

The Paddock Information Collection – The most comprehensive source of information about Paddock

Network Homes and Paddock – a discussion paper (Bill Ridgeway)

Background

Brent Council considered an application (97/1409) from Network Homes to develop the Dollis Hill estate. Approval was given on 11 November 1997 (subject to conditions). Brent Council considered a further application (99/1457) which was required to discharge conditions set out in the initial application. Approval was given on 22 December 1999 with conditions set out in Schedule B.

The principle condition is *"The bunker shall be made publicly accessible for at least two days in any year on an annual basis for no less than 5 years in accordance with a management scheme and timetable to be submitted to, and approved in writing by the Local Authority by no later than 30th June each year. At the expiry of 5 years further details shall be submitted to and approved by the Local Planning Authority reviewing the access arrangements and recommending how the bunker be made available for public access."* The stated reason for this condition is *"To celebrate the history of this locally listed building and its site and ensure satisfactory public access"*.^[1] This shows clearly that Brent Council recognises that Paddock is historically important and that the public should have access.

In plain terms this conditions requires Network Homes to

- open Paddock for the public for at least 2 days a year *"for no less than [a minimum of] 5 years"*. This has given rise to the misunderstanding that Network Homes must open Paddock for the public twice a year for a period of ONLY 5 years
- submit to Brent Council by 30 June each year a management scheme and timetable
- submit (after 5 years) to Brent Council a review of access arrangements and a recommendation how the bunker will be made available for public access.

Schedule B does not include a 'sunset clause'. The condition for Paddock to be made publicly accessible is therefore open-ended. There is no provision authorising Brent Council to make an administrative decision to reverse its previous decision. It is therefore reasonable to assume a further formal Planning Application would be need to be approved to stop opening Paddock to the public. At the time of writing such an application has not been made. Such an application would need to convince Brent Council

- there is no continuing historical importance of Paddock (a locally listed building)
- the need to open Paddock to the public has changed significantly.

Network Homes

- announced in about April 2018 that all visits to Paddock will be stopped and the last Public open day was 22 September 2018.
- has a legal responsibility to respect and comply with the requirements of planning decisions of Brent Council
- does not have the legal authority to make a unilateral decision to stop opening Paddock to the public.
- may not have submitted to Brent Council details of a management scheme, a timetable, an access scheme or availability for public access. Whilst Paddock was open for public open days twice a year this was a theoretical issue rather than a practical issue. However Network Homes has stopped opening Paddock which has substantially changed the situation.

Network Homes expenditure maintaining Paddock for public and private open days

It may be suggested Network Homes expends too much on maintaining Paddock for public and private open days. It may also be suggested Network Homes expenditure should be limited to providing homes (although expenditure is required to maintain Paddock regardless of it being open for public and private open days). Expenditure on Paddock is an inherent consequence of accepting the conditions of the planning consent to develop the site (which Network Homes has accepted and complied with since 2002). Such suggestions (if they were made) are sterile and possibly NOT legally acceptable grounds for not opening Paddock to the public.

Network Homes estimated net expenditure on public and private open days at Paddock (>£2,106)

- is about half of the estimated monetised contribution-in-kind by SubBriters (£5,862)
- is a very small part of the total operating costs (expenditure) of Network Homes (£163,753,000) per year when the decision to stop visits was made in 2018).

Continuing public interest in Paddock

There were 34 public open days during the period 2002 to 2018 (17 years) on which there were an estimated total of 12,750 visitors (an average of 750 a year). In addition there were 9 private open days for members of English Heritage on which there were an estimated total of 900 visitors (an average of 100 a year). There were also private visits on which the number of visitors is not known. The estimated total number of visitors to Paddock on public and private open days over the 17 years was 13,650. In addition several hundred enquirers for a place on public tours had to be turned down because of insufficient capacity. There were 426 people on the waiting list for tickets for the September 2018 public open day and an estimated 30 people were turned away on the day. This indicates a potential demand for visits was double the capacity available. This demonstrates clearly the extent of interest in Paddock and the demand for continuing public access. It is hoped open days will be resumed – one day.

