

Heritage Works Buildings Preservation Trust Ltd

Sandbach Old Hall

Options appraisal study report: Executive summary

1. Executive summary

This executive summary provides a précis of a report prepared at the end of a feasibility study to consider options for the retention, repair and economic redevelopment of the grade 1 listed Old Hall, Sandbach. The study has been undertaken by Heritage Works Buildings Preservation Trust, working with a design team comprising Donald Insall Architects, Bob Johnson Consulting Structural Engineers, Frank Marshall Valuation Agents and the John Pidgeon Partnership Quantity Surveyors.

The headings and numbering of the paragraphs in this summary relate to the chapters in the options appraisal study report. It is intended that the summary may be read as a 'standalone' document, or as an introduction to 'signpost' readers to the report chapters that are of most relevance to them.



2. Introduction

The purpose of the study was to explore the costs of repairing and converting Sandbach Old Hall to new use. The need for the options appraisal was identified following a review of the Buildings at Risk Report in Greater Manchester, Merseyside and Cheshire. That study was funded by English Heritage and undertaken by Heritage Works in 2008-9.

The study was funded by the Architectural Heritage Fund, English Heritage, Sandbach Town Council and Cheshire East Council.

The introductory chapter of the report sets out the purpose of the study, the parties involved (client, consultants and stakeholder consultees) and the study limitations. During the study a financial offer on the property was accepted and the building has recently been sold. In light of the change of ownership and the new use proposed, limited market testing has been undertaken and consultee responses were limited in some cases.

Local government re-organisation in Cheshire East has resulted in the updating of several strategies and policy documents and the Council is currently working under a number of saved policies.

This chapter acknowledges the study team and the contribution made by Sandbach Old Hall Action Group, Anna Boxer of English Heritage, Michael Scammell of Cheshire East, Criterion Asset Management for allowing access to the building and John K. Carter, Chartered Architect, for allowing his drawings to be passed to the design team.

3. Location; description; ownership and current use

Sandbach is a picturesque historic market town located in South East Cheshire. Formerly part of the Borough of Congleton and the county of Cheshire, it now falls under the Cheshire East Council following local government re-organisation in April 2009

The Old Hall is located on the edge of the town centre on High Street, which operates a one-way traffic system.

The Old Hall was last in use approximately five years ago. Its most recent use was as a public bar with dining areas and hotel rooms on the upper floor. Upon closure it was bought by a pub company as part of a portfolio but has remained vacant. In the very late stages of this study the property was purchased by another pub group who plan to bring the building in to use as a pub with an emphasis on the food offer.

This chapter describes the building in detail, highlighting its main features. Sandbach Old Hall is a grade 1 listed building, originally dating from 1656. It is a typical Cheshire timber framed 'black and white' hall and has developed from an original square plan building (Wing A). A long wing extension of slightly later date represents the second phase of construction (Wing B), followed by a number of later additions to the rear (Wings C, D, E and F).

The wing to the East (Wing A) is the first phase of construction and is oak framed with decorative external panelling. It is square in plan with the entrance located centrally to the front elevation.

The building retains a jointed oak frame and vernacular decoration.

The ground floor of the original wing is thought to have comprised of a kitchen, pantry, buttery and two reception/living rooms for the family.

Sometime after the construction of the main house Wing B was constructed to the East and functioned as an inn. Like the main house, it has elaborate timber framing at the front, now painted black and white, with simpler framing and exposed brick infill to the rear.

At ground floor level wing B had a large room (presumably serving as the main room of the inn) adjacent to the house at the east end, with its own entrance door. A corridor (which remains) ran along the south of the building serving three separate rooms. These rooms were later converted to tenements with their own external doors.

Four brick structures to the rear of the 17th century timber framed building date broadly from the 19th century. A pair of brick cottages of similar date along with an earlier timber framed agricultural building stand to the rear, but are now in separate ownership.

The building retains a completeness of the timber frame both externally and internally, despite the removal and alteration of internal walls, which is remarkable.

In the mid 20th century major subdivision was undertaken to create more bedrooms and bathrooms. The quality of this work in terms of internal planning, integration of services and construction was extremely poor.

The Old Hall originally stood in a larger plot but land to the rear has been sold off and developed for housing.

4. History of the Sandbach area

Sandbach has two entries in the Domesday survey of 1086 under the Middlewich Hundred. This chapter describes the history of the town and highlights the Saxon crosses and St. Mary's Church, which sits opposite the Old Hall.

