

MAYOR AND CABINET		
Report Title	Ladywell Playtower Restoration	
Key Decision	Yes	Item No.
Ward	Ladywell, Lewisham Central	
Contributors	Executive Director for Housing, Regeneration & Environment Director of Law	
Class	Part 1	Date: 30 October 2019

1. Introduction

- 1.1. This report sets out to Mayor and Cabinet the progress made on restoration of Ladywell Playtower following the selection of Guildmore to restore the building and return it to use in November 2017.
- 1.2. Guildmore were selected as a suitably experienced contractor and operator with the ability to sensitively restore the Grade II listed building. Their proposal involves raising funds from additional development around the Playtower building to help overcome the substantial restoration cost of the listed building itself. The Council will dispose of an interest in the property in order to secure the restoration and re-use of the building.
- 1.3. This report is in two parts with confidential financial and commercial information related to the restoration contained in the part two report.

2. Purpose

- 2.1. The purpose of this report is to set out to Mayor and Cabinet:
 - 2.1.1. The design development that has taken place to progress the original restoration proposals.
 - 2.1.2. The results of further surveys of the Playtower that have been undertaken
 - 2.1.3. The changes from the original proposal that are now necessary in order to be able to progress with the restoration of the Playtower
 - 2.1.4. To seek approval for the changes from the original proposal and to delegate authority to agree any further changes that are required to achieve the restoration of the Playtower to the Executive Director for Housing, Regeneration & Environment.

3. Summary

- 3.1. At the beginning of 2017 the Council embarked on a competitive process to identify and select an organisation for the revival and restoration of Ladywell Playtower, a Grade II listed Victorian bath house. The building is in a state of considerable disrepair and has been unused since its closure in 2004. A subsequent fire significantly damaged the buildings rear pool hall space in 2006. Despite the fire, and the impact it had to the building's fabric, the building was Grade II listed in the same year in recognition of its historic value. Very shortly after, the building was put on Historic England's 'Heritage at Risk Register' in priority category C meaning it suffers slow decay with no solution agreed.
- 3.2. In November 2017 Guildmore working in partnership with Curzon were selected from four shortlisted candidates to restore the building with RJK Properties/Hillman as a reserve bidder.
- 3.3. Pre-planning application feedback has resulted in some changes from the initial design and use proposals becoming necessary, these changes are outlined in more detail below.
- 3.4. Detailed building investigations have revealed increased restoration costs and has caused some delays to progress whilst solutions have been investigated to ensure delivery remains possible.

4. Recommendations

It is recommended that Mayor and Cabinet:

- 4.1. Note the changes of use from the original proposal outlined in section 7 of this report;
- 4.2. Note the survey findings which have led to a significant restoration cost uplift outlined in section 8 of this report;
- 4.3. Note the feedback from Lewisham Design Panel and Historic England on the current proposal;
- 4.4. Having considered both parts of this report, agree the changes from the original Guildmore proposal outlined in section 7 of this report; and
- 4.5. Delegate authority to the Executive Director for Housing, Regeneration & Environment to agree any further changes that are required to achieve the restoration of the Playtower .

5. Policy Context

5.1. Lewisham's Corporate Strategy 2018-2022 sets out our vision to deliver improvements for our residents over 5 years. The subject of this report contributes to the following corporate objectives:

- **Building an inclusive local economy** – the scheme will create London Living Wage employment during construction and in the longer term. It will also drive footfall to the area, supporting the viability of local businesses in the vicinity and contributing to a vibrant evening economy.
- **Building safer communities** – the restoration and re-use of the Playtower will tackle some of the low level antisocial behaviour problems that have occurred over the years of disuse and will introduce more evening footfall and oversight to the neighbourhood

5.2. **'People, Prosperity and Place'**, the Council's Regeneration Strategy (2008-2020)¹, outlines the Council's vision for a 'cohesive, vibrant and dynamic borough'. It is underpinned by a desire to promote sustainable communities in which people live, work and thrive; where social, economic and environmental factors combine to ensure long-term success and durability. Delivering this strategy includes the following priority outcomes which relate to the restoration of Ladywell Playtower and reflect the council's aspirations for its revival:

5.2.1. **People** – Creating a borough of creative, diverse, cohesive and healthy local communities able to support themselves, act independently and engage actively in partnerships to ensure local people of all ages benefit from regeneration.

5.2.2. **Prosperity** – Creating a borough that has a thriving, dynamic and creative economy.

5.2.3. **Place** – Creating a borough that provides a high quality of life for all residents through attractive, liveable, accessible and safe neighbourhoods along with the provision of high quality facilities that meet the needs of the community.

5.3. The Council's **'Strategic Asset Management Plan'** (2015-2020), outlines the Council's approach to management of its corporate assets. It sets out a strategy for their use in creating value and investment in the borough, driving regeneration and economic growth, and delivering income generation, infrastructural needs and service development. Delivering this strategy includes the following priority outcomes which relate to the restoration of Ladywell Playtower and reflect the council's aspirations for its revival:

5.3.1. Compliance with regulation and responsiveness to risk.

¹ <https://www.lewisham.gov.uk/inmyarea/regeneration/Pages/People-Prosperity-Place.aspx>

5.3.2. Reducing expenditure associated with the Council's assets.

5.3.3. Increasing the level of income generated by the Council's assets.

5.4. Ladywell Playtower is located within the St Mary's Conservation Area which was designated in 1976, and extended in 2006. The Conservation area is characterised in particular by St Mary's Church, its churchyard and the strong group of Victorian and Edwardian civic buildings that surround it. These include Ladywell Playtower, and the adjacent Grade II Coroners Court, and Mortuary. These buildings are of high quality individually, but particularly special as a group. The '**St Mary's Conservation Area Supplementary Planning Document**' and '**St Mary's Conservation Area Character Appraisal**' identify Ladywell Playtower and its surrounding area as one of special historic interest and architectural significance. The Council have also placed an Article 4 direction on the conservation area in order to protect its special significance and high quality architectural features against unsympathetic development.

6. Background

6.1 Guildmore's initial proposals for restoration of the Playtower included:

- the restoration of the listed playtower building to provide a Curzon cinema and restaurant uses
- the construction of a residential block of 21 private sale units to the south of the Playtower
- The construction of a combined nursery and step down care block (comprising 9 x 1 bed units) between the Playtower and Coroner's Court buildings

6.2 Public consultation carried out ahead of the selection included 1287 comments on the proposal. Whilst the cinema elements received strong support, there were relatively few comments made about the nursery and step down care elements. 18 comments were received about the nursery with 10 in favour of this use and 8 against it.

6.3 As such, neither the nursery nor the step down care elements were referred to in the key strengths of Guildmore's bid in the November 2017 Mayor and Cabinet report and this section focussed solely on their proposal to provide a new local cinema in partnership with Curzon which remains unchanged.

6.4 Guildmore were the only one of the four shortlisted proposals that was not reliant on securing substantial grant funding to bring about restoration of the building. At the time, and following their initial examination of the building, the restoration cost was estimated to be £4.5m.

- 6.4 It was proposed that the development of the other private uses on the site (housing, nursery and care) would, together with sale of leases to Curzon/restaurant operators, raise the funds necessary to complete the £4.5m restoration.
- 6.5 As part of the analysis of the four shortlisted bids some initial feedback was provided by the planning department on each scheme and this was included in the November 2017 Mayor and Cabinet report. In Guildmore's case this highlighted some concerns about how the different uses proposed would integrate, and how vehicle movement generated by the site use might impact on the adjacent road network. Concerns over potential increase in traffic levels and parking needs, especially from the nursery and residential/step-down care facility were highlighted as a specific challenge in the summary of the key strengths and challenges of Guildmore's bid.

7. Design development

- 7.1 Following their selection, Guildmore commenced formal pre-application discussions with Lewisham's Planning Department, which gave the applicant and the department the chance to consider the emerging proposals in greater detail.
- 7.2 Following feedback from these sessions, which took place throughout 2018, there remained concerns about the ability of the different uses proposed for the site to work well together and to not have a negative impact on one another, and on congestion on Ladywell Road as a result of generating vehicle movement at the site. As a result Guildmore replaced the nursery and step down care uses (which were most problematic in terms of integration and vehicle trip generation) with additional housing which was considered less problematic.
- 7.3 Guildmore worked through design issues for the residential development, taking feedback from planning and conservation officers who were keen to ensure that the new development would not have a negative impact on the adjacent listed buildings or on the St Mary's Conservation Area. A formal design panel meeting was held in August 2018 to analyse and feedback on the scheme that had been developed. By this stage the number of housing units had increased to 33 units split across two blocks of development. The design panel and Historic England were comfortable that the form of development was appropriate given the local context.

