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Moretonhampstead Library

Supplementary Report

For Moretonhampstead Development Trust

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From Locality
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Executive Summary

Moretonhampstead Development Trust (MDT) have received grant funding for a Pre-Feasibility Study to explore the potential for community asset transfer of the Moretonhampstead Library building and bring the currently disused 2nd and 3rd floors of the building back into use as rented office accommodation, and possible hack maker space, and to re-imagine the library as a community knowledge hub. Locality (the leading nationwide network for community-led organisations) was contracted by MDT to deliver the study.

The pre-feasibility study established that there was insufficiently clear evidence of demand for office space to recommend this as a sustainable route to ensure the future of the library service or the Grade II listed library building. Even at full market office rental rates, there would be insufficient income to manage and maintain the building.

As a consequence, the study examined a number of other usage options for the building and scenarios for the future of the library services in Moretonhampstead. The conversion of either the whole or part of library building to affordable residential letting (subject to planning permission and lifting of a covenant), appeared to potentially offer a way forward.

Locality was able to prevail upon the various contributors to the pre-feasibility study report, to explore this option further, to establish if there was a prima facie business case. The findings are presented in this Supplementary Report.

From the evidence of Housing Needs Surveys in Moretonhampstead in 2010 and 2013, and also from comments from the Devon Rural Housing Enabler and Devon Home Choice; there would appear to be steady and consistent demand for around 13 one and two bedroom accommodation in the town. If the Bowring Library building were to be converted to residential use, then conversion to 2 bedroom flats at an affordable rent of around £500 - 531 p.c.m. would seem best placed to answer local demand.

The Condition Survey conducted as part of the previous pre-feasibility study established that there is considerable capital expenditure of c. £96,000 needed to restore the fabric of the Grade II listed building within the next 5 years. £63,000 of that is needed immediately. In addition to the short term repairs within 5 years, there would naturally be on-going maintenance liabilities.

Locality were able to obtain outline designs and costings for conversion of the Bowring Library to residential accommodation from Parkes Lees Architects Ltd (Launceston), forming part of the tasks identified in Stage 1 of the RIBA Plan of Work (2013), Preparation & Brief. Press & Starkey Chartered Quantity Surveyors were similarly able to provide costings for conversion.

In drawing the initial financial modelling together the following information has been drawn upon:

- i. Parkes Lees Architects report dated 13th March 2015.
- ii. RH Survey and Design report dated 19th February 2015.
- iii. Reports on office accommodation needs and costs in Moretonhampstead. Other sources of information are cited in the text.

Tables of financial data have been developed (shown as annexes) which show that the best scenarios for producing any return, albeit small, are:

a) Option 1: Conversion of all floors to residential and moving the library to the Greenhill Centre; attracting c. £150,000 in grant or other contributions to reduce the loan component down; letting flats at affordable rents at 85% of market value; with MDT absorbing the service charge. This scenario produces a small surplus of £1,112 p.a.

b) Option 2: Conversion of the upper two storeys to residential and leaving the library and reading room on the ground floor; attracting c. £150,000 in grant or other contributions to reduce the loan component down; letting flats at affordable rents at 85% of market value, with MDT absorbing the service charge on the flats; letting the ground floor to library services at rates commensurate with office use, and charging 50% of the service charge for the whole building. This scenario produces a small surplus of £1,968 p.a.

Those scenarios are predicated on some assumptions which currently contain a number of uncertainties. Further work will be needed to explore these aspects, and see if the overall viability can be improved to deliver a better return to the Development Trust.

The findings of this supplementary report has implications for Devon County Council as the current owners of the building, and also for the new Library Services body, should ownership be transferred to them. Both will need to be aware that the building will need significant levels of immediate investment to repair the fabric of the Grade II listed building and prevent further decay, with further sums for regular maintenance to prevent future problems. As the new library services will undoubtedly have a focus on reducing costs where possible, it is assumed that they would be reluctant to take on such a long term liability.

It is possible that the new Library Services body would view the transferring of the library function to the Greenhill Centre, with known rental and other costs, within a newly renovated building, and with potential to extend opening hours through joint staffing etc, as an attractive proposition. From MDT's perspective, this would bring extra revenue income and footfall to the Greenhill Centre. This could then leave Devon County Council with an empty building, for which there would be no viable future use, and unlikely to attract any interest from the market. If this is the case, the Development Trust is possibly the only body able to give the building a viable future.

The recommendation of this report is for further investigation to be carried out to see if the viability can be improved. The current availability of Community Buildings Pre-Feasibility Grant - http://mycommunity.org.uk/programme/community-buildings-housing/?_a=funding , offers a route to carry out further examination at no cost to the Development Trust. Suggested elements to be included in this work are put forward.

Section 1 Background

1.1 Introduction to the Supplementary Report

- 1.1 Moretonhampstead Development Trust (MDT) received grant funding for a Pre-Feasibility Study to explore the potential for community asset transfer of the Moretonhampstead Library building and bring the currently disused 2nd and 3rd floors of the building back into use as rented office accommodation, and possible hack maker space, and to re-imagine the library as a community knowledge hub. Locality (the leading nationwide network for community-led organisations) was contracted by MDT to deliver the study.
- 1.2 Locality commissioned Parkes Lees Architects Ltd to provide professional level outline designs and QS costings (forming part of the tasks identified in Stage 1 of the RIBA Plan of Work (2013) to be used to inform outline business planning exercises as part of the funded pre-feasibility work. Rob Holman, Chartered Surveyor (RH Survey & Design), was also commissioned to provide a Structural Condition Survey of the building with costings for prioritised remedial works require over the next five years. Dave Chapman (Triformis Ltd) was commissioned to provide capital and revenue budget forecasts, based on the above studies, together with demand evidence for office accommodation provided by Locality, and analysis of demand for hack maker spaces and the survey conducted by MDT.
- 1.3 The pre-feasibility study established that there was insufficiently clear evidence of demand for office space to recommend this as a sustainable route to ensure the future of the library service or the Grade II listed library building. Even at full market office rental rates, there would be insufficient income to manage and maintain the building.
- 1.4 The study examined a number of other usage options for the building and scenarios for the future of the library services in Moretonhampstead. The conversion of the entire library building to affordable residential letting (subject to planning permission and lifting of a covenant), and re-location of the library function to the Greenhill Arts Centre, appeared to potentially offer a high number of various ‘wins’ in several areas. These included:
- maximising the income stream from the library building to support the long term maintenance
 - potentially give some support to library services, perhaps increasing opening hours through additional volunteer support, whilst increasing footfall and viability to the Greenhill Arts Centre itself
 - give the new Library mutual body a modernised leasehold library space secure, with a secure, known, annual leasehold expenditure, without problems of taking on the long term maintenance issues associated with Grade II listed building
 - give some additional revenue income from lease of space to the library to help support the Greenhill Centre
 - provide affordable rented accommodation to local people

- secure the future of a Grade II listed local landmark building in the centre of the town

It is was therefore recommended that this option be explored further.

