

Ealing Town Hall

Development Alternatives



An Appraisal by Ealing Voice

February 2018

Ealing Town Hall – Development Alternatives

This document has been prepared to outline the challenges and opportunities for regeneration presented by Ealing Town Hall. It considers the fundamentals of the hotel project proposed by Mastcraft Limited and compares them with what might be achieved from a music, arts and business centre development as suggested by Ealing Voice. Both proposals assume that the eastern end of the town hall complex is retained by Ealing Council (LBE) for civic purposes.

The elements of Ealing Voice's proposals as described below have been extracted from detailed plans worked up in 2016 as part of an intended ACV bid. The bid process was not completed because it became evident that LBE was determined to pursue its previously agreed deal with Mastcraft.

The subsequent discovery that a significant part of the town hall complex remains governed by a Charitable Trust set up by public subscription for the public benefit has altered the situation, and raised questions about the feasibility of the Mastcraft deal. This has encouraged Ealing Voice to revisit its ideas. The lapse of time means that details will need to be refreshed although fundamentals remain.

Background – the Town Hall Complex – now and future objectives

Capital works (major repairs and updating building services)

1. The Town Hall as a whole is in need of refurbishment. LBE refers to a 2007 report identifying a maintenance backlog of around £3m, which would equate to perhaps £6m now in 2018. This figure needs to be confirmed and an updated schedule of dilapidations prepared. It is understood that the 2007 report makes no provision for further development of the building.
2. LBE wants £2m to spend on the civic areas it is retaining, although it is unclear whether this is additional to the above figure, or whether there is some overlap. LBE claims this amount is required in part for 'relocation' but does not say of what to where.
3. It is also unclear whether the proposed level of expenditure on the civic parts (and indeed generally across the site) is required immediately, or is more generally desirable. What capital expenditure is unavoidable either now, or in the near future? For instance, do fire protection or insurance requirements demand work that needs to start immediately?

Running costs, ongoing costs of civic part and community hire provision

4. Figures provided by the Council indicate that the current running costs (excluding provision for capital works) of the entire site, including events staffing costs, are around £1m pa. Current income is around £600k pa leaving a balance of operating costs of around £400k pa.

5. Not all of this balance will disappear with the proposed disposal as the retained civic part of the complex will have ongoing running costs. LBE has not released figures but we assume these will amount to at least £250-300k pa. LBE appears to be hoping to cover the bulk of these costs through annual rent payments from the remainder of the building.
6. Discounted off-peak hire of numerous rooms including the Victoria Hall is currently available to community organisations, and has been well used historically. LBE seeks to retain such discounted access in the future and claims that this provision for the community is an important factor for it.

'Regeneration' Objectives

7. Through disposal of the majority of the town hall complex, LBE says that it seeks to bring new vibrancy to the building, which it claims is currently underused, and also to attract more people to Ealing town centre who will spend money in local businesses and benefit the local economy.
8. No doubt, LBE will also be looking at potential employment generation within the building itself.
9. Other objectives expressed elsewhere (in LBE and general planning policy) are the provision of an improved cultural and entertainment offer in Ealing town centre as this is now seen as essential to maintain and improve economic activity given the decline in traditional high street shopping (additionally impacted by Westfield shopping centre in West London).

Victoria Hall Trust

10. The 1893 Victoria Hall Charitable Trust covers the Memorial Hall building and appurtenances paid for by public subscription. This includes both the Victoria and Prince's Halls along with other rooms. The trust requires that this part of the town hall complex is operated in a certain way for the benefit of the local population of Ealing and any proposals must be compatible with its objectives. It is Ealing Voice's contention that the proposed deal with Mastcraft would breach the terms of trust.

The Proposals

The following section considers and compares the benefits of two possible futures for the town hall – first those presented in the Mastcraft scheme, and then those that could be achieved through the alternative proposed by Ealing Voice.

It must be borne in mind that the details of Mastcraft's scheme are not in the public domain so that full comparisons between the two are impossible to make. However, enough information of the two proposals does exist to demonstrate where the balance of advantage between them lies.

Mastcraft Limited – Boutique Hotel

11. The Mastcraft scheme centres on conversion of the town hall into a 'boutique hotel'. It is assumed that it would focus on (Asian) weddings, themed and conference type events utilising the Victoria Hall along with newly created dining areas and hotel bedrooms to provide a packaged service. The proposals also include a brasserie, bar and gym, presumably accessible by the public.
12. Guests would be mainly serviced within the hotel, and travel to entertainment venues and upmarket shops in Central London or Westfield. Thus they would be unlikely to bring significant wider economic benefits to Ealing town centre, nor be of sufficient number to encourage meaningful change in its character.
13. It is understood that Mastcraft would provide around £2m for works to the civic part of the Town Hall and take maintenance responsibility for the rest of building (investing money to repair, update and develop initially and funding ongoing external maintenance of whole complex from revenue). **It is to be expected that they will use a mortgage or other borrowing vehicle linked to the property to raise funds although LBE has released no details about this.**
14. It is also understood that Mastcraft would pay LBE a rental of £250k pa, which is intended to be used to defray ongoing running costs of the retained civic part. It must be noted that this currently assumes Mastcraft leases whole site including those parts covered by the Victoria Hall Trust – and makes no payment to the trust. It is unclear whether this sum would be assured should the hotel prove unprofitable.
15. LBE is attempting to make provision in the lease to Mastcraft for ongoing discounted off-peak community hire of various rooms including the Victoria Hall. However the costs are set to increase immediately, and after 10 years will be based on a percentage of commercial rates that Mastcraft is likely to increase very significantly to maximise profit. This is analogous to the situation with so called 'affordable' residential rentals, and community use is likely to be priced out of the building over time. In addition the exclusive environment that Mastcraft will seek to create may discourage many existing community uses.
16. Employment will be created within the hotel, but this will be primarily low skilled service jobs on-site.
17. To add bedrooms Mastcraft proposes considerable demolition and substantial new build significantly increasing floor area, which is unlikely to be sympathetic to the existing (listed) structures and would raise considerable opposition.
18. We understand that the proposed contract gives potential for Mastcraft to convert to residential if hotel not profitable. If this happened, and we do not know how much scrutiny there would be of such a request, it would eliminate all of the wider community benefits relating to town centre regeneration.
19. Under a 250 year lease public control of the town hall complex would effectively be lost forever. It will be handed to a company whose objects are to maximising its profits This would be quite different from the LBE whose purpose is to provide services of many different kinds to the community.

Ealing Voice - Music, Arts and Business Centre

20. The Ealing Voice proposal starts from a completely different place than Mastcraft's. It envisages a centre run on not for profit community principles, but with a commercial focus including business partnerships within the buildings.
21. It is widely acknowledged that music forms a central part of Ealing's heritage and that high quality music performances have the ability to attract large audiences who tend to spend money with other local businesses. Ealing Voice's scheme is therefore centred around music creation and performance. It would be a genuinely regenerative scheme, perhaps the first part of a cultural offer in Ealing similar to that of the Southbank Centre. This would attract many more people to the town hall and town centre generally and be synergistic with the existing Questors theatre and the planned cinema and Pitzhanger Gallery..
22. The key elements of the Ealing Voice Scheme include:
 - flexible concert hall, events and meeting space in Victoria and Prince's Halls with professional orchestral and other recording capability
 - new basement jazz, blues and comedy club
 - associated recording studios and practice rooms
 - co-work spaces targeting creatives in old committee room areas
 - new central atrium accessible at street level from front of building and from Dicken's Yard with restaurant, coffee shop and members bar
 - self-contained dance and art studios
 - numerous rooms for commercial and community rental across other parts of the building.
23. Ealing Voice's initial ideas for the disposition of such uses are set out in the floor plans at the end.
24. A centre of this kind can be created using an evolutionary approach with existing staff members retained and new revenue generating activities added to the existing events and lettings operations. Incrementally developing a building, which already provides valuable community services would be far less disruptive to the town centre as a whole and to existing town hall users – many of which have already had to look for new accommodation - than the all or nothing requirements of a hotel.
25. Grants and other sources of funding exist to fund capital works, particularly for a community or charity enterprise, (LBE acknowledges this in its latest consultation). Some of these were investigated when Ealing Voice first developed its proposals. Such funding is usually at least partially dependent on schemes that would generate sufficient revenue to cover future operating costs. It is unlikely that the proposals would include a mortgage charge over the property.
26. There is a question as to how the works to the purely civic part would be funded under the alternative route and therefore how a contractual relationship would need to be structured. It may be possible for LBE to receive rental payments for

use of their premises, but the impact of the Victoria Hall Trust must be taken into account.

27. Community access would be retained and cross subsidised from commercial activities as a stated object rather than as an obligation to be reduced and avoided as much as possible in the pursuit of profit.
28. A wide range of employment types, many at professional level, would be created and supported within the centre.
29. Contractual arrangements between the Council and Ealing Voice could be far more flexible than under the proposed lease to Mastcraft and they would not need to extend for a 250 year period. LBE would not need to hand over all its interest in the town hall for foreseeable future. It would be able instead to work with Ealing Voice and assist it in pursuing objectives of community enterprise and general social good that are aligned with those of council.

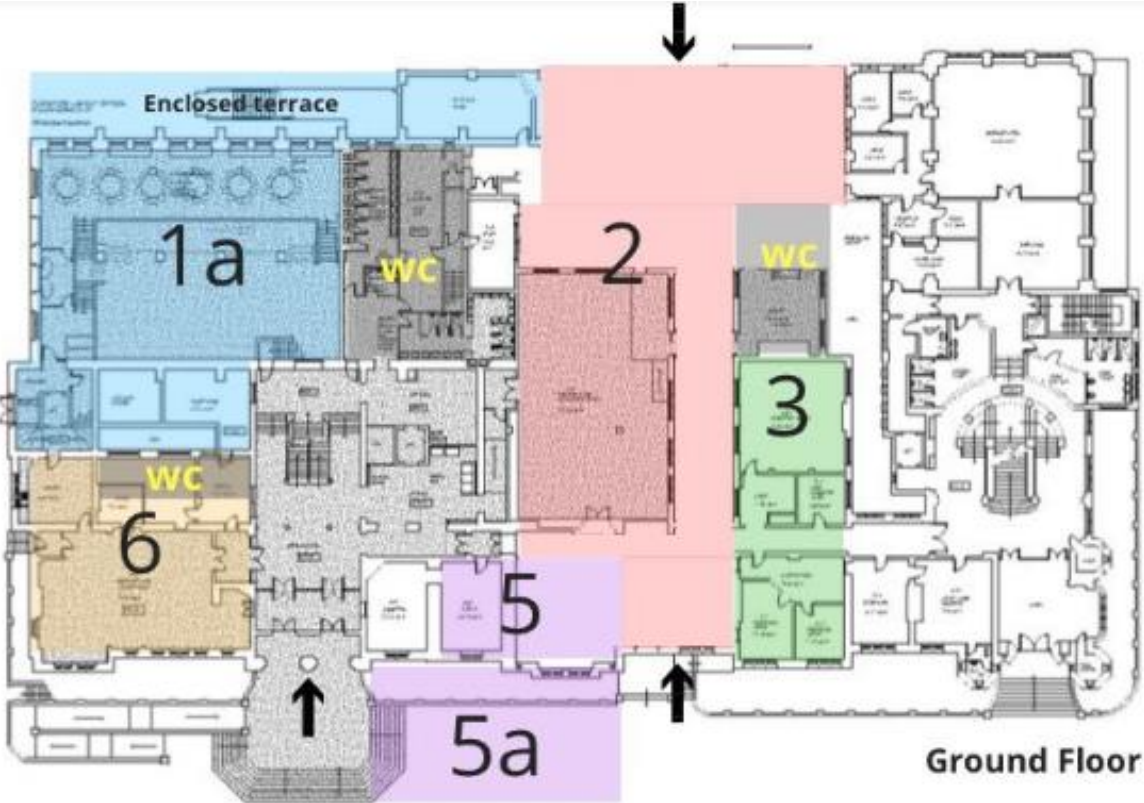
Conclusion: community partnership to achieve better balanced regeneration

30. The transfer of public assets to the private sector in Ealing does not tend to work out as envisaged. Disappointing outcomes cannot be categorised as simply 'bad luck'. Commercial businesses operate in their own interests to maximise profit and this may not be in the interest of the wider community.
31. The recent experience from the Old Library Acton illustrates this risk. Expected regeneration benefits of the deal with Curzon Cinemas have failed to materialize and the building has been empty since the library's closure, with Curzon focussing elsewhere. A community bid for the building that did not succeed is now being revived, but much time during which the old library building has lain idle has been lost.
32. Other issues arise when benefits of public investment are not well rooted in the community's aspirations. The Pitzhanger Manor refurbishment exudes the sense of being a culturally elitist project that has little relevance to most borough residents. Yet it has already soaked up £4.5m of LBE investment although the prospective returns in terms of increased visitor numbers, opportunities for local artists, new job opportunities and raising the town centre's overall vitality and attractiveness remain unjustified.
33. The contrast with the benefits that a successful music, arts and business centre run by a not for profit organisation for community interest can deliver is very clear.

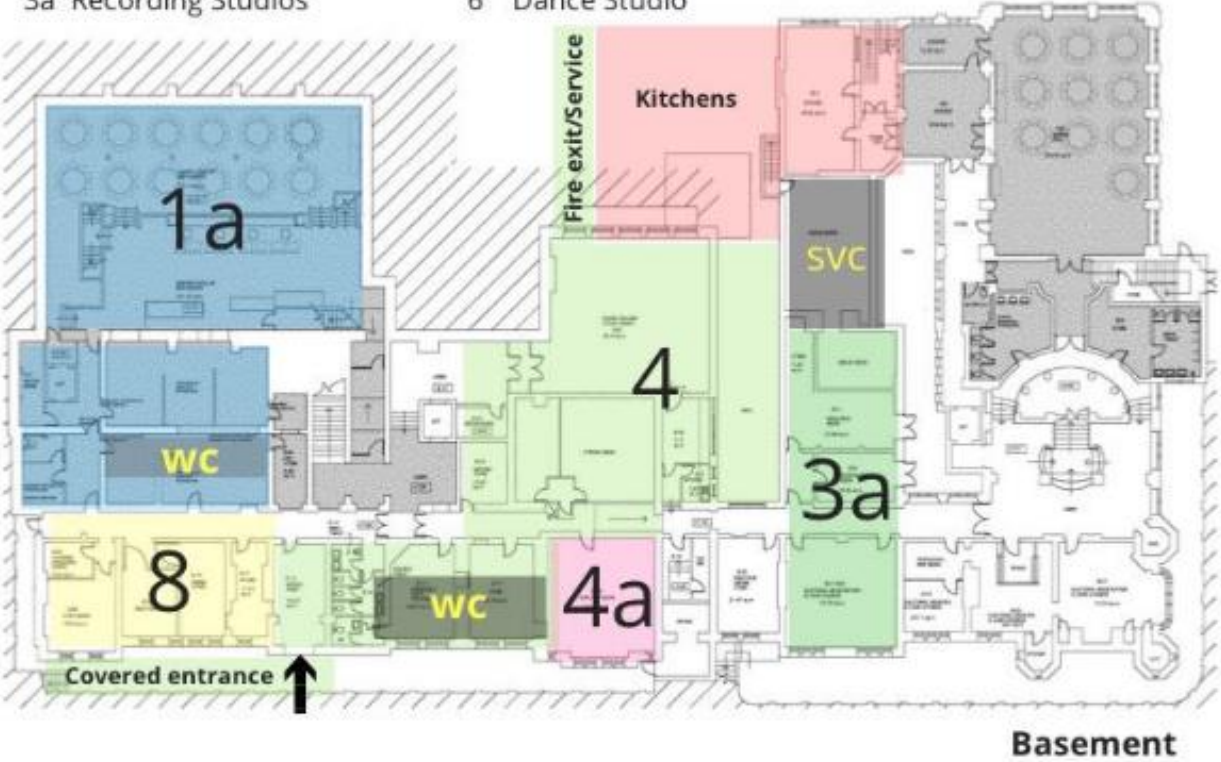
Ealing Voice welcomes the opportunity for ongoing dialogue with LBE and the establishment of a new level of trust and partnership.

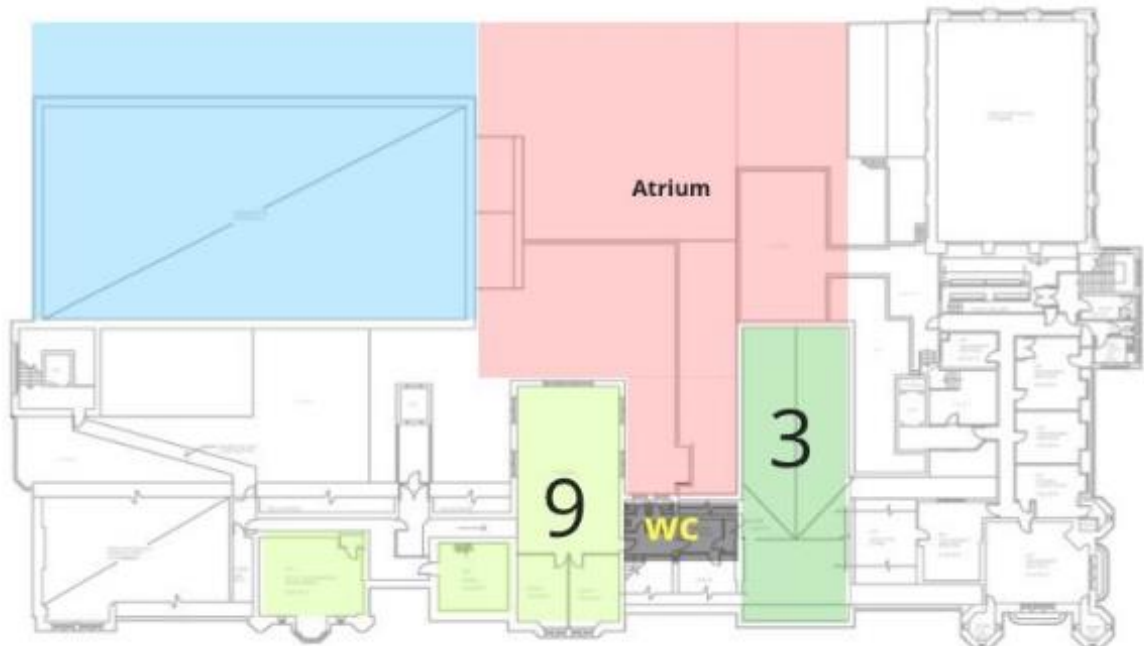
Ealing Voice
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Ealing Voice - Music, Arts and Business Centre: Indicative floor plans



