
Subject:	RESTORATION OF MAISON DIEU (DOVER TOWN HALL)
Meeting and Date:	Cabinet – 10 September 2018
Report of:	Roger Walton, Director of Environment and Corporate Assets
Portfolio Holder:	Councillor Trevor Bartlett, Portfolio Holder for Property Management and Environmental Health
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: To provide an update to Cabinet on the progress with the plans to restore Maison Dieu, Dover following the Council's successful application to the Heritage Lottery (HLF) for a Heritage Grant and to seek agreement to the next steps with the project.

Recommendation: To agree to:

1. Confirm agreement to accept the award of the development grant from the Heritage Lottery Fund.
2. Approve the Council's match-funding contribution to the development phase.

1. Summary

- 1.1 Maison Dieu, Dover (Dover Town Hall) is a substantial DDC-owned asset which is not currently being used to its full potential and the condition of the building is progressively deteriorating. Accordingly, plans have been developed over recent years to restore the building.
- 1.2 In connection with these proposals, the Council has now been advised by the Heritage Lottery Fund (HLF) that its application in March 2018 for a development grant has been awarded a first-round pass.
- 1.3 This report seeks Cabinet consent to formally confirm acceptance of the grant and the associated grant conditions and to allocate £200k from the Capital programme to the project as the Council's match funding contribution to this phase of the project.

2. Introduction and Background

- 2.1 The Maison Dieu is a substantial DDC-owned asset situated within the Dover Town Centre Conservation Area and is a Grade 1 Listed Building and a Scheduled Ancient Monument. It has a long history dating back to 1203, originating as a mediaeval hospital (Maison Dieu). The building is an extensive and complex property that has been extended several times throughout its life encompassing many architectural periods.
- 2.2 Following Cabinet agreement in July 2014, consultants Ingham Pinnock Associates were commissioned to prepare a sustainable business plan for the future refurbishment and redevelopment of Dover Town Hall. This was presented to Cabinet at the meeting held on 3 November 2015 when Cabinet agreed to allocate funds from the Regeneration Reserve within the Earmarked General Reserves to enable the project to move forward to the next stage and to support the development of a bid for grant support to HLF.

- 2.3 Subsequent reports to Cabinet considered in October and November 2016, agreed to allocate a further £30k from the Special Projects Reserve support the preparation of the bid and to increase the monies allocated to this project within the capital programme from £2m to £3m.
- 2.4 The initial submission made to HLF for a Heritage Grant of £8.5m towards an estimated project cost of £13.2m as agreed by Cabinet was submitted in December 2016.
- 2.5 Applications for Heritage Grants above £5m are required to be made by December each year, with a decision in April. The Council's initial application was thus considered at the National Heritage Memorial Fund Board Meeting on 25 April 2017. The minutes of the meeting record that the Committee for South East England considered that the project represented a high priority (1 of 2) for support and that The Board considered that the project represented a high priority for support, but rejected the application in light of the available budget for the meeting.
- 2.6 The Council was advised accordingly of the Board's decision in June 2017. As suggested within the minutes, feedback from HLF Officers received subsequent to the decision was very positive regarding the proposed restoration project and the Council was encouraged to resubmit the proposals to a future funding round.
- 2.7 Changes within the HLF grant structure, required the proposals to be reworked, with some elements of the project being phased or funded through other means to reduce the project costs and thus the level of grant required.
- 2.8 A new application based on these revised proposals was then made to HLF in March 2018 seeking a grant of £4.272m towards an estimated project cost of £8.388m.
- 2.9 This application was considered on 26 June 2018, following which the Council has been advised that the HLF have awarded the project a first-round pass and the development grant of £427k to support the preparation of a second round application. This process is highly competitive and Cabinet are asked to note that only 4 out of the 37 first round applications were awarded a grant by the Board at this meeting.
- 2.10 HLF advise that the first-round pass means that they have assessed the project as having the potential to deliver high-quality outcomes and value for Lottery money. The first-round pass does not guarantee that the Council will receive a grant for the delivery phase as the second-round application will still be in competition for funding. However, the vast majority of projects receiving a first-round pass progress successfully through the second-round application process.
- 2.11 Conditions of the grant are contained within the award letter include in Appendix A and include a requirement to submit the second-round application by 2 July 2020.
- 2.12 Given the need to progress with the project, a meeting has already been held with HLF officers to agree next steps and the requisite forms submitted to seek 'Permission to Start' from the HLF. Cabinet are asked to note the action taken and to formally confirm agreement to accept the award of the development grant from the Heritage Lottery Fund and the associated grant conditions.
- 2.13 Funding for the development phase of the project includes a contribution of £200k from the Council's capital programme as the Council's match funding contribution to this phase of the project. Cabinet are asked to confirm their agreement to the allocation of these funds to the project.

