



MELTON PARISH COUNCIL

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MELTON NEW VILLAGE HALL PROJECT – REVIEW PAPER

Background and summary

This paper reviews the current position relating to the village hall project and sets out options for going forward.

It also examines the position of office and meeting accommodation, and, as an intermediate step, considers the acquisition of office / meeting accommodation in a shorter timescale to both meet the Council's need for accommodation in Melton and create a long term investment.

Report

The new Village Hall project

On 10 August 2016, a Special Meeting of Full Council commissioned a feasibility study on the construction of a new village hall to be undertaken by architects Hoopers, in accordance with a specification produced following community consultation. This was produced at a cost of £7.7k and the design was refined and slightly reduced in scope both as a result of further consultation and to reduce build costs. No further activity on this has taken place since the spring of 2017. The concept and design are portable however and can be used as the basis for further planning, either on the originally proposed site or elsewhere. In the summer of 2017 a geotechnical survey was commissioned, looking at ground conditions on both the originally proposed site (adjacent to the playing field car park) and also around the pavilion. The results show that construction is feasible on either site, but that costs would be lower on the original site because of more favourable ground conditions. This geotechnical survey cost £3,560. Both the feasibility study and geotechnical survey are necessary requirements for taking such a project forward; the study because it provides something visual as a focus for further development and consultation and the technical survey to inform feasibility and costs of construction on considered sites.

Options for taking this forward would now appear to be as follows:

1. Engage in further consultation on the originally preferred site, acknowledging that there are genuine concerns about using any of the existing playing field site. These would have to be weighed against the fact that as the site is within the ownership of MPC, costs would only relate to the build itself and exclude land acquisition.
2. Reappraise the pavilion site. Its promoters understandably argue that using it would lessen the loss of green space. However the reality of constructing even a small (and arguably undersized) hall on the pavilion site would mean:
 - New parking and access arrangements across the field without which it would have little appeal and would be unlikely to gain planning consent
 - Higher construction costs
 - Intrusive light pollution in the middle of the green space
 - Overall a greater urbanisation of the playing field and impacting on the woodland.
3. Seek to enter into discussions with the Carter / Warburg developer and Suffolk Coastal DC to acquire a new village hall, or at least the site and part construction costs as part of planning gain in respect of the proposed development under the Melton Neighbourhood Plan (Policy MEL20). Part of the site is earmarked for flexible B1 use class office space, complemented by a small amount of ancillary retail (see Melton Neighbourhood Plan page 51). As part of that complex it would be feasible to seek to provide a new community hall. Construction costs if part of the wider development would be lower, and on a quasi commercial site, the impact on neighbours of an operational community facility would be less.
4. Identify current suitable greenfield sites on the edge of Melton's built up area and enter into discussions with the owner / agent to see if a suitable parcel of land might be made available for community use. However whilst it is quite common for landowners in rural communities to donate land for village halls, such is the land development potential in Melton that invariably, even if the possibility were to be entertained, there would be a request for support for some residential development attached. Hence this approach is less attractive as it would be likely to incur more opposition.

Office / meeting accommodation

MPC currently rents Riverside Office at Robertson's Boatyard under a short term lease running from 22 September 2016 to 21 September 2019. Rent is £16kpa. Service charges amount to between £400 - £500 per quarter. Use class is B1. There is an option to terminate by either party giving six months' notice. There is no provision within the lease for a rent review, but at the end of the 3 year term, should the landlord be willing to continue to rent the office to MPC, and should MPC want it, there is likely to be an increase in the rent in line with market trends. Currently the rent payable is

roughly in line with the local market and compares favourably with rents at e.g. Deben Mill. Double (i.e. 2 storey) units at Riduna Park are £34kpa. Basically MPC does not have security of tenure at the current rent beyond 21 September 2019.

Given the need to relocate back to Melton coupled with the need for long term stability and security, and to reduce costs in the longer term, MPC ideally needs to acquire the freehold / leasehold of its office / meeting room(s) whilst interest rates are low. The current PWLB rate for loans over a 30 year period is 2.88%. If in due course the facility was no longer required, then it could be sold for a capital receipt, or, using the power of general competence under the Localism Act 2011, rent it out to generate an income.

Because of the notice period required for Riverside Office, the acquisition of a new build would be preferable in terms of being able to plan and give notice in such a way as to avoid an overlap. A new build would also be cheaper to run in terms of energy, and there would be no repair costs. However there are possible negative VAT issues and ground rent position would need to be clarified with leaseholds.

Options currently are as follows:

1. Two-floor units are available at Riduna Park priced at £425k plus VAT for 2,540 square feet. Single floor splits are available, but only to lease. The agents say that purchasers have expressed an interest in acquiring two-floor units and then leasing one floor out. Currently MPC does not have the legal power to do that. However the standard units have no internal lift, and wc / kitchen facilities are only on the ground floor, so there is a fair amount of adaptation work to do to convert to two free standing units.
2. The development by G J Braithwaite Construction Ltd of the former GAH site off Melton Road, which obtained planning consent on 6 November 2017, contains proposals for single storey business units. Because the site is in the Deben flood plain, all the ground floors have either garage / utility use (for the dwellings nearer Melton Road) or they are business units with flats above (for the properties nearer the railway line / river). Plans are available showing the units but obviously no pricing as yet. Given size, and general inferior location to Riduna, prices are unlikely to be more than £250k. Some of the units are one open plan space together with the usual facilities (but probably capable of being split); some have two rooms plus facilities. Parking seems adequate. Again the VAT reclaim issue will need to be clarified; however there are potential drawbacks:
 - Planning consent for the business units stipulates that they shall only be used between 8am and 6pm on weekdays and between 8am and 1pm on Saturdays. This condition would need to be varied if MPC were to consider purchasing and any variation would be likely to be contested by the occupants of the flat above unless it were sought and obtained before completion and occupancy (i.e. a purchase off plan and subject to getting the consent condition changed would be essential).
 - Use class for the business units is "strictly" B1. Any community use would require application for a change of use which is likely to be refused.

- The business units are all at the river end of the development and well within the flood plain.

Recommendations

This paper is for discussion by Members of FERM Committee.

William Grosvenor

Clerk to the Council

7 February 2018