



Executive
15th December 2008

**Joint Report from the Directors of
Environment and Culture and
Finance and Corporate Resources**

Wards Affected:
Dollis Hill/Dudden Hill/Mapesbury

Dollis Hill House – Update on Progress by Training for Life

Forward Plan Ref: E&C-08/09-015

1.0 Summary

- 1.1 This report provides members with an update on progress made by Training for Life (TFL) on developing their proposal for the redevelopment of the Dollis Hill House. It explains the recent decision by the London Mayor not to contribute any capital funding to the scheme and the subsequent decision by Training for Life to withdraw. It also reminds Members of the history of the House and asks members to revisit the previous decision to apply for consent to demolish.

2.0 Recommendations

Members are asked to

- 2.1 Note the progress since February 2008 made by Training for Life in developing their business plan for the refurbishment of the Dollis Hill House and that following the recent decision by the London Mayor that Training for Life have decided to withdraw from the process.
- 2.2 Thank Training for Life for their work over the past year in developing their proposal for the House.
- 2.3 confirm their decision at the September 2007 Executive to:
- i) instruct officers to prepare an application for listed building consent to demolish Dollis Hill House.

ii) that if consent to demolish is granted, the Director of Environment and Culture be authorised to take such steps as necessary to carry out demolition, to landscape and grass the site and consult on a suitable memorial to the association with Gladstone.

3.0 Detail

3.1 At the Executive meeting in February 2008, Members agreed to allow Training for Life (TFL) twelve months in which to develop their business plan for the refurbishment of the Dollis Hill House, including securing the necessary capital funding and planning permission. In summary they proposed to refurbish the House and adjacent Stable Block to provide a 'social enterprise' restaurant, a cafe, functions rooms for hire, community rooms for hire and space for exhibitions. The feasibility study submitted by TFL and considered by members at the February Executive estimated capital costs for the refurbishment to be approximately £5.5M which TFL would secure from the following sources:

GLA/LDA - £2M

Heritage Lottery Fund (HLF) - £1M

Future Builders London - £1.5M

Community Assets Programme – CAP (Big Lottery Fund) - £1m

3.2 As requested by the Executive, TFL have kept Council officers up to date with progress on developing their business plan. Officers have supported TFL to progress their plans in a number of areas including the submission of an application for £1M to the Capital Assets Programme, administered by the Big Lottery Fund. In April 2008 TFL heard that they had not been successful with securing this funding.

3.3 At the end of March 2008 TFL submitted an application to the Heritage Lottery Fund (HLF) for just under £1M. This showed match funding from CAP and the GLA/LDA would be available. A copy of the application was supplied to the Council. After an initial assessment the HLF did not feel it was sufficiently detailed enough for them to support and they suggested that the application should be switched to the two-stage application process. If successful at a stage 1, TFL would be awarded revenue development funding to allow them to work the bid up to RIBA stage E at which point a stage two application would be submitted. In order for this work to be completed within the twelve month council deadline (ie February 2009) they would have needed to submit the stage two application to HLF in October 2008 in order to be assessed at the December grant committee. HLF did not believe TFL could develop a bid to RIBA stage E by October and suggested they submit it in December in order to reach a March 2009 HLF grants committee. At a meeting with the HLF in early May, Council Officers confirmed that as long as all else is in place by February 2009 and all that needs confirming is final agreement from HLF on the capital funding that a single month delay would have been acceptable to the Council. On 4th June 2008, the HLF agreed to the stage 1 grant which provided TFL access to £250K of HLF revenue funding towards the development phase of the project which TFL estimate to cost £520K in total. This meant TFL needed to find the shortfall in this revenue funding of

£270K.