3. Identification and Evaluation of Options

- 3.1 There are two Options available to Cabinet:

Option 1: To accept the award of the HLF grant and the allocation of funds from the capital programme. (This is the preferred option)

Option 2: To take no action.

- 3.2 Option 1 is the preferred option as this will allow the project to be progressed to support the restoration of the Maison Dieu and the wider regeneration of Dover.

4. Resource Implications

- 4.1 The Council has been awarded a grant of £427k from the HLF for the development phase of the project; DDC's £200k match funding will be allocated from the district regeneration and economic development reserve provision included in the current medium term financial plan.
- 4.2 Members should note that, if the second round bid is successful, the delivery phase of the project is estimated to cost £8.388m of which £4.272m will be funded by the HLF and £2.8m is funded from DDC's reserves, as allocated in the MTFP. Additionally £210k has been secured from project partners and there is an allowance for volunteer time of £461k. The success of the HLF bid is reliant on securing external funding to close the funding gap of £644k. As part of the development phase, work will be carried out to ensure the gap is closed.
- 4.3 In the original bid it was proposed to fund two posts; a Community Engagement Officer and a Project Officer. For the revised bid it was agreed that the Project Officer post could be covered by existing DDC resources and removed from the bid saving £182k. This could create an additional pressure on DDC's revenue budget if additional resources are needed for the project in the future.

5. Corporate Implications

- 5.1 Comment from the Section 151 Officer: Accountancy has been consulted and has no further comments to make.
- 5.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 5.3 Comment from the Equalities Officer: "This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010. <http://www.legislation.gov.uk/ukpga/2010/15> " (KM)

6. Appendices

- 6.1 Appendix A: HLF Grant Award Letter dated 3 July 2018.

7. Background Papers

- 7.1 None.

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3rd July 2018

Our Ref. HG-17-08407

Kate Pinnock
Dover District Council
Council Offices
White Cliffs Business Park
DOVER
Kent CT16 3PG

Dear Kate,

Dover's Maison Dieu: Reawakening a Gothic Fantasy

Congratulations, your application has now been assessed, and I am delighted to inform you that we have decided to award a first-round pass. I am also pleased to confirm that we will offer you a development grant of up to £427,400 00 (four hundred and twenty-seven thousand, four hundred pounds), 68% of the total eligible development work cost of £627,442.00 towards.

Approved Purposes

- The preparation of a second round application with all the required supporting documentation as detailed in the programme guidance

The percentage above is known as your 'grant percentage.' As your approved project costs include non-cash contributions and/or volunteer time, we have also calculated the percentage of cash that we will be contributing towards the project. We describe this as the 'payment percentage' and for your project this will be 68%. More information on this can be found within the 'Receiving a grant' guidance.

Part 1 of this letter sets out how we will work with you during the development phase of your project and what you need to do to develop your second-round application

Part 2 deals with the legal aspects of the development grant that we are offering. It refers to the standard terms of grant that you accepted when you completed the Declaration section of your online application.

Part 3 sets out the next steps

Part 1 – How we will work with you

What does a first-round pass mean?

A first-round pass means that we believe that your project has potential to deliver high-quality outcomes and value for Lottery money. Your application will have been in competition with other supportable projects, so a first-round pass is recognition that we value your proposals and want to have the opportunity to assess them in detail at the second round

A first-round pass does not guarantee that you will receive a grant. We receive more requests for grants than we can support, and your second-round application will still be in competition for funding. The total costs of your project may change during your development period, but if there is

any significant increase in your grant request at the second round this will have an impact on our judgement of the value for money your project offers

Your project's development phase

You will need to develop your project in line with the proposals set out in your application and the key points to be addressed during the development phase set out below. We will contact you shortly to arrange a start-up discussion for your development phase, when we will agree a timetable for progress reporting, grant payment requests and for your second-round submission. More information on this can be found within the 'Receiving a grant' guidance.

Your second-round application can be sent in as soon as you have completed your development work and we have signed off your completion report on the development grant. **The deadline for us receiving your second-round application is 2nd July 2020.** If we have not received your full second-round application by then, your first-round pass will have lapsed and you will need to start a new first-round application if you wish us to consider your project again.