Table 1: Income and expenditure by Network Homes associated with making Paddock publicly accessible (best estimate)

Item	Notes	Public open days (2 a year) (£) ^[a]	Private open days (2 a year) (£) ^[a]
Checking and clearing excess water	Prior to public and private open days @ £100 each (twice a year)	200	200
Checking and replacing lamps (bulbs)	Prior to public and private open days @ £100 each (twice a year)	200	200
Checking and removing fly-tipped rubbish from entrance	Prior to public open days @ £100 each (twice a year)	200	...
Electricity for heating	A 250W heater to reduce condensation in electrical equipment is available as required 24/7	^[b]	^[b]
Electricity for lighting	40 (28w) lamps for 9.5 hours @ £0.20 / kWh (twice a year)	4	4
Electricity for pumps	Available as required 24/7	^[b]	^[b]
Hire of Paddock for filming	(not known and no basis for estimation)	...	?
Hire of portable toilets	2 units @ £50 each (September public open days only)	100	...
Insurance (Public Liability)	(not known and no basis for estimation)	?	?
Maintenance	(not known and no basis for estimation)	^[b]	^[b]
Refreshments for Subscribers	20 people ^[2] @ £3 each (twice a year)	120	...
Staff costs – physical arrangements	20 hours @ £10.85 (twice a year)	434	...
	10 hours @ £10.85 (twice a year)	...	217
Staff costs – taking bookings	90 hours @ £10.85 (May / June public open days only)	977	...
	Done by a volunteer (September public open days only)	...	...
Gross expenditure		2,235	621
Gross Income		0	750
Net income		...	129
Net expenditure		2,235	...
Net expenditure by Network Homes		2,106	

^[a] Hourly rates are London Minimum Wage effective from 9 November 2020

^[b] This would be required even if Paddock was not open for public and private open days

Table 2: Monetised contribution-in-kind by SubBriters (best estimate)

Item	Notes	Public open days (2 a year) (£) ^[a]	Private open days (2 a year) (£) ^[a]
Taking bookings	Done by Network Homes (May / June public open days only)	...	...
	120 hours ^[3] @ £10.85 (September public open days only)	1,302	...
Organising Guides and Marshalls	10 hours @ £10.85 (twice a year)	217	...
	7 hours @ £10.85 (twice a year)	...	152
Travel costs (Guides and Marshalls)	20 people ^[2] @ £10 (twice a year)	400	...
	5 people @ £10 (twice a year)	...	100
Travel time (Guides and Marshalls)	20 people ^[2] for 2 hours @ £10.85 (twice a year)	868	...
	5 people for 2 hours @ £10.85 (twice a year)	...	217
Time (Guides and Marshalls)	20 people ^[2] for 9.5 hours @ £10.85 (twice a year)	4,123	...
	5 people for 6.5 hours @ £10.85 (twice a year)	...	579
Total		6,910	1,048
Contribution-in-kind (estimated) by SubBriters		5,862	

^[a] Hourly rates are London Minimum Wage effective from 9 November 2020

To give some perspective it is interesting to note the comparison between income and expenditure associated with public and private open days by Network Homes (estimated) and financial performance of Network Homes (actual).

Table 3: Financial performance indicators of Network Homes (actual) ^[4]

	2020	2019	2018
Turnover (income)	£205.7m	£275.0m	£234.4m
Operating surplus (profit)	£53.1m	£97.1m	£70.7m
Operating costs (expenditure)	£152.6m	£178.0	£163.8m

Appendix A – Schedule B to Grant of planning permission 99/1457 from Brent Council

SCHEDULE "B"

Application No:99/1457

1. The bunker shall be made publicly accessible for at least two days in any year on an annual basis for no less than 5 years in accordance with a management scheme and timetable to be submitted to, and approved in writing by the Local Planning Authority by no later than 30th June each year. At the expiry of 5 years further details shall be submitted to and approved by the Local Planning Authority reviewing the access arrangements and recommending how the bunker be made available for public access.

Reason:

To celebrate the history of this locally listed building and its site and ensure satisfactory public access.

2. The proposed information plaque shall be located in and visible from a publicly accessible place.

Reason:

To celebrate the history of this locally listed building and its site to the general public.