Land ownership in Sandbach is also discussed in chapter 4. Sandbach passed from the de Sandbach family to the Leghs to the Radcliffe family. It has been suggested that Sandbach Old Hall was built for the Radcliffes but no proof of this has been found.

By the early 19th century Sandbach was an important stop for coaches between the cities to the south and Manchester and Liverpool. The 19th Century also saw the influence of George Gilbert Scott on several prominent buildings in the town.

Sandbach was the home to two successful trucking firms - Fodens and ERF - and although these companies have now left the town, links remain through the Fodens band and the annual transport weekend.

5. The history and importance of Sandbach Old Hall

Chapter 5 discusses the history of the Old Hall which was grade 1 listed in August 1950 for its architectural merit and intactness, which remains despite some repair and alteration.

The original house dates from around 1656 and it is believed that at least two earlier houses occupied the site, each destroyed by fire. It is generally thought that the existing house was built for one of the lords of Sandbach. It is in the same tradition as well known buildings in the region such as Little Moreton Hall, Speke Hall and Bramall Hall, and complements a group of timber-framed buildings with Sandbach.

The most 'significant' aspects of the building are the original square plan hall and the slightly later long wing extension. Internally the impressive ornate Jacobean fireplaces and the main oak staircase are of particular note, along with the original timber frame.

The Old Hall is a well known within Sandbach. It is a well loved local landmark and reference point for Sandbach residents and visitors. The Old Hall has connections with the community and was a popular venue for local people, being associated particularly with weddings and family celebrations.

The building sits within a conservation area and forms an important element of the architectural and spatial make up of the High Street.

6. The planning context

This chapter describes the planning framework within which proposals for Sandbach Old Hall will be considered.

The primary planning policy is enshrined in the Planning (Listed Buildings and Conservation Areas) Act 1990, which seeks to preserve listed buildings, their features and setting. Guidance for the conservation and adaptation of listed buildings is provided in Planning Policy Guidance note 15, 'Planning and the Historic Environment', 1994.

7. The problems and why the building is at risk

There are many reasons why historic buildings become 'at risk', be that a risk of loss of character through irreversible change (generally in times of economic buoyancy) or a risk of total loss through dereliction and demolition (again often through economic pressure, in boom times or recession). At Sandbach Old Hall the following issues may be factors:

- Lack of adaptability for new use due to constraints of internal spaces
- Location and access: the Hall is located slightly away from the main focus of the town on a one way street, making it difficult to find. An access route through the East Wing to residential properties to the rear and restricted external space have deterred potential investors.
- Market failure: The building has been on the market for some time and has failed to gain any public investment.
- Planning constraints such as listed building status and perceived additional costs of development of a protected building
- Owner's capacity to take forward a re-use scheme with the recession affecting property values and a lack of consideration for alternative uses
- Public attitudes: Whilst it is understood that the Old Hall is held in great affection by members of the community and various bodies, expectations that the building remains as a public building may be unrealistic and wide ranging ideas for a suitable end use of the building may actually hinder or delay development

8. Conservation philosophy and architectural approach

This chapter introduces Heritage Works' approach to the conservation and re-use of historic buildings, which is underpinned by the principles of establishing, protecting and interpreting 'heritage significance'. The Trust's Conservation Philosophy is provided at Appendix C.

The project team's philosophy for this project has been to find the means to protect the historic and heritage significance of the grade I listed Old Hall whilst ensuring that the building has a sustainable future use which can support ongoing maintenance of the property. In all the schemes efforts have been made to reveal and repair hidden or damaged features of the building.

The team considers the first priority to be the repair of the structural elements and envelope and the restoration and repair of principal existing historic features.

The original house of 1656 (Wing A) is considered to be nationally very significant. This wing (along with Wing B) is the primary reason for the Grade I listing. It is substantially intact with only minor changes to original plan form and construction, many of which are reversible. It is considered that this wing is the most historically significant and the approach of minimum intervention and retention of plan form should reflect this.

Wing B is also highly significant and of national interest, being of late 17th century and purpose-built for use as an inn.

Wings C, E and F are considered to be locally of minor significance. They are later ancillary buildings connected to the Grade I structure and display few distinguishing features. The design team consider these wings to be of less historic and architectural value and removing some or all of these structures would create usable space to the rear of the property and allow the South elevations to be revealed.

The historical significance of the North elevation makes it inappropriate for any extensions.