Keeping in touch

The key points that need to be addressed in the working up of a second-round bid are all the required supporting documentation as detailed in the programme guidance and such other requirements as may be notified to you during the development phase.

During the development phase we will ask you to report on progress against these and on how you are doing in preparing the documents that you need for your second-round bid. This will help us to understand how well your plans are advancing and alert us to any issues affecting the timing of your second-round submission.

We will undertake a formal review of your progress when you have developed outline costs. This will usually be when your outline proposals are ready (RIBA work stage 2). Following this review, we will normally ask you to continue developing your project to the second round. Exceptionally, if your proposals have changed a lot, or your costs and grant request have increased significantly, and we consider they no longer represent value for money, we will ask our Board to consider your project again. If this is the case, we may reject your application at this point.

We will appoint a consultant to monitor your project and provide support in the following areas: project management monitoring of your development phase on our behalf.

We will let you know their name and contact details when appointed.

Please read the 'Receiving a grant' guidance. This forms part of the standard terms of grant for our development grant and requires you to

- obtain our permission to start your development phase,
- submit progress reports at a frequency agreed between us. As a minimum, you will normally submit a report with your 'Advance payment request form', if applicable,
- request your grant payments,
- provide a completion and evaluation report when you have finished the development work;
- procure goods, works and services in accordance with EC procurement regulations and the 'Receiving a grant' guidance.

The forms that you will need for requesting permission to start, requesting your grant and reporting your progress and completion should be **accessed and submitted via your online account**

(https://forms.hlf.org.uk/officeforms/HLF_Projects.ofml), in the same way that you supplied your application form.

Part 2 – The legal section

Grantee name and address:

Dover District Council
Council Offices
White Cliffs Business Park
DOVER
Kent
CT16 3PG

Project Reference Number: HG-17-08407

Development Grant

The attached Appendix sets out the approved costs to which the Heritage Lottery Fund (HLF) has agreed to contribute, along with the anticipated partnership funding

Please be aware that if you spend less on your development work than the approved development budget, we will reduce the final grant payable. Any reduction will be in proportion to HLF's grant contribution.

Standard terms of grant

We will pay you the grant subject to you complying with our standard terms of grant which formed part of your application, the additional grant conditions (if any) set out below, and with the conditions and requirements set out in 'Receiving a grant'

Additional grant conditions

In addition to our standard terms of grant, you must observe the following additional conditions in respect of the development work: None.

Grant expiry date

You must complete the development activities and documents by 30 April 2020

Duration of the terms of grant

The standard terms of grant and the additional grant conditions (if any) will last for two years from the date of this letter

The following documents define the development work for which the grant is offered

1. This letter
2. Your application dated 14 March 2018
3. Documents submitted by you in support of your application
 - The following correspondence:
 - Email Dated 16.4.18 from Kate Pinnock to Bridget Keegan
 - Email Dated 10.5.18 from Kate Pinnock to Bridget Keegan

Withdrawal of the grant

We may withdraw the grant if

- You have already started your development work before we have given you our permission to do so, in accordance with the standard terms of grant.
- You do not start the development work within 6 months of the date of this letter
- For capital projects only, your project does not pass the review at RIBA/LI stage C. If your project is rejected at this point, we will withdraw the remainder of the development grant

Part 3 – Next steps

You should read the following related documents:

- 'Receiving a grant' setting out our monitoring requirements – sent via email
- 'Standard terms of grant' – in hard copy with this letter and sent via email

Available online:

- 'How to acknowledge your grant' guidance online at <https://www.hlf.org.uk/running-your-project/acknowledging-your-grant/where-use-logo>
- 'Photography of HLF-funded projects. a guide for grantees' online at <https://www.hlf.org.uk/running-your-project/promoting-your-project>
- 'Promoting your project' online at <https://www.hlf.org.uk/running-your-project/promoting-your-project>
- 'Template press release' online at <https://www.hlf.org.uk/running-your-project/promoting-your-project>

Permission to start

We will only give you our permission to start the development phase when certain pre-conditions, defined in the 'Receiving a grant' guidance, have been satisfied. For us to pay your grant requests by bank transfer (BACS), we need to see a copy of a recent bank statement (within the last three months), or a cheque or a paying-in slip for the relevant account, showing the bank's name and address. You will need to submit this with your 'Permission to start' form.

