJECT RISKS

7.17. Key project risks are set out below

- **Affordability & Viability Risk** - Current budget position indicates the scheme is not affordable within existing budgets, creating a funding gap that prevents progression beyond RIBA Stage 1 at this stage.
 - **Mitigation:** Pause design progression pending budget approval. Refine cost plan and viability to understand delivery options, budget position and funding routes. Explore alternative delivery models, partnerships, phasing and use mixes to reduce deficit.
- **Funding & Budget Approval Risk** - No confirmed capital allocation to progress the housing element beyond early stages.
 - **Mitigation:** Use allocated requested budget to explore options and inform future capital bids. Align next steps with Full Council budget-setting and Financial Plan processes.
- **Planning** - There is a risk that potential planning policy conflicts or known local issues are not adequately addressed resulting in an unsuccessful planning application, causing delays to the programme as the design stage is revisited.
 - **Mitigation:** Early and ongoing engagement with planning officers and design review bodies. Iterative testing of massing, height and layout to optimise design quality and public realm outcomes. Clear design narrative focused on improved leisure provision, accessibility, placemaking and wider public benefit.
- **Stakeholder & Community Engagement** – As a major redevelopment of an existing community leisure asset, the scheme will need to secure and maintain stakeholder and community support as proposals are developed
 - **Mitigation:** Council-led, phased consultation programme, building on the initial listening period, with clear feedback loops showing how engagement informs design decisions. Targeted engagement with key user groups, including schools, disabled users and existing leisure centre users, to ensure inclusive outcomes.
- **Leisure Continuity & Operational Risk** - Disruption to leisure provision during redevelopment could impact users and Council service delivery.
 - **Mitigation:** Early consideration of phasing, temporary provision or alternative leisure arrangements. Close liaison with leisure operators and service teams.

- Construction Cost & Market Risk - Construction cost inflation and market volatility may further impact affordability and deliverability.
 - Mitigation: Regular cost benchmarking and option testing, with scope, specification and phasing reviewed to manage cost exposure.
- Site Constraints & Ground Conditions Risk -Below-ground constraints and existing site conditions may lead to additional cost or programme impacts.
 - Mitigation: Early technical surveys and due diligence, with appropriate contingencies reflected in cost planning.
- Construction Logistics & Access Risk - The constrained urban location may limit construction access and affect programme and local amenity.
 - Mitigation: Early development of a construction logistics and phasing strategy, informed by highways and transport engagement.
- Fire Safety & Regulatory Risk - Evolving building safety and fire regulations could affect design, cost and programme.
 - Mitigation: Early fire strategy development and ongoing engagement with Building Control and specialist advisors to ensure compliance.
- Programme & Governance - Delays may arise due to governance approvals, funding decisions or extended option testing.
 - Mitigation: Clear decision gateways aligned to SOC, budget approval and RIBA stages, with regular senior officer and Member oversight.

RECOMMENDATIONS AND NEXT STEPS

7.18. A series of recommendations and next steps are set out below:

- Focus the next stage of work on achieving a viable and affordable scheme with a focus on costings, design, funding and delivery strategy ahead of proceeding to Outline Business Case, subject to securing the necessary budget to progress.
- Assess QMSC within the context of leisure provision in South Westminster, coordinating with the proposed Sports Centre at Chelsea Barracks to ensure complementary provision, avoid duplication and support a financially sustainable leisure offer in South Westminster.

- Consider the role of QMSC within the Council’s wider borough-wide leisure strategy, ensuring future investment is targeted where it delivers the greatest public benefit and supports long-term operational sustainability.
- Return to Members with a clear recommended way forward, setting out a viable delivery approach, funding strategy and scope of development for approval before further design progression.
- Progress design development to RIBA Stage 2
- Procure additional services necessary to support the design progression
- Instruct required surveys and technical studies
- Undertake stakeholder and community engagement
- Carry out supplier engagement on a range of delivery routes
- Engage in funding discussions with the GLA
- Develop an Outline Business Case (OBC)

CONCLUSION

7.19. The Management Case demonstrates that appropriate governance and programme management arrangements are in place at SOC stage for QMSC. This will be developed further as the project progresses to Outline Business Case.

8. Conclusion

- 8.1. The Strategic Outline Case for Queen Mother Sports Centre demonstrates a clear and compelling case for change. The existing leisure facility and associated buildings are ageing, inefficient, and constrained by accessibility, operational and environmental limitations, while the wider Housing Opportunity Location represents an underutilised Council asset in a highly accessible central London location. This presents compelling rationale for intervention, balancing the Council's ambition to deliver high-quality, affordable housing with the need to modernise a critical community leisure asset and unlock the Housing Opportunity Location's full value.
- 8.2. Through a structured options appraisal undertaken in accordance with the HM Treasury Five Case Model, the preferred way forward is redevelopment, as demonstrated by the lead option, Option 4 – redevelopment of QMSC (Council-owned). Option 5 - Redevelopment of QMSC + 52-73 Wilton Road will be carried forward due to also scoring highly in the economic appraisal. This recognises the inherent risk in securing vacant possession of the wider site. Both options emerge as the approach that has the greatest potential to maximise public value and deliver a modern fit for purpose leisure centre, a significant quantum of genuinely affordable housing and placemaking benefits.
- 8.3. The preferred way forward represents value for money by addressing the Council's strategic objectives through a single intervention. It enables replacement of an increasingly costly and carbon-intensive leisure facility, supports delivery of the Council's commitment to 20,685 homes by 2040, improves health and wellbeing outcomes, and creates opportunities for long-term operational efficiencies.
- 8.4. It is noted that affordability remains a key constraint and the SOC recognises the importance of progressing to a financial viability and funding strategy stage, alongside design development, stakeholder engagement, and commercial planning. Progression to planning will be dependent on resolving the funding challenge as part of the next stage. As such, progression should focus on reducing the financial deficit through design optimisation and securing additional funding opportunities, while considering how QMSC's redevelopment aligns strategically with other proposed leisure centre schemes in South Westminster.
- 8.5. Taken together, this SOC provides a robust evidence-based foundation for informed decision-making and demonstrates a strong justification to proceed to the next stage of business case development. These next steps recommended are therefore to progress the project to Outline Business Case stage, focusing on:

- Further design development and testing of phasing and service continuity options;

- Detailed financial modelling and funding strategy development;
- Assessment of delivery routes and commercial structures;
- Continued stakeholder and community engagement; and
- Consideration of legal, equalities, carbon and operational impacts.