

Broomfield House Restoration
Case for Combining Phase I and Phase II

1. Phase I

To provide a weather tight envelope for the building with the inclusion of a cafe area within the House.

(a)	Cost Estimate (see Note 1)	£
	Building work	1,600,000
	Fees @ 17.5%	280,000
	VAT (see Note 2)	329,000
	Archaeology	25,000
		2,234,000
(b)	Funded By	
	HLF Grant	1,000,000
	London Borough of Enfield	1,000,000
	Hadley Trust	200,000
	English Heritage, say	50,000
		2,250,000
(c)	Income Projection (See Note 3)	
	From cafe concession, including cost recharge of 6% of turnover	26,000
(d)	Expenditure (See Note 4)	
	Repairs, maintenance, health & safety, officer's time	40,000
	Security	20,000
	Maintenance of immediate environs	5,000
		65,000
	Deficit - unacceptable	39,000

2. Phase II

To provide an annexe/function room and car parking

(a)	Cost Estimate (see Note 1)	£
	Building work	690,000
	Fees @ 17.5%	120,000
		810,000
	New build - no VAT	
(b)	Funded By	
	Not yet considered	
(c)	Income Projection (See Note 3)	103,000
(d)	Expenditure (See Note 4)	

Additional on staff, maintenance etc	40,000
Surplus	63,000

3. Phase I and Phase II Combined

(a) Capital cost	3,044,000
(b) Possible Funding	
HLF Grant (49%)	1,500,000
London Borough of Enfield	1,000,000
Hadley Trust	200,000
English Heritage	50,000
Architectural Heritage Fund Loan (See Note 5)	294,000
	3,044,000
(c) Combined net surplus	24,000

4. Main Points

- (a) Phase I stand-alone will produce an unacceptable annual deficit. Although the expenditure figures are not reliable, any revisions are bound to still result in a deficit; this would continue for some considerable time before Phase II could be completed to redress the situation.
- (b) Phase II stand-alone will not be eligible for any HLF grant aid and yet is essential to provide the additional net income needed to cover the deficit of Phase I.
- (c) By combining Phase I and Phase II a viable business plan can be implemented and the Trust, or alternative body, managing the House will have an annual surplus, a positive cash flow and the confidence to plan for Phase III - the restoration of the rest of the House including the Lanscroom mural and the balustrade.
- (d) Keeping Phase II separate will result in a long but indeterminate period between the completion of Phase I and the possible start of Phase II, and is bound to increase the cost of Phase II.
- (e) The PPG application stated that grant aid of £1.5M would be requested from HLF; this should enable the two Phases to be combined - see 3(b)
- (f) There appears to be no maintainable justification for separating Phase II from Phase I.

NOTES

1. All cost estimates are November 2004 figures provided by Bucknall Austin.
2. Some elements of Phase I work may be non-vatable but VAT has been provided on the total costs.
3. Income projections are the "Realistic" estimates provided by Turpin Smale (?) in June 2002.
4. Expenditure figures are from the "Options" schedule.
5. All the above estimates need to be revised and re-examined, especially the expenditure sums.
6. An AHF loan has to be guaranteed, maximum £500K, repayable after 2 years, with an interest rate of 4%.