INFORMATIVES

Appendix B – Network Homes Annual Report and Statements for the year ended 31 March 2020

Report of the Board

Financial Review

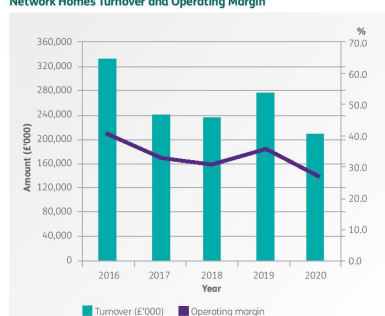
The Group achieved a net surplus of £21,122k (2019: £72,016k) for the year. Surplus has decreased by 70.7% and the major reason for this is the sale of student accommodation in Student First, a subsidiary of Network Homes in the last financial year.

The surplus on property sales was £12,820k (2019: £49,070k). All proceeds from property sales are reported under turnover and the costs to build under cost of sales.

Operating margin reduced by 9.4% from 35.3% in 2019 to 25.8% in 2020, mainly attributable to the decrease in property sales income.

The trend in turnover and operating margin over the last five financial years is shown by the graph to the right:

Network Homes Turnover and Operating Margin



The tables below show a summary of our consolidated financial performance and position over the last five financial years:

Consolidated Statement of Comprehensive Income summaries

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Turnover	205,654	275,053	234,433	241,897	329,695
Operating costs	(152,552)	(177,951)	(163,753)	(163,771)	(197,582)
Operating surplus	53,102	97,102	70,680	78,126	132,113
Share of joint venture profit/(loss)	-	347	(157)	-	-
Net interest payable	(32,043)	(25,430)	(26,050)	(25,796)	(29,139)
Restructuring of financial instruments	94	90	87	8,720	52,356
Tax	(31)	(93)	(234)	(9,228)	(7)
Surplus for the year	21,122	72,016	44,326	51,822	155,323

Report of the Board

	Social housing activity	Other social housing activity	Total social housing activity	Non-social housing activity	Total 2020
Turnover (£k)	145,507	45,977	191,484	14,170	205,654
Surplus (£k)	32,254	15,109	47,363	5,739	53,102
Operating margins (%)	22.2	32.9	24.7	40.5	25.8

	Social housing activity	Other social housing activity	Total social housing activity	Non-social housing activity	Total 2019
Turnover (£k)	149,312	41,992	191,304	83,749	275,053
Surplus (£k)	42,707	14,086	56,793	40,309	97,102
Operating margins (%)	28.6	33.5	29.7	48.1	35.3

Total turnover reduced by £69,399k to £205,654k. Total operating surplus reduced by £44,000k to £53,102k. There was a large increase in operating surplus in 2019 which was mainly a result of the sale of the student accommodation in Student First, which was a one-off sale.

The net surplus of £21,122k (2019: £72,016k) comprises of operating surplus of £53,102k (2019: £97,102k), plus net impact of restructuring financial instruments of £94k (2019: £90k) less interest charges of £32,043k (2019: £25,340k) and corporation tax of £31k (2019: £93k).

The margins on social housing activity reduced from 28.6% to 22.2%. The reason for this drop is a drop in turnover in the

2019-20 financial year of £4,500k which was grant income received for fire safety works. Costs increased by £8,500k being works done on building safety as well as extra depreciation as a result of investment in our IT infrastructure. Other social housing activity margins reduced from 33.5% to 32.9% and non-social housing activity margins decreased from 48.1% to 40.5%.

Surplus on all sales reduced from

£51,935k in 2019 to £13,003k in 2020.

The main reason for such a big drop was

the sale of the student accommodation in

2019 which accounted for £35,587k of the

£36,932k drop.

Note

This discussion paper is written independently of Subterranea Britannica and Network Homes.

Source

¹ Brent Council; Grant of Planning application 99/1457

² Nick Catford; *“The number of SubBriters is a theoretical minimum required. At any one time there was a need to provide SubBriters for tours at 30 minute intervals when there were three tour groups of visitors (one entering, one on a tour and one exiting), meet-and-greet and spare SubBriters resting and talking to visitors. There were usually more than this number in attendance (some for only part of the public open day).”*

³ Maria Michael

⁴ Network Homes Annual Report and Statements for the year ended 31 March 2020

More information from *The Paddock Information Collection* is available at www.bunkers.org.uk/paddock.htm