- 3.4 TFL the asked the Council for £40K revenue support from the insurance fund towards the shortfall which the Council refused as the proposal had been submitted on the basis that no revenue was required from the Council for either developing the business plan or as future subsidy should the scheme be successful, the insurance fund needs to be retained should the TFL work not be successful. TFL then secured an agreement from the Architectural Heritage Fund for a loan of £250K but this required underwriting. TFL asked the Council to underwrite the loan but it was felt the risk was too great and consequently the Council refused.
- 3.5 Members should remember that the initial TFL feasibility study was predicated on the basis that the GLA/LDA would fund up to 50% of the capital costs of the scheme. This assumption was based on letter dated September 2006 from the then Mayor of London offering to find up to 50% of the required capital funding if the Council could find the remainder. In October this year, TFL met with the Deputy Mayor of London to discuss this offer. The meeting was also attended by the Council, the Dollis Hill House Trust, HLF and the LDA. The meeting had been delayed from earlier in the year as a result of the change in Mayor at the May elections. At this meeting the Deputy Mayor said that due to current financial pressures the GLA/LDA would not be able to provide any capital funding for the scheme as it did not provide London tax payers with value for money as they could get a greater return on their investment through other schemes. For example, it was suggested that for this level of funding the creation of 400 jobs would be expected rather than the number in the feasibility study.
- 3.6 The decision by the Mayor not to provide any capital funding towards this proposal has been a major blow for the project. TFL submitted their original feasibility study to the council on the basis that they believed this funding source would be available. Similarly, the HLF grant was agreed on this basis. It is likely now that the HLF will be forced to withdraw it's current offer as there is such a gap in the level of match funding. TFL met with Council Officers to discuss the implications of the Mayor's decision and how, if at all, the project could move forward. The £2M expected from the Mayor is a significant amount of the overall £5.5M capital required and there is no clear alternative source. Given the current economic climate TFL can not guarantee that an alternative funding source could be found or the timescales for doing so. TFL are a charity. They have already committed significant resources to the project and believe they can no longer commit further resources into a scheme where there is no clear way of addressing the capital shortfall. As a consequence, TFL have decided to withdraw.
- 3.7 At this point, it is worth a brief recap once again, on the history of the Dollis Hill House since it was declared surplus to council needs in 1994 and the attempts made during this time to secure its future.

June 1994 Declared surplus to needs by Council

October 1994	Whitbread proposal
June 1995	First arson attack
June 1995	Planning permission submitted for Whitbread proposal (withdrawn August 1995)
April 1996	Second arson attack
June 1999	Torkilsden & Barclay report concludes unlikely to succeed without subsidy from Council
Nov 1999 – March 2000	Marketed on open market
Nov 2000	Agreed 4 month delay to set up Dollis Hill House Trust (DHHT)
Nov 2001	Council agrees £30K from insurance fund for DHHT to develop business plan and funding applications
Sept 2002	Council agrees £28,350 from insurance fund to further develop DHHT business plan
June 2003	Third arson attack
Dec 2003	Exec considers future of DHH – decision to demolish and provide café/landscaping subject to capital being identified
Spring 2004	Brent PCT express interest in site as community health centre
June 2004	Gladstone Park Heritage Lottery Funded restoration scheme completed
May 2005	Brent PCT decides not to progress their proposal
Sept 2005	Dollis Hill House Trust agree to submit revised business case for consideration
Oct 2006	Council agrees to one final marketing exercise
July 2007	Final marketing exercise completed; no viable proposal obtained.
Sept 2007	Training for Life given 3 months to submit a feasibility study for the future of the House. Officers instructed to prepare application for listed building consent to demolish House subject to TFL work above.
Feb 2008	TFL given 12 months to develop full business plan, secure

capital funding and obtain planning permission

- 3.8 During 2004 Gladstone Park, including areas surrounding the remains of the House, underwent a significant refurbishment using a grant from the Heritage Lottery Fund. The Park is considered one of the best Parks in the borough but is spoilt by the remains of the House. In addition, it is costing money each year just to address the health and safety issues of ensuring the remains are kept in such a way as not to cause a danger to the public. This is becoming increasingly difficult as the state of the remains deteriorates.
- 3.9 Should members decide to revisit the earlier decision to submit an application for listed building consent to demolish the House permission will need to be granted as outlined in section 5. Members will need to be mindful of the clear approach to development, re-use or demolition of Listed Buildings that is set out in government planning advice [Planning Policy Guidance Note No.15]. The preference is always for restoration of the original use, and Members will need to be satisfied that if this cannot be achieved, alternative uses are examined in detail. If Members are of the view that having given careful consideration to the re-use of the building there is no viable alternative, only then can demolition be properly considered as an option. Members can have regard to the cost of repairing and maintaining the building relative to its importance and to the value derived from its continued use. This sequential approach is one that Members will need to apply and that the Council will need to demonstrate to make the planning case for changes to the building or the site.
- 3.10 When considering the above, Members should remember that the House is listed for its historical connection to Gladstone rather than for its architectural importance. Since 1994 Officers have worked with English Heritage to develop a sustainable and coherent future for the house and have kept them up to date with the various schemes that have been considered. English Heritage has recognised the difficulties experienced by the Council in finding a viable future for the House and the position the project is now at. English Heritage will be consulted as part of any application to demolish Dollis Hill House and will expect that the Council has thoroughly and rigorously adhered to the requirements of the “sequential test” required by the Planning (Listed Building and Conservation Areas) Act 1990. The test requires that the Council has made all efforts to identify alternative uses to secure the future of the building. The decision process will be administered by the Government Office for London (GOL). Officers will work closely with representatives of English Heritage and GOL during the application process.
- 3.11 Given the financial implications in section 4 it is recommended that the House is demolished and the area made safe and landscaped. Officers will develop proposals for a reinterpretation of the space and developing a feature to commemorate the House and its associations. There is currently no funding available for such a scheme (see paragraph 4.3 below). Officers would explore the possibility of securing any external funding for such a proposal, including funding from the GLA and HLF. Officers will liaise with the local

residents and the Dollis Hill House Trust on any proposals.

4.0 Financial Implications

- 4.1 The TFL proposal estimated capital costs for the refurbishment of the House at £5.5M. There is no provision within the Council's capital programme to redevelop the House and as detailed above the Council has been unsuccessful in trying to secure this funding from elsewhere. Even if capital funding were secured it is likely that any proposal would require a revenue subsidy and there is no revenue identified for this purpose.
- 4.2 No specific costs have been identified to pay for the demolition of the House or for any landscaping or memorial to the House. Maintaining the remains of the House in its current condition is covered by the insurance fund. The insurance fund is the settlement received from external insurers and the Council's own self-insurance for the two main arson attacks. The fund is reducing at a rate of approximately £20K per year. As of October 2008, it stands at £48K. It is likely that this will be required to maintain the House in a safe condition over the next two years whilst an application to demolish is processed.
- 4.3 The estimated total costs of demolishing the House and providing a reinterpretation of the space with a memorial are £90K and £62.5K respectively. An application to demolish will need to be made by a specialist historic buildings consultant. The estimated cost of this work, including any potential public inquiry, is £25K. The total costs of demolishing and making good the area is therefore estimated at £177.5K. There is currently no budget identified for this work, although any saving within the remaining 'insurance fund' by the end of the process could be offset against this.