- 1.5 Locality was able to prevail upon the various contributors to the pre-feasibility study report, to explore this option further, to establish if there was a prima facie business case. The findings are presented in this Supplementary Report.
- 1.6 At some points in this report, reference may be made to the Pre-feasibility Study report, and it is recommended that it is read in conjunction with that report. However some parts, not related to office use, have been reproduced here also, to improve readability.

1.2 Moretonhampstead Library

- 1.2.1 The building was conveyed to the town by Sir Thomas Bowring who wanted the town to have a free library. It opened in 1902 with a library & public reading room on the ground floor; a very popular billiards' hall & meeting room where the Parish Council met for many years on the 2nd floor; & a caretaker resided on the top floor. A covenant on the property states that it should be retained as a library in perpetuity, although there is potential for this to be overturned, or for indemnity insurance to be taken out in case of legal challenge.
- 1.2.2 Unfortunately no endowment was left to sustain the building & a library service. The Parish Council handed the building & the library service over to DCC ownership in 1962 as they did not feel that they could cope with its upkeep & the updating of the book stock.
- 1.2.3 The building's Grade II listed status (given by English Heritage in 1992 - List entry Number: 1240244) includes internal and external details.
(see <http://list.historicengland.org.uk/resultsingle.aspx?uid=1240244>)
- 1.2.4 In recent years the rooms on the upper two floors were rented out & another used for evening classes. But the Development Trust & the other main tenant, the Duke of Edinburgh Service, have now moved to the Green Hill Arts Centre & currently only one top floor room is let & the rest are empty. The library is currently open for 6 hours a week & some evening classes & a sewing group take place there. 7 book clubs use the library. A computer suite is located in the back room of the ground floor. A floor plan of the current layout can be found in Appendix A.

1.3 The Future of Library Services

- 1.3.1 Devon County Council (DCC) has reduced the library services budget by £3 million (30%) over the past three years to 2013, and is looking to make an additional £1.5 million savings by April 2016. DCC put forward seven proposals which could deliver the required savings; provide a good spread of locations across Devon where high-quality and modern library services would be integrated with other complementary services; and encourage communities to maximise the use and impact of their local

library in the future. These were proposals were consulted upon resulting in a report to DCC Cabinet October 2014.

- 1.3.2 This has resulted in plans to establish a new community-owned 'mutual' as an independent organisation, which would be commissioned by Devon County Council to run the library service on its behalf. The new organisation is intended to have greater flexibility and give the library service freedom to secure additional funding and income, as well as offering communities the opportunity for far greater involvement in how their local libraries are run.
- 1.3.3 Moretonhampstead Development Trust has been accepted as one of 10 pilot communities across Devon, to put together plans for the running of the library service in partnership with the new body. The pilots will allow the new organisation to design its operations to work more effectively with communities in future. In addition, specific new ways of working are being tested which may be rolled out in other locations in order to improve the efficiency and effectiveness of the service, such as ways to save money, raise income, increase access or reach new customers. As such, the pilot communities will be engaged as advocates for the service and potential members of a new mutual.
- 1.3.4 DCC sees an important aspect of the independent organisation is its ability to access new opportunities for income generation and to become sustainable through growth. This includes developing the role of libraries as centres of enterprise, business support and skills development. It also see that this could potentially be delivered in partnership with other organisations.
- 1.3.5 DCC library assets

A DCC cabinet paper (March 2015) notes that Devon Libraries operates from 51 buildings and 5 mobile libraries. The Council's Estates Strategy focuses on reducing costs and future liabilities by releasing capital assets as appropriate. Negotiations will need to take place between the Council and the new independent organisation, as any move from corporate buildings will have an impact on the Council's Estates Strategy.
- 1.3.6 DCC's library buildings stock are either freehold or leased from third parties. At present, it is proposed that the Council will seek to transfer lease responsibility to the new organisation. It is intended that freehold buildings (such as the Bowring Library) will be subject to a full repairing lease from the Council to the new organisation. A maintenance budget will be transferred to the new organisation. However, DCC notes that the adequacy of this budget has not yet been tested in the context of the Authorities overall reducing maintenance budget and relative priorities across the whole estate. The current condition of the Bowring Library and immediate and on-going maintenance costs are relevant in this regard.

1.4 Hack Maker Spaces

- 1.4.1. A Hack Maker Space is a community-operated workspace where people with common interests, often in computers, machining, technology, science, digital art or electronic art, can meet, socialize and collaborate (see <http://en.wikipedia.org/wiki/Hackerspace>). Hackerspaces can be viewed as open community labs incorporating elements of machine shops, workshops and/or studios where hackers can come together to share resources and knowledge to build and make things. They are often physically located in infoshops, social or adult education centres, public schools, public libraries or on university campuses.
- 1.4.2 Under the Common Libraries initiative supported by Arts Council England (<http://commonlibraries.cc/about/>), these spaces are seen as one way of transforming traditional libraries from places of stored received knowledge, to platforms that generate knowledge from local sources, and making that available to audiences potentially across the world through digital networks. This goes beyond merely co-locating multi-media publishing or maker spaces within libraries, but looks to integrate related activities and outputs into the functioning of the library and, with that, grow the common pool of knowledge and know-how it offers. The overall intention is to revitalise the public library ethos and render library services more relevant and sustainable in their appeal to broad-ranging audiences. Some examples of hack maker spaces can be found at <http://commonlibraries.cc/category/library-hack-maker-space/>
- 1.4.3 A survey of the community of Moretonhampstead with regard to the library services and other provision that they would wish to see delivered in the future has taken place. The survey questionnaire was designed collaboratively with the Friends of the Library group with input from the local professional librarians and Devon Libraries, and co-ordinated by the Development Trust. The survey questionnaire (see Appendix B) includes questions around the demand for activities that would fall into the provision of a hack maker space.
- 1.4.4 The survey for the purposes of this study closed on April 11th.
- Of the 131 individual, couple or family responses received, a definite interest was expressed in having access to space set aside in the library for Arts & crafts raw materials (36%); Machine sewing, costumes, textile design (32%); Digital design, cutting, routing, 3D printing (39%); and self publishing facilities (22%).
 - Interest was also expressed in having expert tuition on: Guitar, ukelele, “all of the above” [in reference to the survey questions], Ipad use, creative writing, outdoor learning, IT, photography and film making\editing (this was a popular response), Greek, Spanish, French, creating websites, language and sign language, Skype for the elderly, a coding or Scratch club for children.

