



Report to:	Full Council
Agenda Item:	Flat above BOS Cafe
Date of this Report:	28.11.2023
Meeting Date:	07.12.2023
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Briefing Paper for flat conversion above BOS Café, 34 High Street, Bridgwater, TA6 3BL

Summary

Bridgwater Town Council propose to change the use of the former rooms that were until recently used by the local Labour Party branch located above BOS Café at 34 High Street, Bridgwater into a newly refurbished two-bed flat.

A feasibility study was undertaken as part of the main Town Deal project which incorporated this change and following a financial analysis of the income that could be generated as either commercial or residential space the later achieved a better return on investment.

Bridgwater Town Council will instruct Andrew Less Lettings to directly market, let and manage the property, once refurbished.

The rooms have not been in use since the Labour Party vacated the premises early in 2023.

1 Background / Introduction

1.1 During the Town Deal project process, the Council looked at the feasibility for the development / refurbishment of the whole Town Hall island site, including this section of the building. Initial plans were drawn with both residential and commercial options and various financial modelling undertaken of which residential use will generate a higher level of income for the Council.

The residential option has now been developed further and the final layout chosen from distinct options (larger one-bed, smaller two-bed with en-suites) to maximise the potential income generation for the Council.

1.2 This report will outline what the requirements are needed to undertake the change of use / refurbishment of the building including upgrades and any requirements to conduct any necessary repairs and ensure the building is legally compliant for use as a residential property to be let out.

1.3 A Quantity Surveyor (QS) has costed the scheme, and there have been various surveys undertaken in conjunction with the larger Town Hall project. The procurement of contractors will be by competitive tender to give best value for money subject to the evaluation criteria weighting.

1.4 Should the report recommendations be approved officers aim to go to competitive tender early in the new year and start works at the beginning of March 2024. This

will enable the property to be advertised on the market as quickly as possible in the next financial year.

1.5 The rooms consist of the following:

- Access for the main entrance door off Mansion House Lane.
- Small entrance lobby.
- Stairs to first floor.
- Corridor to all rooms.
- 2 no small offices (to become the two bedrooms and bathroom).
- 1 no large office (to become the open plan living area).
- Small cupboard.

1.6 There are currently no earmarked reserves allocated for the project.

1.7 The potential monthly rental that can be generated from the property is £900 PCM low end (£10,800 per annum), and £1,050 high end (£12,600 per annum).

1.8 A full Planning application and listed building consent have both been submitted and approved by Somerset Council.

2 Proposal

2.1 The proposal is phase 1 of the larger Town Hall project.

2.2 A detailed scope of works will be written into the tender documents including specifications issued from various consultants (M&E, structural) who are already collaborating with the Council on the larger Town Hall project.

2.3 The tender evaluation criteria will be weighted towards local contractors.

2.4 The work proposed will achieve a compliant level, to enable legislation to be met, complete refurbishment of the building including improvements to the layout, and ensure any essential repairs are conducted.

2.5 Works will be subject to Building Control approval.

2.6 This proposal covers the following works (2.6.1 to 2.6.11)

2.6.1 External cleaning, and redecoration, including the canopy.

2.6.2 To isolate all gas supplies, cap off safely and remove gas heating systems.

2.6.3 To add electric heating throughout the building to replace the current gas system.

2.6.4 To undertake any repairs as required.

2.6.5 Replacement windows (double glazed timber casement) and external door (composite).

2.6.6 Refurbishment, painting & decorating.

2.6.7 New kitchen and bathroom (a brand-new oven has already been sourced FOC by the projects officer).

2.6.8 Internal reconfiguration.

2.6.9 New electrical rewire (independent supply either direct or via a sub-meter so tenant gets billed directly).

2.6.10 New plumbing for hot water system (independent supply or via a sub-meter so tenant gets billed directly).

2.6.11 New flooring throughout the property.

2.6.12 New fire alarm system (TBC if this needs to linking as a zone to the Town Hall system or can be an independent system).

- 2.6.13 Add insulation to the roof space to meet the required U Values under building regulations. a U-value is used to measure how well or how badly a component transmits heat from the inside to the outside. The slower or more difficult it is for heat to transfer through the component, the lower the U-value. This means that we are looking for a lower U-value. A component can mean a pane of glass, a timber door, or a complete building assembly such as a cavity wall. We can work out how much heat passes through each element of the building assembly and determine the U-value based on the amount of energy lost through a square metre of material. The lower the U value the better.
- 2.6.14 Add acoustic lining to walls.
- 2.6.15 Add mineral wool slab to floor joists to achieve 60-minute fire protection and improve airborne noise separation.
- 2.6.16 Registration with Somerset Council and Royal Mail.
- 2.6.17 To investigate and replace the flue for BoS Café.

3 Financial

3.1 Budget

There are currently no funds in place for the development of this scheme.

3.2 Estimated Costs

Based on the proposed scheme, the QS has costed the project with an estimated value of £140,000 plus VAT (£7,000)

3.3 V.A.T

The council would not be able to reclaim VAT on the cost of work to create flats, but the VAT rate would only be 5% for this work and the sums involved may be relatively low.

3.4 Actual Costs

Given the size of the project we will be going to competitive tender for the project, therefore expect actual costs to come in under the QS estimates making a saving.

3.5 Return on Investment

Having worked on the cost plan estimate figures given from the QS against the potential monthly rental income it will take 11 years 8 months to start to repay for itself at high end rental or 13 years 7 months at low end rental.

4 Appendices

- 4.1 QS (PGP) feasibility stage estimate / cost plan breakdown.
<https://bridgwatertc.sharepoint.com/:b:/s/Projects/EdJgGX1nGrFDt23ovMXdNxcBFCgZiwIIL6qHKBappIowsQ?e=mfaaCu>
- 4.2 Planning approval.
<https://bridgwatertc.sharepoint.com/:b:/s/Projects/ERPJiN6Z32NCIZO4FuVphT0Bl6hSEd2wjfT2oO5HdkmhNg?e=caxzhR>
- 4.3 Listed Building approval.
https://bridgwatertc.sharepoint.com/:b:/s/Projects/EaEqHfTER2dGmyzHg54XmQ0BIUK0BdNikwdWgbVCsu_aPw?e=sJhfGx

- 4.4 051_P_110
<https://bridgwatertc.sharepoint.com/:b:/s/Projects/EYZ6xC-5yrBCj0pI1KEg0CEBVDun2ItCVUoBt98S0iPrEA?e=P6iv7q>
- 4.5 051_SU_110
<https://bridgwatertc.sharepoint.com/:b:/s/Projects/EYTRpvO-wwlGp8PWKzzJ2KsBxpUIeed5WcGHJyjI4ppnKQ?e=5tFPcn>
- 4.6 051_SU_203
<https://bridgwatertc.sharepoint.com/:b:/s/Projects/EX7nD8FvvXtPmiYvtS53wboBhUxK9imO-TT92P58ovFcbg?e=4mRKpa>
- 4.7 051_SU_204
https://bridgwatertc.sharepoint.com/:b:/s/Projects/EWrBoH2xwaBAvCLvEvjAJrcBwFuv6N9_MyECKu9s0HZIIA?e=8dpog3
- 4.8 051_SU_206
<https://bridgwatertc.sharepoint.com/:b:/s/Projects/EaddYnRBL7hKnFVkql8I59UB3a84I-32uWfX0a3r08azqg?e=RrUlhd>