The design team is prepared to make a case for interventions into the historic building to achieve an additional form of vertical circulation in addition to the main stair within Wing A. New extensions should be appropriate in scale and material, to relate to and enhance the original Old Hall.

It is possible in some areas to incorporate alterations that will increase its environmental performance and thus make it more attractive to the market in years to come. This is particularly relevant in the replacement of building elements and any new construction. It would obviously be inappropriate to replace original windows or glazing however.

9. Condition and principal repairs required; associated costs

The building is a poor state of repair and requires a comprehensive overhaul to bring it back into a long term stable condition for re-use. This chapter sets out detailed areas of defect and outlines the necessary repairs.

The most serious structural concern is the rear elevation of the West Wing. The sole plate is in a critical condition and is defective along its entire length, being either compressed, or in some areas, totally disintegrated.

The roof covering at the end of its serviceable life and requires removal and reinstatement.

Where there is no pier at the rear south wall there are signs of significant and ongoing structural movement.

The substitution of brick panels has added considerably to the loading of the frames and exacerbated the deflections. They will have held dampness for longer than the wattle and daub, accelerating decay in the oak frames. A short-term repair would be to remove and reinstate using salvaged brick and lime render where required. However, in areas of extensive defect, consideration should be given to the introduction of lightweight panels (block-work and insulation) with a white lime rendered finish.

Other than the West wing rear elevation, framing appears generally stable but there are locations where deflections cause some concern.

All timber frames and window frames have been painted with a black, oil based paint. This is now peeling and requires removal and redecoration.

There are some localised problems caused by water penetration, where ceiling repair is needed.

Addressing the condition of the rear wall of the West Wing is critical. This needs to be stabilised as matter of considerable urgency and definitely within twelve months. Then there comes a wide range of repairs that should be undertaken within the next five years. Of these the single largest component will be re-roofing. Whilst the rear wall is the item that requires the most urgent attention, it is neither practical nor possible to see this in total isolation.

Alternative A sets out a scheme of for basic repairs for the building and is costed at £421,721. Alternative B costs are for the full refurbishment of the building with a completely restored frame and are estimated at £1,027,743.

10. Market analysis

Market advice has been provided by Frank Marshall, Valuation Agents, alongside consultation and research by Heritage Works.

Three end use sectors have been considered: residential, commercial and community/public.

Residential use has been considered in the context of the local market, access and external space limitations. Re-use as a single dwelling is unlikely to attract a purchaser. Division into two highly individual houses is considered more marketable.

Commercial needs are served well within existing provision in Sandbach, particularly small start up units. The limited rental market values are unlikely to sustain a single business use and internal spaces are not suitable for open plan office or the medium sized business sector.

End use as a pub is considered high risk in the current market and concerns arise over the ability of this option to achieve usable space on each both floors of the building.

Holiday lets are not popular in the local areas in comparison to say Chester, but a possible scheme for part of the building in partnership with a specialist trust such as the Landmark Trust or Vivat Trust may be attractive to tourists.

The regional priority on food and drink tourism and boosting the visitor economy indicates that a mixed commercial use of signature restaurant with bar area and rooms above should be explored as an option. This would contribute to the wider economy and visitor offer in Sandbach.

Community/tourism: Museum and stand-alone visitor attraction uses are not considered to be viable for long-term income generators and would be competing against several other more established attractions in the region.

A tourist information centre or orientation hub for the wider Cheshire area are viewed in the context of shifting focus to technology based services and do not sit with key priorities for local tourism strategy.

A mixed use 'loose fit' scheme offering small independent retail units with a focus on local produce and exhibition space could build on the market tradition of Sandbach and encourage a cluster of individual retailers. This proposal could be combined with an exhibition/display area to attract visitors.

11. Options for re-use and principal alterations required

The design team's proposals have been informed by an understanding of the history and architectural configuration of the building, with the spaces created being dictated by the original form of the structure. The philosophy described in chapter 8 has led to the development of design solutions that protect the most significant parts of the building whilst also addressing the issues of access and internal circulation.

The later additions to the rear (Wings C, D, E and F) are of less architectural and historic value and detract from the main historic parts of the building. All or some of these wings could be considered for demolition.

New, additional vertical circulation will be required. The architect has proposed that this be sited at the rear of Wing B to cause least disturbance to the existing building and provide a horizontal route at each end of the building.

The market assessment and consultation has led to the development of three options:

- Option 1- residential use as two houses
- Option 2- restaurant use with bar area and accommodation above
- Option 3- local retail business/office use with visitor element

Drawings of each of these options are provided at Appendix J.

Option 1 shows House 1 formed in Wing A and House 2 in Wing B. Wings D and E are demolished.

Alternative layouts for Wing B might include the removal of Wing C, to create a larger garden, an external stair tower and/ or perhaps a new smaller extension.

Option 2 shows a restaurant/ bar scheme with accommodation. Wings D and E are demolished and Wing C retained for kitchen use. A bar area is shown to the rear of Wing A and the dining area is set across 3 rooms in Wings A and B. An accessible bedroom is located at the East end of Wing B with six further rooms upstairs. Additional vertical circulation is provided by a stair tower to rear of wing B.

Option C shows the local retail/business scheme with a visitor element. The historic spaces are retained with Wings A and B used as a series of interlinked units. Wing C is retained as cafe and Wings D and E demolished to form additional external space.

12. Project costs

John Pidgeon Partnership have prepared indicative costs for each of the options described in chapter 11 against an outline specification, based on a combination of quantified works / rates and cost per square metre allowances. The figures in table 12a below relate to construction costs. These also include contractor's preliminaries and contingency allowance contingency. Option 0 shows costs for a basic repair scheme to be returned to market as a 'shell'.

Table 12a Construction costs

	Option 0	Option 1	Option 2	Option 3
	Basic Repair	Residential	Restaurant/ Bar/ Hotel	Business/ Retail/ Visitor
Repairs	421,721	1,027,743	1,027,743	1,027,743
Option construction	0	676,634	867,985	584,230
Construction costs total	£421,721	£1,704,377	£1,895,728	£1,611,973

Chapter 12 describes the non-construction costs that must be added to the figures above to provide the total project costs. These include items such as design team fees, specialist survey costs, statutory fees and VAT. Inflation and project financing costs should also be added, but these cannot be estimated at the present time, as there is no firm development programme for the project.

Developer's profit is also covered in this chapter. If the project is implemented by a commercial developer, a profit in the order of 20% on all costs would be expected. If the project is undertaken by a not-for-profit organisation such as a Building Preservation Trust, no profit is required and instead a project management fee of around 5% of contract sum should be added to the project costs.

The total project costs of each of the options, at present day rates and before profit, are shown in the table below:

Table 12b: Project costs including construction costs, fees and acquisition costs

	Option 0	Option 1	Option 2	Option 3
	Basic repair	Residential	Restaurant /Bar/ Hotel	Business /Retail/ Visitor
Construction cost	£421,721	£1,704,377	£1,895,728	£1,611,973
Acquisition Costs	1	1	50,000	1
Design team fees @ 15%	63,258	255,657	284,359	241,796
CDMC/ Project Manager @3%	12,652	51,131	56872	48,359
Specialist surveys	35,000	35,000	35,000	35,000
Statutory fees	2,000	8,000	9000	8,000
Total fees	112,911	349,789	435,231	333,156
Grand total	£534,632	£2,054,166	£2,330,959	£1,945,129

When developer's profit at 20% of all costs is included, the total project cost of option 1 becomes £2,464,999 and the cost of option 2 £2,792,351, and option 3 becomes £2,330,555.

When a not-for-profit management fee of 5% of contract sum is applied. The total cost of option 1 is £2,139,385 Option 2 £2,421,745 and Option 3 £2,022,728.

13. Valuations

Frank Marshall have provided indicative current day valuations for the existing Old Hall building in present condition and for end values of Options 1, 2 and 3. The valuation report is included at Appendix L.

The current day values differ dependent on end use. As a purchase price is dictated by what a purchaser will pay and what a buyer will accept, the fact that a buyer has recently been found for the Old Hall cannot be discounted. Whilst the bricks and mortar may have nothing more than a token value because of their current condition, the value for option 2 must be put up to acknowledge that there are commercial concerns who will pay more. They can be considered to be a 'special purchaser'. The actual purchase price paid is likely to be far greater than the figure in this report but when considering what the value would be if the property was returned to market tomorrow, Frank Marshall's have assigned a value of £50,000.

Potential rental income for Option 3 is estimated to be £60,000 per annum based on the landlord being responsible for all internal and external repairs and leases for periods of no less than three years.

Frank Marshall's have provided the following current day end values for each of the options:

Option 1 (Residential):	£1,000,000
Option 2 (Restaurant/ Bar /Hotel)	£1,200,000
Option 3 (Business/Retail /Visitor)	£700,000

14. Financial analysis and viability; grant funding sources

The project costs outlined in chapter 12 and the values discussed in chapter 13 have facilitated a simplistic development appraisal to determine the conservation deficit inherent in each option. As explained above, no provision has been made for inflation or finance costs, for void periods or time to achieve full occupancy at this stage.

Table 14a: Indicative development appraisal

	Option 1	Option 2	Option 3
	Residential	Restaurant/Bar/ Hotel	Business/Retail / Visitor
Costs			
Construction cost	1,704,377	1,895,728	1,611,973
Total fees	349,788	385,231	333,155
Acquisition cost	1	50,000	1
Total	£2,054,166	£2,330,959	£1,945,129
Developer's profit	410,833	465,392	388,426
5% management fee	85,219	94,786	80,599
Total costs (private sector)	£2,464,999	£2,796,351	£2,333,555
Total costs (not-for-profit sector)	£2,139,385	£2,425,745	£2,025,728
Values			
Total end value	£1,000,000	£1,200,000	£700,000
Profit / deficit			
End value less total cost	-1,054,166	-1,130,959	-1,245,129
Deficit (inc private sector profit)	£1,464,999	£1,596,351	£1,633,555
Deficit (inc not-for- profit fees)	£1,139,385	£1,225,745	£1,325,728

The figures in table 14a show that all of the schemes have deficits: ranging from just over £1 million to almost £1.25 million, even before any 'profit margin' is taken into account. It should be noted that the deficit cannot all be attributed to the conservation aspects of the project as options include small elements of new build, which will be expensive by their

very nature in the context of the listed building, and do not contribute to end value where they provide circulation space.

Chapter 14 introduces a wide range of funding sources that may be able to make a capital contribution to the Sandbach Old Hall project. Funding is always predicated on meeting the objectives of the funder, which generally derive from the end use. There are very few sources that provide grant for the repair of a historic building per se. The nature of the applicant body is also important, as in the majority of cases funders will not provide grant to contribute to private sector profit.

Potential sources of funding are limited by the competition for grants and the requirement to see a long-term public and educational benefit in return for capital funding. English Heritage could potentially grant up to £100,000 but projects for private gain would be unlikely to be eligible. A Heritage Lottery Fund grant award might be possible but projects involving private or commercial ownership would not be seen as a priority. The Architectural Heritage Fund will only consider loan offers to not for profit organisations such as Buildings Preservations Trusts and they too have requirements on ownership of the asset by the applicant charity.

It is possible that Option 3 may attract NWDA funding through one of their programmes focussed on heritage tourism but other areas of the region are seen as a higher priority and the lack of a robust business plan may prohibit any NWDA funding.

15. The preferred scheme and the benefits that will derive from this

At this stage none of the schemes are viable without additional grant funding or private investment to bridge the deficit gap.

Whichever end scheme is ultimately adopted, the project will preserve an important historic building and bring it back into economic use. The Old Hall is a critical part of Sandbach's past and an important architectural feature of the town, contributing to a sense of place for existing residents and visitors alike.

Option 2 is the preferred option, as it appears to demonstrate the most viable future use. All areas of the building would have an active use and the building would be in single ownership. The Old Hall would return to its former use as an inn and the scheme would enable a form of public access. The attractive spaces and character of the building would be likely to draw an audience from beyond the local area to enjoy the building and a destination restaurant would bring wider benefits for the economy of Sandbach.

The costs required for this option are high and grant funding is highly unlikely, but the end value is the highest of the options and investors may be more willing to take a long term view on the project.

Increasing the local food and drink offer and building the visitor economy are seen as a key factors in the region and Option 2 would meet both these priorities.

Option 3 is acknowledged as the requiring the least intervention to the historic fabric of the building and having the lowest project total cost. However, whilst it is the only option likely to be eligible for any grant funding, it is the least financially viable, having the greatest capital deficit. A requirement for core funding or subsidy for running costs would continue to be an issue.

Option 1 would result in the Old Hall being in split ownership and whilst it would be in the best interests of the owners to undertake maintenance, there is a risk that the building could suffer from a lack of ongoing investment and from the owners' differing management regimes. The deficit and lack of potential grant funding mean this option is

unlikely to attract a large developer and is reliant on a purchaser who is willing to invest significant capital for no financial gain.

16. