

Horton Chapel Annexe 1 – Background Information

1. The following information is provided by way of background.

History

2. Horton Chapel was constructed in 1901 to serve the Epsom Hospital Cluster. It is a Grade II listed building located in the grounds of the former Horton Hospital, now known as Livingstone Park. The building remains relatively unchanged since its construction although a section of the nave was partitioned off at some point to create a community/theatre facility, which was known as “Harewood Hall”. The building also includes some rudimentary kitchen and toilet facilities, none of which are functional. At present there is no on-site parking provision.
3. The Chapel has a gross internal floor area of approximately 800 sq metres (8,600 square feet) and a maximum internal height of 8 metres (26 feet).
4. Previous surveys indicated that the building structure was basically sound but also that works are needed to arrest gradual deterioration resulting from long term disuse and lack of maintenance. All building services, where they exist, are considered to be obsolete and will need complete replacement as part of a refurbishment.
5. An asbestos audit was undertaken in March 2009. This identified some asbestos bearing material in electrical fittings and elsewhere but this was in good/fair condition and was considered to be low risk.
6. The Chapel building and a small parcel of land outside was transferred to the Council on 25 June 2004 pursuant to a 1998 agreement following which the Secretary of State for Health obtained planning permission for the “Hospital Cluster Sites” to be developed as housing. The extent of the land transferred in 2004 is shown shaded yellow on the attached map.
7. In August 2014, the Council also completed the acquisition of a further parcel of surrounding land, shown edged red on the attached map.

Transfers

8. The 2004 transfer was subject to a number of conditions, including:
 - 1) Not without the prior written consent of the Secretary of State for Health and Charles Church Developments Limited to use the property
 - a. except:
 - i. for community recreational purposes and/or
 - ii. for the provision of family medical or health services.

and for other uses reasonably ancillary to either of the principal uses.

- b. Between the hours of midnight and 8am on any day for organised recreational activities or for the provision of family medical or health services
 - c. For any purpose which may be or become a nuisance disturbance or annoyance to the occupiers of certain defined property.
 - d. For the open storage of goods and materials except goods and materials reasonably ancillary to the permitted uses – provided the storage doesn't breach the restriction at c. above.
- 2) Not to erect any new buildings or structures on the property nor make any alterations or additions affecting the external appearance of buildings or structures forming part of the Property, except decorative alterations or alterations having 'no material visual impact', without in each case the prior written consent of the Secretary of State and Charles Church Developments Limited.
- 3) Not at any time to park more than 30 motor vehicles on the Property.
9. The 2014 transfer also contained restrictions, including:
- 1) Not to erect any buildings on the property and not to use it other than as amenity open space, vehicle parking, external play area and other purposes ancillary to the principal uses referred to above in relation to the building itself.

Funds

- 10. Certain funds are held which are currently allocated for spending on the Chapel, the origin, amount and notes on use of the various funds are set out in Annexe 2, which is exempt from publication.
- 11. In total, around £1.69million has currently been allocated for spending on the Chapel.

Projects

- 12. Over the years, the Council has attempted to progress a number of schemes with the aim of bringing the Chapel back into use, with the creation of a community facility.
- 13. The building has remained vacant since acquisition whilst officers have been investigating an appropriate use for this listed building.
- 14. In 2004/2005, recognising the difficulties of making this building fit for community use, the Council spent some time consulting with Community Action Network (CAN) to carry out a feasibility study of potential community uses.
- 15. CAN is a leading organisation for the development, promotion and support for difficult community projects by seeking to bring together social entrepreneurs

in the voluntary and not for profit sector with the public and private sector. However, the financial outlay and future costs that CAN were looking to the Council to bear (in addition to those sums already earmarked) as detailed in the study they produced at the time did not make this a feasible or viable venture for the Council.

16. Officers also at the same time explored the use of the building for children's nursery purposes but the scale and costs of converting this listed building for such use were not considered to be attractive to that particular market at the time.
17. Then in 2005 approaches were received from three separate sources for the use of the building, including one from the Epsom Islamic Society and another from the Cheam Church. Recognising the time that had elapsed since acquisition and the difficulty in attracting the market to the building, and the need to take advantage of these from community project interests, formal expressions of interest were sought from these three parties, two of whom (those mentioned) submitted bids.
18. Criteria for the assessment of the bids were agreed and the bids were assessed.
19. The recommendation to proceed with one of the bids was considered financially superior for the Council in that a capital contribution from the Council of £344,000 plus fees and VAT would have been required on the refurbishment and adaptations compared to a higher sum under the other proposal. The bid proposed that an annual rent would be payable, albeit likely to be a relatively small amount to the Council whereas the other bid offered only a peppercorn rent with the possibility of a higher rent if some form of commercial use was incorporated within the premises, opportunities for which were considered extremely limited under the terms of the restrictive covenants on the building. Whilst both parties wish to purchase the freehold at some stage, the preferred bid left this open for future negotiation.
20. Officers therefore recommended one of the bids for acceptance, but this was not agreed by members. Following complaints regarding the tender process followed, a report was commissioned from the District Auditor. The subsequent District Auditor's report made recommendations concerning re-tendering and officers were authorised to undertake consultation with the local community and to subsequently proceed to tender using the services of an independent supervisor. A public consultation process was completed in April 2008, when the results were published. These showed overwhelming support for the use of Horton Chapel as a community building.
21. The re-tendering process was then put on hold whilst an alternative option for operation by a Community Development Trust (CDT) was considered. This would rely on funding from the development of the West Park Hospital site. It was recognised that the CDT model would not provide a certain resolution to the problems with the existing building both in terms of future use and maintenance of a listed building simply because the trust is not yet

established and proven. As noted from the Shenley Park CDT model, which was a scheme the Council studied, it can take quite a few years before the community gets fully involved to enable them to run the Development Trust unaided, and no guarantee that this would be achievable.

22. At that stage, the impending commencement of work on the fourth hospital cluster site at West Park promised the availability of significant additional funding and the potential for a Community Development Trust (CDT), associated with that development, that could also help to deliver a community building at Horton Chapel. This was considered to be a credible alternative option to the re-tendering process and it was hoped it could facilitate a building run by the local community for the local community, subject to assessment that this could be achieved without additional cost to the Council.
23. The Hospital Cluster Working Group in December 2008 supported an evaluation of the CDT option prior to re-tendering.
24. In order to assist with the decision process, a condition survey of the Chapel was commissioned and results were received in March 2009.
25. It was clear throughout this period that the Council's aims in the exercise were to provide a facility for the community, but also to ensure that the building should not become an ongoing liability on Council Tax payers generally. This has consistently been the Council's stance.
26. From 2009 onwards the Council explored in particular the option to create a community development trust (CDT) which could take over the building and enable a viable community facility to be created. This involved setting up a working group involving certain members of the public, who freely gave significant time and effort in trying to move the project along.
27. The Council's intention was to establish a CDT, with a view to agreeing and funding (to the extent of available funds) the renovation of the building, and lease of the building to the CDT.
28. Following a report in September 2011, external advice was sought about the most appropriate way forward. It was important to balance the Council's need to have reasonable assurance as to the medium- to long-term viability of the CDT against the need to give the CDT the necessary freedom to enable it, in due course, to flourish independently of Council support.
29. It was considered that there were potential pitfalls in creating a company which would, initially at least, be regarded in law as council "controlled" or "influenced", but that is what the Council did in 2012. The company has since been dissolved, as the project did not proceed.
30. A further working group was appointed from interested members of the public in 2013. The individuals who came forward and were appointed demonstrated enthusiasm and a good mix of skills to give the CDT the best opportunity to achieve viability.

31. We sought to work with the working group to agree all the matters necessary to allow the project to proceed.
32. When matters were sufficiently advanced to the satisfaction of all concerned, it was hoped that the working group would replace the initial board on the company the Council established. It was hoped that the CDT would then be able to enter into formal agreements with the Council to enable the works to be undertaken and the building leased to the CDT. For whatever reason, despite the best efforts of those involved, this project stalled.
33. In late 2013/early 2014, we sought again to reinvigorate the project and appointed an external programme manager, and allocated a project manager and project team from within the Council's staff. We had received an expression of interest from a local healthcare organisation, and this appeared to present a good opportunity to progress.
34. Work continued, an architect was appointed, plans were drawn up & costed, and a further steering group drawn from members of the public was established. The project envisaged that the majority of the building would be converted to offices for the healthcare organisation with the provision of a community hall at one end of the building. The steering group worked to prepare a business plan for the community hall. Ultimately, however, the healthcare organisation decided not to proceed, and this latest project came to an end. This is referred to in the main report.