These (along with responses to other survey questions are shown in the table below:

- Of the 8 organisations that have responded, interest was similarly expressed in: Arts & crafts raw materials (3/8); Machine sewing, costumes, textile design (3/8); Digital design, cutting, routing, 3D printing (3/8); self publishing facilities (2/8); Animation, film making (3/8); Coding, Raspberry Pi club (2/8); Audio studio equipment (2/8). These responses are detailed in the table below:

- 1.4.5 The results from the survey seem to indicate support for a Hack Maker Space for a variety of activities. Some of these activities, such as arts & crafts and textile design, would fit well alongside other arts activities and studios within the Greenhill Arts Centre, with additional opportunities for co-locating other activities (a computer coding club, animation and/or film making, audio studio equipment etc) with youth activities in the Centre.
- 1.4.6 Further analysis of the data once all responses have been received will be needed to quantify the extent of the interest in these, and other, activities. A further consultation with respondents who expressed interest will be needed clarify exact space and equipment requirements, but one could imagine a space requirement (at least) equivalent to the Reading Room within the current library building. However, whether this is space allocated 24/7 to hack maker activities, or whether there is scope for space sharing with other users and activities needs to be further investigated. A usual model for Hack maker spaces is for them to be hired out on a sessional basis, and the consultation would also need to assess the charging structure. It is recommended that a Hack Maker Space working party is formed of interested stakeholders to work through these issues.

Section 2 Assessment of the Demand for Affordable Residential Accommodation

2.1 Demand for Affordable Residential Accommodation

- 2.1.1 In assessing the demand for affordable residential accommodation, reference was made to a housing need survey conducted in 2010 and an update survey conducted in 2013. Telephone conversations were also held with the Devon Rural Housing Enabler at Devon Communities Together, and also with Devon Home Choice at Teignbridge District Council.
- 2.1.2 Telephone interviews were also held with local estate agents Sawdye & Harris Estate Agents in Moretonhampstead itself, and Fowlers Estate Agents in nearby Chagford to assess demand.

2.2 Housing Needs Survey 2010

- 2.2.1 A Housing Needs survey was carried out in 2010, which highlighted an immediate need for eight affordable homes with an additional need for nine homes within the next five years. The total need was for nine rented and eight intermediate homes (17) over the next 5 years.
- 2.2.2 The Bramley guidance on assessing housing need suggests that housing needs surveys can remain reliable evidence for 5-7 years. The 2010 survey is therefore within that range. However given the changes in the economy since that date and the need to be clear about current need, Teignbridge District Council decided that an update of the housing need should be carried out.

2.3 Housing Needs survey 2013 update

2.3.1 A follow up assessment was carried out in 2013 which re-surveyed those who had highlighted need in the 2010 survey. The number of affordable homes required at that point was down to 13, but of those, 7 were for one bedroom homes, and 2 were for 2 bedroom homes.

2.3.2 The full breakdown is shown in the table below:

Type of property	Affordable rent	Shared ownership
1 bedroom property for single people/couples (possibly 2 bed for shared owners)	7	0
2 bedroom house for families	1	1
3 bedroom house for families	4	0

2.3.3 It was recognised that the 2013 assessment was not a full community survey, and therefore may be an underestimation of the need.

2.3.4 A telephone conversation with Janice Alexander, Rural Housing Enabler at Devon Communities Together revealed that in general, demand for affordable housing in any rural community stays fairly consistent, survey to survey, as people move in and out of the area. One or two bedroom affordable properties are always needed as housing associations tend not to find them viable to build from new. Conversion of an existing building is thought to be a good way to get around that issue. Across Devon, it has been found that over 60% of affordable rented housing need has been for one bedroom properties.

2.4 Devon Home Choice

2.4.1 Council and Housing Association homes available to rent are advertised through Devon Home Choice (DHC). Once registered with DHC applicants can find information on available homes and bid for homes of interest. In the Parish of Moretonhampstead any new affordable accommodation will be subject to a local connection clause for “bidders” (those who put their name forward to be considered for vacant properties).

2.4.2 A telephone conversation with Graham Davey CIHM, Housing Enabling Manager at Teignbridge District Council highlighted that their most recent information was that there was still demand for 13 affordable homes. Of these, 5 require a minimum of single bed accommodation, and 8 require a minimum of two bed accommodation. In general Mr Davey felt that there is always demand for 2 bed accommodation if it is the within affordable rents bracket.

2.4.3 An age break down of the above demand reveals the following:

5 x 1 beds: Ages 35,76,80,80 and 99

i.e. the need is predominately from applicants over 70 (three of these are already

in social housing)

7 x 2 beds: Ages, 20,29,30,35,43,52 and 65.
i.e. the need is predominately from 20-40 year olds

2.5 Commercial Residential Letting

2.5.1 Sawdye & Harris Estate Agents (Moretonhampstead office) - phone call

Their view was that there was very little in the way of 1 bedroom accommodation in Moretonhampstead. The last freehold one bed apartment (ground floor, no parking & no garden) was in Court St in 2013, took a long time to sell. They thought it would attract first-time buyers, but it didn't. It was eventually sold to someone looking for somewhere for their elderly mother. It sold for £123,000 (2013).

2.5.2 Most people looking for 2 bed accommodation on the commercial market are apparently looking for accommodation with parking and garden, although it was acknowledged that there is little available with parking in Moretonhampstead.

2.5.3 It was felt there could be demand for apartments for elderly persons (possibly part wardened). It was possible they might still want some sort of garden/sitting out area.

2.5.4 Examples were given of rents for 1-2 bed in Moretonhampstead as follows:

Sawyer Walk - 1 bed houses - garage downstairs, living accommodation upstairs
£475 pcm

Sawyer walk - 2 bed £500 - £675 also in Sawyer Walk

2.5.6 Fowlers Estate Agents, Chagford - phone call

Fowlers felt there was reasonable demand for 1-2 bed flats to let, with an emphasis on 2 bedroom. It was felt the demand was mostly from people in their early 20s to mid 40s. They cited local demand for accommodation from staff working at Gidleigh Park and Bovey Castle Hotels.

2.5.7 Example letting prices quoted were:

3 bed £800pcm

2 bed £500-600 pcm

1 bed (flat with poor access through back of a shop) £475 pcm

2.6 Housing Needs Survey - Affordable Market Rents

2.6.1 The Housing Needs Survey 2013 update also provided information about rental levels that were considered 'affordable'. It found that information about actual market rents currently charged is very limited. Figures for locally advertised rents that were available were used to assess affordability and are set out below in Table 1.

Table 1 Rents and Property prices

	Weekly Rent	Sale price
1 Bed	£117.69	£142,500
2 Bed	£144.23	£164,000
3 Bed	£177.11	£200,000

2.7 Conclusion

2.7.1 From the evidence of Housing Needs Surveys in Moretonhampstead in 2010 and 2013, and also from comments from the Devon Rural Housing Enabler and Devon Home Choice; there would appear to be steady and consistent demand for around 13 one and two bedroom accommodation in the town.

2.7.2 In general, the indication is that two bedroom accommodation is always sought after provided they are available at affordable rents.

This would appear to be in the order of c £475 p.c.m. for one bed accommodation, and £600 p.c.m. for two bed accommodation.