8. Detailed condition surveys

- 8.1 During the course of 2018 a range of detailed intrusive surveys were carried out around the building to fully understand the restoration cost. The surveys revealed that in a number of respects the condition of the

building was worse than preliminary investigations suggested and the £4.5m budget to complete the restoration would be insufficient.

8.2 Surveys revealed the additional need for:

- removal of rotting timber and to provide new structural supports
- to repair roof coverings
- to tackle areas of wet and dry rot
- to repair and replace roof glazing
- significant listed fabric restoration and brick work repair required
- basement waterproofing
- asbestos removal
- drainage repairs
- utilities upgrades (water and electricity) will be necessary to meet the needs of the new building

8.3 The additional works to complete the restoration are estimated to cost a further £1.7m bringing the overall restoration cost to £6.2m.

8.4 Although both the design development and building investigations are now well developed, new requirements may result in further changes needing to be made to the scheme to ensure that the restoration of the Playtower is achieved. For this reason it is requested that authority is delegated to the Executive Director for Housing, Regeneration and Environment to agree any further changes that are required to achieve the restoration of the Playtower.

9. Viability

9.1 The increased cost of restoration places a pressure on the overall viability of the scheme, which the additional private housing helps to address. The Council commissioned an independent viability review from GL Hearn in order to be assured that the cost changes were reasonable and that the scheme could still be delivered. Their conclusion was that the scheme was deliverable. Further detail of their analysis is included in part 2 of this report.

9.2 Officers have recently met with Guildmore and Curzon both of whom remain committed to the scheme. Curzon remain very positive about the future of cinema operations in the area and will invest a significant sum in the fit out of the Playtower to provide a high quality cinema experience and will take a long lease on the completed building.

10. Proposed next steps

10.1 If the changes detailed in this report are approved, Guildmore will carry out public consultation on their scheme before completing a finalised design for submission to Planning early in the 2020.

10.2 Subject to securing planning permission and listed building consent, it is anticipated that restoration works will commence by summer 2020.

11. Legal Implications

10.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power to carry development and to act in an “enabling” manner with partners for the development of its land.

10.2 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

10.3 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

10.4 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed in the paragraph above.

10.5 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

10.6 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to

Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

10.7 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- The essential guide to the public sector equality duty.
- Meeting the equality duty in policy and decision-making.
- Engagement and the equality duty: A guide for public authorities.
- Objectives and the equality duty. A guide for public authorities.
- Equality Information and the Equality Duty: A Guide for Public Authorities.

10.8 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

12. Financial Implications

11.1 This report recommends that the Mayor and Cabinet agree changes from the original Guildmore proposal and delegates authority to the Executive Director for Housing, Regeneration & Environment, to agree any further changes that are required to achieve the restoration of the Playtower hereafter. There are no direct financial implications arising from this report, in that the terms of the proposed lease transfer to Guildmore remain the same, although it can be expected that an increased number of residential units will in future generate additional Council Tax income to the Council. A change in the non-residential uses of the site could also impact on Business Rates income receivable.

13. Crime and disorder implications

12.1 The Ladywell Playtower site has been empty since 2004 and has attracted low level antisocial behaviour throughout the intervening period. The restoration and reuse of the building will stop unauthorised entry and damage to the property, attracting new users to the area at all times of day, helping to strengthen natural surveillance and reduce fear of crime.

14. Equalities Implications

14.1. The current layout of Ladywell Playtower creates challenges for those with mobility difficulties. There is no lift function and several areas of the building are only accessible by stairs. Restoration and modernisation of the structure will improve accessibility at all levels throughout the building, enabling improved movement and circulation for all.

14.2. The proposals include disabled parking.

15. Environmental Implications

15.1. Restoring Ladywell Playtower will include the modernisation of heating and energy systems and improved insulation within the constraints imposed by the buildings listed designation.

15.2. Works will also include the removal of hazardous material such as asbestos, pigeon guano and pigeon infestations, known to be present on the site.

15.3. Detailed environmental implications associated with the restoration and operation of the site e.g. construction traffic and increased visitor numbers etc. will be fully considered as part of the planning application process.

16. Conclusion

15.1 The Guildmore scheme for Ladywell Playtower has been thoroughly developed in response to feedback that they have received as part of the pre-application planning process. They have carried out considerable design development to try to respond to the historic context of the conservation area and to respect the Grade II listed building. This work has culminated in a scheme which although different to the original proposal in some respects still delivers the outcomes which the public overwhelmingly supported, namely the restoration of an important listed building for a use which will once again allow the public to make use of the building.