5.0 Legal Implications

- 5.1 The Planning (Listed Buildings and Conservation Areas) Act 1990 does not impose a duty on the owners of listed buildings to keep them in good repair. However, Local Authorities and The Secretary of State have powers to serve "Urgent Works Notices" and "Repairs Notices" on Owners who wilfully neglect their historic assets indeed, paragraph 3.3.7 of PPG 15 states "the Secretaries of State ask authorities to deal with their own buildings in ways which will provide examples of good practice to other owners. It is particularly important that every effort should be made to maintain historic buildings in good condition, and to find appropriate new uses for buildings in authority ownership which are no longer in active use".
- 5.2 There are legal covenants on the Dollis Hill House; the property is subject to the Indenture dated 19th February 1900 between RA Finch and others and the Willesden UDC. The land (Dollis Hill House and other properties) was conveyed to the Council in "fee simple for the perpetual use thereof by the public". There has been debate over the years as to whether "for the perpetual use thereof by the public" created a trust and had the effect of the Council holding the land on charitable trust or not. A number of legal opinions have been sought in the past. Given the time gap since the last legal opinion,

the council sought further external Counsel's opinion in March 2006. This concluded that the House is not held on a charitable trust. The Charity Commission is of the view that the building is not held on a charitable trust but it is open to the Attorney-General to seek a court declaration that there is a charitable trust if she saw fit. However, the Treasury Solicitor (on behalf of the Attorney General) has now confirmed that the Attorney General considers that the House is not held on a charitable trust.

5.3 If the Council did decide to progress with demolition there are two approaches that could be taken; de-list the building and then demolish or make an application to demolish a listed building. Consent to demolish a listed building is fairly exceptional and will require a strong justification that all efforts have been made to retain the building and have failed. The council will need to convince the Secretary of State that real efforts have been made to continue use or seek an alternative use. This would include having tried to find a lessee to take a long lease (125 years or more) at a price reflecting the building's condition. The offer of a short lease only would be seen as having restricted the chances of finding a new use. It is considered that the marketing exercise previously undertaken and the subsequent negotiations with Training for Life has met this requirement. If demolition of the House was authorised, the Council would be required to give notice to the Royal Society for a period of at least one month for the purposes of recording the building. The final decision on demolition would rest with the Secretary of State. The decision could be challenged by an appeal to the High Court. The appeal would have to be on the same grounds as those for judicial review and it is unlikely that the Secretary of State would deal with a decision in such a way as to make a challenge likely.

5.4 If it is considered that demolition is the only option to take then it is felt that an application to demolish rather than an application to de-list is the better route to take. If an application to de-list was refused, the Council would then have to start again with an application to demolish. It is therefore more sensible to apply for permission to demolish in the first place.

5.5 An unsuccessful application was submitted to register the park as a town green during 2005. The House was not included within the area to be registered. The application was refused on the basis that the necessary 20 year period of use by the public had not been shown. The applicant has now submitted a further application. This again excludes the House. The application was advertised as required by the relevant regulations and various objections have been submitted to the Council which will now need to decide on the application in its role as registration authority. However, as the House is excluded from the application, this will not affect its future use (or any proposal to demolish it).

6.0 Diversity Implications

6.1 None specific to this report.

7.0 Staffing/Accommodation Implications

7.1 None.

Background Papers

Torkilsden & Barclay Leisure management report 20th June 1999

“Dollis Hill House – Development of a Community Trust” – report to the Public Services deciding Committee, 27th June 2001

“Dollis Hill House Restoration Project” – Client Brief for Project Management Consultancy

Dollis Hill House Project – Interim Report, May 2002 Dollis Hill House Steering Group

Dollis Hill House Project - Outline Business Plan, July 2002 Dollis Hill House Trust

Dollis Hill House – progress report on the development of a community trust 17th Sept 2002

Dollis Hill House progress report 2002-3

Dollis Hill house Trust Executive Summary of progress 2002

Dollis Hill House Business Plan –October 2003

Dollis Hill House and Stable Arts Gallery – Executive Report, December 2003

The Future of Dollis Hill House – Executive report, October 2006

Dollis Hill House: Update on Marketing Exercise – Executive Report, Jan 2007

Dollis Hill House – Results of Marketing Exercise 2007 – Executive Report, Sept 2007

Dollis Hill House – Evaluation of Training for Life Feasibility Study – Executive Report, Feb 2008

Training for life Feasibility Study December 2007

Contact Officers

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