2.7.3 While the evidence demand from local estate agents seemed rather contradictory, the information from Fowlers in Chagford chimes in with findings from Devon Home Choice, and confirms a need for 2 bed accommodation for 20-40 year old age brackets.

2.7.4 There would appear to be a dearth of 2 bed accommodation available to rent at affordable rents, as Housing Associations do not find it economical to build at that size. Conversion of an existing building was seen to be a good way of meeting this demand.

2.7.5 If the Bowring Library building were to be converted to residential use, then conversion to 2 bedroom flats at an affordable rent of around £500-531 p.c.m. would seem best placed to answer local demand.

Section 3 Condition Survey - Remedial works and costs

3.1 The Condition Survey

3.1.1 A full structural condition survey was undertaken by RH Survey & Design; a chartered Surveyor based in Exeter.

The full survey report is attached as a .pdf in Appendix C.

3.1.2 The summary of the report is reproduced below in 3.2 and the costings for remedial works needed over the next 5 years are in 3.3. This is not intended as a substitute for the reading of the detail contained in the whole report. It should be noted that the survey was not able to access all parts of the building's structure, particularly parts of the roof, and so the findings, and costings are based solely on those parts that were reasonably accessible.

3.2 Summary of the report

- 3.2.1 This summary is intended to be an outline guide only of the full content of this report. It is essential that you read the body of the report in detail.
- 3.2.2 The structure appears generally stable with little sign of any significant structural movement that requires any intervention to stabilise, some historic movement is evident to internal partitioning and the southern “pebbledash treated wall”.
- 3.2.3 The main focus of disrepair is the lack of regular and routine maintenance to the rainwater goods, now causing severe wetting of the external fabric in concentrated areas causing saturation of the walling and timberwork components in localised spots, particularly on the southern elevation and also evident of the upper levels with vegetation allowed to take a hold and now likely to allow water ingress into the structural envelope as a result of root penetration opening up masonry joints.
- 3.2.4 Some hidden blocking of rainwater downpipes and outlets may also be present over and above those that are detailed in the report. Where blocked surcharging of the lead gutter systems can then be created allowing rainwater to circumvent the drainage systems and weathering’s.
- 3.2.5 Other areas of poor pointing to the masonry along with larger holes in the external wall faces also are likely to allow water entry into the fabric.
- 3.2.6 External redecoration particularly at high level is in need of renewal along with prior to painting timber repairs although wholesale renewal is not considered at this time.
- 3.2.7 Internal disrepair relates in the main to the issue of historic and ongoing water ingress, particularly from the second floor level descending to the lower floors, this relate to older roof issues and wall disrepair along with current rainwater management faults.
- 3.2.8 Internal plaster and finishing repair along with isolated timber decay is identified and requires remedial repairs. Wholesale internal redecoration is needed although the ground floor area is in better overall presentation.
- 3.2.9 Further refurbishment of electrical systems and alarms along with a review of the energy efficiency of the heating system is requiring attention.
- 3.2.10 Further minor points of repair are recommended as per the main body of the report.

3.3 Schedule of recommended repairs, estimated costs and priority ratings

- 3.3.1 The following table lists the most important building defects noted in our report with suggested budget provisions and priorities for repair. The figures for the work set out below must at this stage be considered as approximate, and for rough guidance only. We have assessed the estimates on the basis of the prices we consider the repairs/alterations/renovations, etc. are likely to cost, if tendered in totality by contractors appropriate to the project and its location. However, tender figures often vary widely, and can be affected by such factors as the general state of the building industry in a given area, and external influences, which can inflate these tenders. It is not uncommon for tenders to vary by 50% - 60% and sometimes more.

3.3.2 If you require a more detailed cost appraisal, a quantity surveyor should carry this out, or specification should be prepared and tenders sought. These estimates do not include for improvements, contingencies or unforeseen items that are not included in this report. Emboldened text in our report refers to repair items scheduled below. We are not able to provide priority or cost advice for works thought likely to be required beyond priority C (5 years).

3.3.3 The figures below are exclusive of VAT, professional fees, Local Authority or other fees.

The priorities are intended to give guidance on the time scale for repairs in order to protect the structure, prevent serious deterioration, and maintain investment potential.

Priority A - Works to be executed within 1 year

Priority B - Works to be executed within 2 years

Priority C - Works to be executed within 5 years

SCHEDULE OF REPAIRS

Item	Recommend Repair	Estimated Costs (£)		
		A	B	C
4.1	Roof check with outlet clearance	2000.00		
4.1	Rainwater goods replacement	2000.00		
4.2	Chimney overhaul	1500.00		
4.5	Dormer redecoration and timber repairs	3000.00		3000.00
4.5	Dormer roof renewals		3000.00	
4.5	Remove high level vegetation and repointing to gables and eastern wall	5000.00		
4.6	Cornice repointing and water trap sealing	3000.00		
4.6	Reseal window sills on southern elevation	1500.00		
4.7	External joinery repair and redecoration	5000.00		7500.00
4.8	Entrance door repairs	400.00		
5.1	Roof void investigations	500.00		
5.2	2 nd Flr Plaster repairs and full redecoration	4000.00		
5.3	2 nd Flr Plaster repairs to partitions	1500.00		
5.4	2 nd Flr Floor perimeter checks	300.00		
5.5	2 nd Flr Ceiling repairs and stair well	2800.00		
5.8	2 nd Flr Joinery decorations and fungal decay repair on staircase	3000.00		
5.10	1 st Flr Damp repair to damaged plaster	1000.00		
5.13	1 st Flr Ceiling redecorations	3000.00		
5.14	1 st Flr Joinery redecoration an wall decoration	4500.00		
5.15	1 st Flr Door refurbishment	600.00		
5.16	1 st Flr Staircase decoration	1200.00		
5.19	Grd Flr Wall plaster repairs	1000.00		
5.21	Mosaic floor refurbish	1000.00		
5.22	Grd Flr Ceiling Decorations	2000.00		
5.23	Grd Flr Refurbish double doors	1000.00		
5.24	Grd Flr Overhaul all windows	2500.00		
5.25	Basement stairs treatment	300.00		
5.26	Clean down walls and floor of organic matter	600.00		
5.26	Fire protect steelwork	750.00		
5.26	Clean light well and restore drainage		700.00	
6.1	Undertake full electrical testing	600.00		
6.2	Undertake fire alarm emergency lighting testing	700.00		900.00
6.2	Undertake review of heating system and controls		8000.00	
	Scaffolding access	7000.00		9500.00
Subtotals		63250.00	11700.00	20900.00
Grand Total		95850.00		

3.4 Conclusion

- 3.4.1 The report shows that there is considerable capital expenditure of c. £96,000 needed to restore the fabric of the Grade II listed building within the next 5 years. £63,000 of that is needed immediately. In addition to the short term repairs within 5 years, there would naturally be on-going maintenance liabilities, for which a sinking fund would need to be established.
- 3.4.2 It is noted that this work would be needed, regardless of whether MDT or the new independent library services body, took over the building from Devon County Council.

Section 4 Alteration works and costs

4.1 Brief to Architect and Quantity Surveyor

- 4.1.1 Locality were able to obtain outline designs and costings for conversion of the Bowring Library to residential accommodation from Parkes Lees Architects Ltd (Launceston), forming part of the tasks identified in Stage 1 of the RIBA Plan of Work (2013), Preparation & Brief. Press & Starkey Chartered Quantity Surveyors were similarly able to provide costings for conversion.
- 4.1.2 They have provided:
1. An outline floor plan drawing based on the option of leaving the library in its current position on the ground floor, with upper floors converted into useable, lettable, residential accommodation, compliant with any planning and safety requirements.
 2. An outline floor plan drawing based on the option of moving the library function out of the building, and both ground floor, and upper floors converted into useable, lettable, residential accommodation, compliant with any planning and safety requirements. The ground floor has space for a Warden's office, as the information available at the time of briefing the architect, indicated that there could be demand for wardened old people's accommodation. Evidence gathered since then has indicated a more likely demand would be for accommodation for 20-40 year olds (see Section 2).

Costings for works from the Quantity Surveyor have been provided for both scenarios.

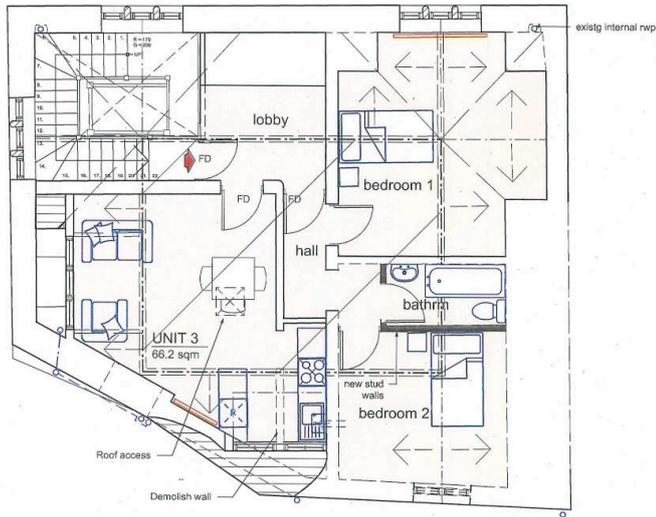
4.2 Plan layouts for provision of Residential Accommodation

- 4.2.1 The current layout of the building is shown in Appendix A. The plan layouts reflecting the above options are presented below. A lift has been included to provide improved access, and increase the attractiveness to potential tenants. The lift can variously either just serve the 1st floor, or both 1st and 2nd floors.

4.2.2 At the time of briefing the architects, it was thought that there could be demand for wardened elderly accommodation, hence the inclusion of the Warden Room / Office on the ground floor. However, this idea was rapidly discarded in the face of evidence of the demand for residential accommodation. Accordingly, throughout this report, it has been assumed that the whole of the ground floor shall be taken up by a 2 bed roomed flat (Option 1), or by the Library and Reading Room, as at present (Option 2).

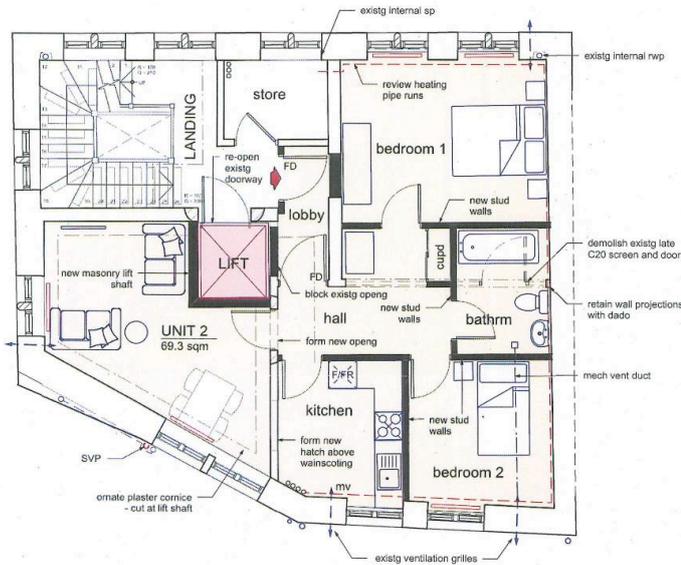
No lift to this level

SECOND FLOOR PLAN
SIFA = 66.2sqm

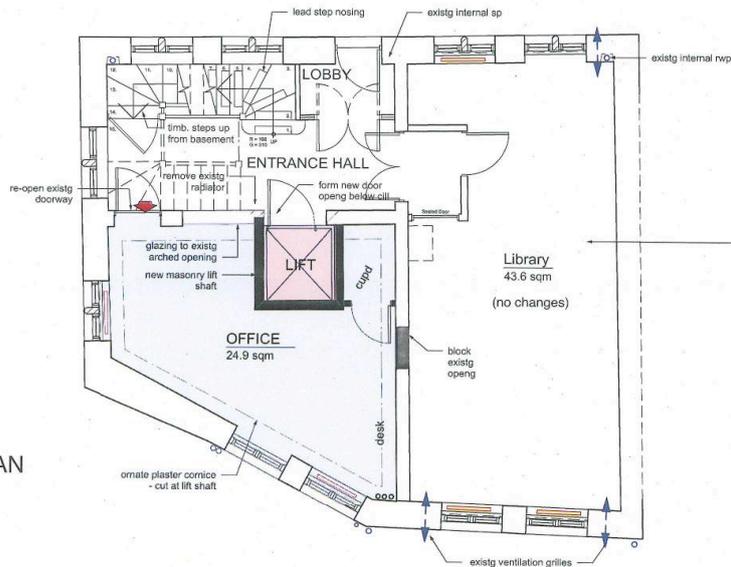
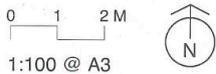


Lift stops at this level

FIRST FLOOR PLAN
FIFA = 94.1sqm
(Layout as drawing 10)



GROUND FLOOR PLAN
GIFA = 95.5 sqm



Library contains approx. 81m of shelving overall, requiring 18 linear metres of wall space

project: **Bowring Library**
Moretonhampstead
Devon

client: **Moretonhampstead Development Trust**

Drawing number: **015/08 11** Rev:
date: **March 2015** scale: **1:100**

drawing title:
Option 2: Conversion to Residential with Library

PARKES.LEES
architects ltd
4 BROAD STREET, LAUNCESTON, CORNWALL, PL15 8AD
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© This drawing is copyright. Contractors must check all dimensions on site. Only figured dimensions are to be worked from. Discrepancies must be reported immediately to the Architect before proceeding.