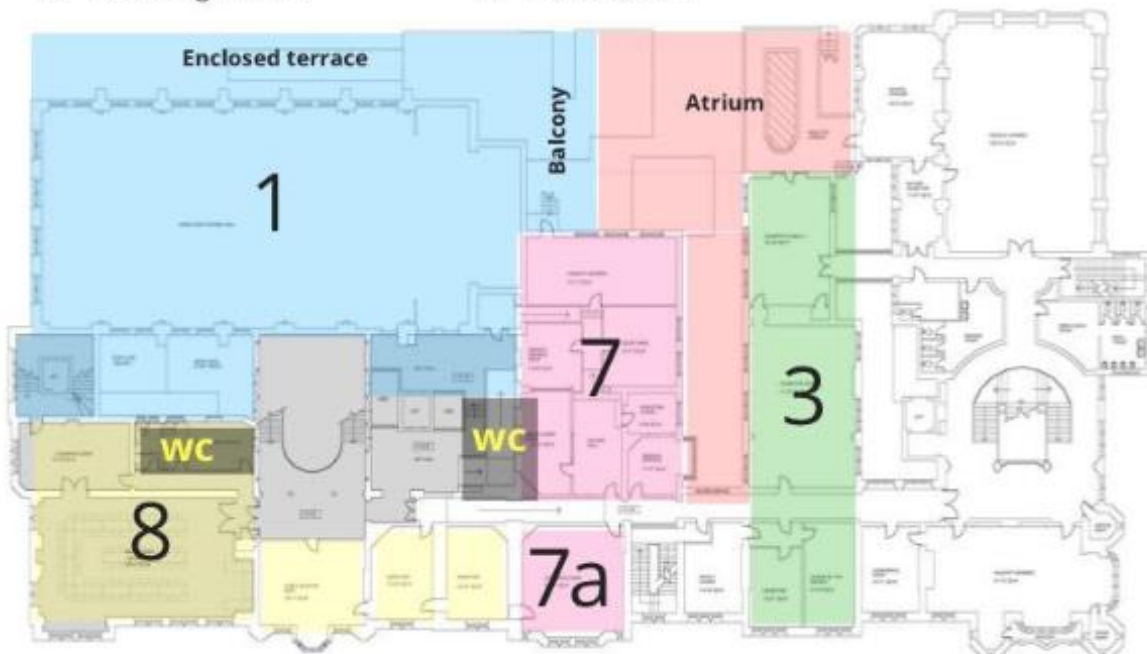
- 1 Concert Hall/Studio/Events
- 1a Stage Bar/Reception
- 2 Courtyard Restaurant
- 3 Co-work Space
- 3a Recording Studios
- 4 Jazz/Blues Club
- 4a Club Bar
- 5 Coffee Shop
- 5a Coffee Shop Terrace
- 6 Dance Studio
- 7 Members' Bar
- 7a Bar Function Room
- 8 Letting Rooms
- 9 Art Suite/Open





Second Floor

- | | | |
|------------------------------|------------------------|----------------------|
| 1 Concert Hall/Studio/Events | 4 Jazz/Blues Club | 7 Members' Bar |
| 1a Stage Bar/Reception | 4a Club Bar | 7a Bar Function Room |
| 2 Courtyard Restaurant | 5 Coffee Shop | 8 Letting Rooms |
| 3 Co-work Space | 5a Coffee Shop Terrace | 9 Art Suite/Open |
| 3a Recording Studios | 6 Dance Studio | |



First Floor