Please note that your 'Permission to start' form will be released to your online account within 3 working days of this letter. Please contact your Grants Officer using the contact details below if you need to access the form any earlier than this.

Bridget Keegan
Senior Grants Officer

Publicity

It is important to publicise your award to local media so that lottery players know where their money has gone. However, you must keep your award confidential until we have discussed and agreed your publicity plans. We will publish the fact that you have been awarded a development grant on our website within 10 days of the grant being awarded. Your Grants Officer can assist you with queries about publicity and the media and an online template press release is available which you may find helpful to issue to media once your publicity plans have been agreed.

Please also contact your Grants Officer as soon as possible to agree the most appropriate location and nature of HLF acknowledgment for your development phase grant. You must make sure you include our logo on any information you produce about your development work, for example, on

public consultation or fundraising information or materials. You must also include our logo on all designs or plans you produce, on all specialist reports or surveys, and on all tender documents that are funded by our grant. Please refer to the 'How to acknowledge your grant' guidance which explains how to do this.

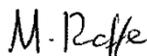
Join our Online Community

Did you know that we have an Online Community to connect people working on HLF-supported projects? It's a friendly and informal forum to ask and answer questions, share learning and network with other grantees and heritage professionals. You can find it on our website at <https://www.hlf.org.uk/community>. If you'd like to join in the discussions, simply log in with your existing HLF account username and password, or you can register a new account at www.hlf.org.uk/user/register. If you have any questions about the Online Community, please contact onlinecommunity@hlf.org.uk.

We wish you every success with your development phase, and look forward to receiving regular updates.

Please contact your Grants Officer if you have any queries arising from this letter.

Yours sincerely,



Michelle Roffe
Head of Heritage Lottery Fund, South East England

Appendix 1 – Approved project costs

a) Development Phase costs

Development costs

Cost Heading	Description	Cost £	Vat £	Total £
Professional Fees	Consultant team for stages C-D, Activity Plan Consultant & specialist surveys	579,192	0	579,192
Contingency	10% allowance for additional surveys	28,250	0	28,250
Other costs (development-phase)	Interpretation consultant	20,000	0	20,000
Total Costs		627,442	0	627,442

b) Development Phase income

Development income

Income Heading	Description	Secured	Total (£)
Local authority	Dover District Council Regen Fund	Yes	200,042
HLF Grant			427,400
Total Income			627,442

c) Delivery Phase costs

Capital costs

Cost Heading	Description	Cost £	Vat £	Total £
Repair and conservation work	Base build incl. prelims & OHP	4,522,000	0	4,522,000
Other capital work	Reinstatement of decorative schemes, asbestos removal, FF&E	485,000	0	485,000
Other costs (capital)	Additional specialist surveys	45,650	0	45,650
Professional fees relating to any of the above (capital)	Design Team RIBA stages E-L	727,948	0	727,948
Total Costs		5,780,598	0	5,780,598

Activity costs

Cost Heading	Description	Cost £	Vat £	Total £
New staff costs	Community Engagement Officer	130,000	0	130,000
Training for volunteers	See Appendix 3 (Activity Plan) Annex A for details	66,240	0	66,240
Travel and expenses for	As above.	7,900	0	7,900

Cost Heading	Description	Cost £	Vat £	Total £
volunteers				
Other costs (activity)	As above	42,640	0	42,640
Equipment and materials (activity)	As above	183,180	0	183,180
Professional fees relating to any of the above (activity)	As above	268,800	0	268,800
Total Costs		698,760	0	698,760

Other costs

Cost Heading	Description	Cost £	Vat £	Total £
Contingency	At 15% of build cost	678,000	0	678,000
Inflation	1st QTR 17 to 1st QTR 18 4.4% + 1st QTR 18 to 2nd QTR 2020 6 8% based on BCIS	769,255	0	769,255
Volunteer time	£150/day (average rate between professional and unskilled)	461,850	0	461,850
Total Costs		1,909,105	0	1,909,105

d) Delivery Phase income

Delivery income

Income Heading	Description	Secured	Total (£)
Local authority	DDC Regen Fund	Yes	2,800,058
Other public sector	Dover Town Council	Yes	200,000
Private donation - Trusts/Charities/Foundations	Dover Society	Yes	10,000
Other fundraising	See Funding Strategy at Appendix 5a	No	644,055
Volunteer time	See Appendix 3 (Activity Plan) Annex B	No	461,850
HLF Grant			4,272,500
Total Income			8,388,463