Section 5 *Financial Modelling*

5.1 Background to financial modelling

5.1.1 This feasibility study seeks to consider the options for the re-use of the Bowring Library, so as to retain the library services within Moretonhampstead, whilst at the same time generating a surplus from the management and running of the building in order to support Moretonhampstead Development Trust. In drawing the initial financial modelling together the following information has been drawn upon:

- iv. Parkes Lees Architects report dated 13th March 2015.
 - v. RH Survey and Design report dated 19th February 2015.
 - vi. Reports on office accommodation needs and costs in Moretonhampstead.
- Other sources of information are cited in the text.

5.1.2 The Financial Modelling examines the following two options:

Option 1: Convert to residential and relocate the library. Lift to all floors.

Option 2: Convert to residential and retain the library. Lift only to first floor.

For both options the intention is that Moretonhampstead Development Trust:

- i. Acquire the Bowring Library from Devon County Council, the current freehold owners of the building, via an asset transfer at no cost.
- ii. Complete the alterations and refurbishment of the building to meet the proposed end use (residential with or without the library in situ).
- iii. Let the residential accommodation at affordable rates, once alterations and refurbishment are completed, to raise income to secure the future of the library in Moretonhampstead and generate surpluses to support the running of Moretonhampstead Development Trust.

5.1.3 The aim is to provide a broad financial review of both options. For each option, the following are considered:

- a. The estimated expenditure relating to the refurbishment and alteration of the building is determined
- b. The estimated running and maintenance costs are determined.
- c. The likely rental income to be accrued is assessed.

For each option a review of the estimated expenditure against the projected income is completed to determine the likely viability of each.

5.1.4 In undertaking this review reliance is made on the documentation set out above and cited in the text. It is to be noted that whilst the information in these reports and cited elsewhere is deemed to be accurate, it has not been possible to review source documentation (for example accounting information) for Bowring Library. As a consequence it is necessary for this section to carry a warning that there may be inaccuracies within the information gathered. However, whilst such inaccuracies may exist it is felt that these are unlikely to impact on the overall conclusions that may be drawn.

5.2 Capital Expenditure

5.2.1 The capital expenditure required to undertake the project falls into two main areas:

- i. Expenditure relating to the schedule of repairs
- ii. Expenditure relating to the alteration of the building in relation to both options

5.2.2 The expenditure relating to the schedule of repairs is derived from the costed condition survey. This survey revealed that there are in the region of £95,850 worth of repairs to be completed on the building. These repairs are in the main due to lack of regular and routine maintenance not having been carried out. It is noted that this estimate of repairs is exclusive of VAT, professional fees and Local Authority fees.

5.2.3 The cost breakdown for each option, setting out both the repairs and alterations that need to be completed, have been estimated by the architects. The breakdown for each option is shown below:

	Option1	Option 2
External Repairs	£ 29,900	£ 29,900
Internal repairs	£ 8,100	£ 8,100
Basement	£ 9,100	£ 9,100
Ground Floor	£ 47,425	£ 14,900
Alterations 1st Floor	£ 34,700	£ 40,200
Alterations 2nd Floor	£ 29,100	£ 18,900
Lift Installation	£ 25,500	£ 21,000
Preliminaries	£ 23,600	£ 18,400
Contingency	£ 20,742.50	£ 16,050.00
Total	£ 228,167.50	£ 176,550.00

5.2.4 It is clear that the architects cost plans show expenditure against repairs. It is challenging to determine which of the works set out as necessary in the condition survey would be likely to be carried out as part of the alteration works proposed by the architects. However, if it is assumed that the costs relating to external works should be the same in each schedule provided, then the following is noted:

Condition Survey: estimate of external repairs £23,900
Architect's estimates: estimate of external repairs £29,900

5.2.5 Although Parkes Lees Architects comment in their report that they 'noted both internally and externally areas for repair' they go on to say 'this should not be

taken as an extensive condition survey'. Having qualified their estimates of repairs in this way, it appears that the estimates from both the architects and the surveyors are comparable.

- 5.2.6 This raises the question about which of the other repairs set out in the condition survey will not be met through the alteration works. In essence, as a result of any refurbishment work there are likely to be a number of the immediate repairs, as highlighted in the condition survey, which will not need to be completed as standalone items, as they will be dealt with within the alterations works carried out.
- 5.2.7 In order to carry out the financial modelling, whilst accepting that some of the costs of the repairs established in the condition survey will also be within the architects' estimates, the worst case scenario in respect to capital expenditure has been used. For this case the architects estimates of the repairs have been removed from their cost plans and replaced with the costs set out in the schedule of condition. This leads to the following breakdown of costs (full details are set out in Financial Modelling Annex 1 Schedule of Repairs and Alterations March 2015:

	Option1	Option 2
Schedule of repairs	£ 95,850	£ 95,850
Basement	£ 9,100	£ 9,100
Ground Floor	£ 47,425	£ 14,900
Alterations 1st Floor	£ 34,700	£ 40,200
Alterations 2nd Floor	£ 29,100	£ 18,900
Lift Installation	£ 25,500	£ 21,000
Preliminaries	£ 23,600	£ 18,400
	£ 265,275	£ 218,350
Contingency	£ 26,527.50	£ 21,835.00
Total (ex VAT)	£ 291,802.50	£ 240,185.00
Inclusive of VAT (@20%)	£ 350,163.00	£ 288,222.00

- 5.2.8 In relation to the cost plans above the following should be noted:
- i. It is assumed that preliminaries include statutory fees, other professional fees and contractors' profit.
 - ii. VAT has been added at 20%. It is assumed that the works proposed will carry VAT at the highest rate of 20 per cent. However, it is also noted that

Moretonhampstead Development Trust may be able to reduce the VAT liability to zero and it is recommended that advice is sought to determine how best to deal with the VAT.

5.3 Cost of Capital Expenditure

5.3.1 It is assumed that there will be no cost to the acquisition of the building. In reality this may not be the case as professional fees (legal fees) will need to be paid. The transfer may be exempt from Stamp Duty given the charitable status of Moretonhampstead Development Trust.

5.3.2 In addition to the capital expenditure (set out in the cost plan above) there may be a cost relating to the financing of this if grants and donations cannot be obtained to support the refurbishment and alteration costs. For financial modelling purposes it is assumed that loan finance, repayable at a fixed rate of 5% interest over a 20 year period is secured, in order to provide for the capital expenditure required. The capital and interest repayments per annum for each of the options is set out below, in each case the loan sought has been rounded up:

	Option 1	Option 2
Alterations and refurbishment costs	£ 350,163	£ 288,222
Assumed total cost of investment	£ 351,000	£ 290,000
Annual cost of finance	£ 27,797	£ 22,966

5.3.3 The above indicates that annual repayment costs are in the region £23,000 for Option 2 or £28,000 for Option 1.

5.3.4 In developing the financial model it is assumed that the costs of capital finance will need to be met by the income generated through the letting of space.

5.4 On-going maintenance and revenue costs

5.4.1 In addition to the costs of any capital finance there will be on-going revenue expenditure incurred in relation to the maintenance and running costs of the building.

5.4.2 In seeking to estimate these costs, service and maintenance costs associated with the building, as well as utilities and running costs, will need to be met by those renting space. These costs can be categorised as follows:

It is assumed that because of the size of the accommodation offered, any leases offered will not be full repairing and maintaining leases. If this is the case then it will be necessary to ensure that the rental charges include a service charge for:

- Communal areas (hallway, stairs, lift) are cleaned
- Internal communal areas are decorated on a regular basis
- External maintenance and decoration takes place
- Lift insurances, servicing and maintenance are in place
- Fire safety assessment takes place
- The gas heating system is serviced regularly
- Energy costs (heat & light) in communal areas

It is assumed that residential tenants will bear their own costs in relation to:

- Contribution to own utilities costs (heat, light and water)
- Contribution to costs of waste (refuse and hygiene)
- Council tax

5.4.3 In seeking to estimate the revenue expenditure relating to each of these items the following is noted:

Maintenance and servicing costs:

Maintenance costs			
Cleaning of communal areas	68.7 sq m	Assume 2 hours per week @ £8.00/hour	£ 832
Internal communal areas decoration	£2000/3 years	Assume every 3 years	£ 666
External maintenance and decoration	£20000/5 years	Assume every 5 years	£ 4,000
Lift insurances, servicing and maintenance	Insurance		£ 298
	Servicing	Assume quarterly servicing	£ 200
Fire safety assessment		Annual assessment	£ 257
Gas heating system			£ 200
Energy (heat & light) for communal areas	68.7 sq m		£ 473
Total			£ 6,926

Heat and Light:

- The building is supplied with both gas and electricity. As the current building managers are Devon County Council it is highly likely that the current suppliers of gas and electric are British Gas. The tariff deal is likely to be favourable as the contract is with Devon County Council.
- As the total annual energy costs cannot be estimated from bills or meter readings they are estimated using the Real Estate Environmental Benchmark, see (<http://www.jll.co.uk/united-kingdom/en-gb/services/developers-and-investors/sustainability/real-estate-environmental-benchmark/about>). The Real Estate Environmental Benchmark provides energy, CO₂, water and waste performance benchmarks for a range of commercial buildings including offices. These are based on real consumption data of some of the UK's largest commercial property owners, updated annually.

- As the Bowring Library has the typology of a naturally ventilated cellular building, the typical practice benchmarks are used. £13.76/m² net lettable area/year.

Water:

- As with energy costs there has been no review of actual water costs at this stage. The Real Estate Environmental Benchmark for water costs have been used. £1.85/m² net lettable area/year.
- Waste:
- Waste collection would include Teignbridge District Council collection and a provision for hygiene services. The total cost is estimated to be around £2,500 per annum.

Rates:

- The rates payable by the library are currently £7,000 per annum (<http://www.2010.voa.gov.uk/rli/en/basic/compare/assessment-history/2010/10259997000>). These rates also cover the reading room.

5.4.4 The table below shows the total expenditure relating to the costs associated with maintenance, servicing, cleaning, utilities, waste and rates, together with the cost of finance for each of the options. The full breakdown for each option is set out in Financial Modelling Annex 2 Schedule of Proposed Accommodation and Estimated Running Costs March 2015 (Residential).

	Option 1	Option 2
Annual cost of finance	£ 27,797	£ 22,966
Annual running and maintenance costs	£ 6,926	£ 13,776
	£ 34,723	£ 36,742

5.4.5 It should be noted that under Option 2, business rates of £6,850 would be recharged to the library service. Other running costs would be met by a service charge added on top of rental.

5.4.6 Outside of the clear revenue costs that will need to be covered by the income generated through the building there are a number of other areas of expenditure that also require consideration. These relate to:

- Premises/Facilities Management: it is assumed that this function will be carried out by Moretonhampstead Development Trust through existing premises management.
- Security systems: It is unclear if a security system is installed or will be installed. If one is in place there will be costs associated with on-going maintenance and servicing.

- Telephone and internet: It is assumed that these will be the responsibility of the individual tenancies to make their own provision. It is also assumed that the library already has telephone and internet in place and that the costs associated with this will continue to be met by the library.
- Public liability insurance: It is assumed that Moretonhampstead Development Trust currently has in place public liability insurance and that whilst there will be a small increase in relation to use of the Bowring Library, this is not significant and will be held under Moretonhampstead Development Trust's existing provision.
- Building and contents insurance: There will be a need to insure the building and communal contents. It is assumed that this will be an extension of Moretonhampstead Development Trust's current provisions. Tenants will be responsible for their own contents insurance.

5.4.6 There are three clear items listed above (premises management and insurances) that will have a cost implication which will need to be factored in to the model. However at this stage it is likely that the increase above existing costs is likely to be small and as it will also be dependent on the option chosen no provision is made at this stage.

5.5 Income Generation Potential

5.5.1 In seeking to determine the likely income generated from letting space it has been necessary to make an assessment of residential accommodation needs and market in Moretonhampstead as shown in Section 2.

5.5.2 It is evident from the estate agents serving Moretonhampstead that 1 and 2 bedroom flats are in short supply. Property searches indicate only one 2 bed flat (with garage) in Moretonhampstead attracting a rent of £675 per month.

5.5.3 From the evidence of Housing Needs Surveys in Moretonhampstead in 2010 and 2013, and also from comments from the Devon Rural Housing Enabler and Devon Home Choice; there would appear to be steady and consistent demand for around 13 one and two bedroom accommodation in the town.

5.5.4 There would appear to be a dearth of 2 bed accommodation available to rent at affordable rents, as Housing Associations do not find it economical to build at that size. Conversion of an existing building was seen to be a good way of meeting this demand.

5.5.4 In considering market rents there is limited information available. The ranges supplied by Devon Home Choice and the local estate agents indicates the following:

- Rents for 1 bed houses/flat vary from £475 to £509 per calendar month
- Rents for 2 bed houses/flat vary from £625 to £675 per calendar month

5.5.5 In seeking to determine the likely income to be accrued if the options to convert to residential are chosen the worst case scenario has been chosen by setting the rent level at the lowest point on the above scales.

5.5.6 Income Generating Potential

Full details of each option's income generating potential is set out in Annex 3 Income Projections March 2015.

5.5.7 The headline figures for each option are as below:

	Option 1	Option 2
Potential income	£ 22,500	£ 18,767

5.6 Assessment of Viability

5.6.1 In assessing the financial viability of each option the estimated total expenditure against the potential income for each option is shown below (see Financial Modelling Annex 4 Financial Projections Summary).

	Option 1	Option 2
<i>Alterations and refurbishment costs</i>	£ 350,163	£ 288,222
<i>Assumed total cost of investment</i>	£ 351,000	£ 290,000
Annual cost of finance	£ 27,797	£ 22,966
Annual running and maintenance costs	£ 6,926	£ 6,926
	£ 34,723	£ 29,892
Potential income	£ 22,500	£ 18,767
Service Charges	£ 6,926	£ 6,926
Surplus/(Deficit)	-£ 5,297	-£ 4,199

5.6.2 It is assumed that under option 2, that the Library Services body would be renting space and be responsible for paying its own energy, water, waste, and rates costs for its part of the building

5.6.3 In a simple initial assessment, based on the works being 100% loan financed, it appears that neither of the options being considered is financially viable.

5.6.4 It is worth noting that this conclusion will apply to whatever body may take on the future ownership and management of the library building, and has implications for Devon County Council as current owners of the building, and the envisaged new Library services body.

- 5.6.5 It is noted that this unviable scenario is predicated on full market rents being charged for the flats, the full service charge being recoverable from tenants, and using 100% loan finance to fund the capital works.
- 5.6.6 However, the intention of the Development Trust is that, if the building was to have a residential use, that this would be at affordable rents of 80-85% of full market value. Additionally, a review of properties to rent at social and affordable rents on the Devon Home Choice website, reveals that service charges are usually included with the rent, and the rent component adjusted accordingly, to achieve an affordable overall rent.
- 5.6.7 Accordingly, two further tables have been developed for both Option 1 and 2, to show the various effects of reductions in rental levels to either 80% or 85% of market rents, MDT absorbing service charges within rents, and also to reflect scenarios of differing levels of grant or other incomes to reduce the loan finance borrowing requirement. These are included as Annexes 5 and 6 as 'Option 1 variations' and 'Option 2 variations' respectively.
- 5.6.8 The best scenarios for producing any return, albeit small, are:
- a) Option 1: Conversion of all floors to residential and moving the library to the Greenhill Centre; attracting c. £150,000 in grant or other contributions to reduce the loan component down; letting flats at affordable rents at 85% of market value; with MDT absorbing the service charge. This scenario produces a small surplus of £1,112 p.a.
 - b) Option 2: Conversion of the upper two storeys to residential and leaving the library and reading room on the ground floor; attracting c. £150,000 in grant or other contributions to reduce the loan component down; letting flats at affordable rents at 85% of market value, with MDT absorbing the service charge on the flats; letting the ground floor to library services at rates commensurate with office use, and charging 50% of the service charge for the whole building. This scenario produces a small surplus of £1,968 p.a.
- 5.6.9 It should be noted that these scenarios are predicated on an assumed budget of £290,000 for refurbishment and alteration of the building. The budget figure assumes that there will be some savings to be had through combining remediation works with building alteration work. Even within this, there are currently a number of uncertainties, which include:
- Whether the Condition Survey carried out, identified the full range of remediation work that may be required. As the building is not in MDT's ownership, there was not option for invasive inspection of the building's interior (lifting floor boards to inspect possible damage to joists, access to certain roof voids, inspection of the drainage downpipes within walls etc),

or high level inspection of some of the roof structure.

- The outline plans drawn up to date are obviously not fully detailed and worked through. Cost estimates to date have necessarily been generalised, and it is currently the extent costs savings of combining remediation work with alteration works could be achieved. In order to do this, more detailed plans would have to be drawn up, that could then be put to contractors for tendering.
- The scope for attracting grant funding and other contributions has not yet been explored. If significant other contributions can be found, this would reduce the borrowing requirement and improve the viability of the scheme.
- The need for installation of a lift for residential purposes has been assumed but not tested. Opinions of letting agents would need to be sought, to see if the flats would be an attractive letting proposition without a lift. It is likely though, that this could impact on the level of rent that could be charged, particularly for the top floor flat.

5.6.10 Further work will be needed to explore these aspects, and see if the overall viability can be improved to deliver a better return to the Development Trust.

Section 6 Comments and Recommendations

6.0 Further General Comments

- 6.1.1 The previous Pre-feasibility Report assessing the potential of the library building for office use showed clearly that this type of use would be unviable. This follow up supplementary report assessing the potential of the building for residential use has shown, on the work conducted to date, that there is some prospect of viability, although with minimal return.
- 6.1.2 If further work was conducted to investigate further the current uncertainties identified in 5.6.9, that minimal return might be improved upon to some degree, sufficient to be a useful minor income stream to MDT as a community-led organisations, but not of sufficient quantity to attract the interest of a private developer. Furthermore, the financial projections have been built on an assumption of asset transfer of the building at nil value, and being able to access grant funds and/or other contributions, that would reduce the borrowing requirement. These two aspects would not be available to a private developer and would only serve to decrease the attractiveness further.
- 6.1.3 This situation has implications for Devon County Council as the current owners of the building, and also for the new Library Services body, should ownership be transferred to them. Both will need to be aware that the building will need significant levels of immediate investment to repair the fabric of the Grade II listed building and prevent further decay, with further sums for regular maintenance to

prevent future problems. This would have to be done to maintain the library within the current location, even if the upper floors were left empty. As the new library services will undoubtedly have a focus on reducing costs where possible, it is assumed that they would be reluctant to take on such a long term liability.

6.1.4 It is possible that the new Library Services body would view the transferring of the library function to the Greenhill Centre, with known rental and other costs, within a newly renovated building, and with potential to extend opening hours through joint staffing etc, as an attractive proposition. From MDT's perspective, this would bring extra revenue income and footfall to the Greenhill Centre. This could then leave Devon County Council with an empty building, for which there would be no viable future use, and unlikely to attract any interest from the market. If this is the case, the Development Trust is possibly the only body able to give the building a viable future.

6.2 Recommendations

6.2.1 While the viability of the building for wholly or partial residential use is currently seen to be marginal, it would warrant further investigation to see if the viability can be improved. The current availability of Community Buildings Pre-Feasibility Grant - http://mycommunity.org.uk/programme/community-buildings-housing/?_a=funding , offers a route to carry out further examination at no cost to the Development Trust.

6.2.2 It is recommended that the work should include (but not exclusively) the following elements:

- Discussion with Devon County Council to gain in-principle written agreement for asset transfer of the building at nil value. Assuming this is forthcoming, then agreement to further invasive condition survey as necessary. Also open discussion, with the embryonic new library services body regarding provision and accommodation of the library service within Moretonhampstead.
- Discussion with Dartmoor National Park Authority regarding prospect for gaining planning permission for conversion of part or all of the Library building to residential purposes, including any consents and conditions that may be applied. This may have to take the form of a formal pre-application meeting.
- Conducting a further, more invasive condition survey as necessary to establish the full extent of remedial works.
- Drawing up of developed architects plans, sufficient to put a specification out to tender to contractors to establish a more solid capital costing for remedial and alteration works
- Exploration of sources of grants and other contributions that may be secured in order to reduce the loan requirement
- Revision of financial projections in the light of information received from the above.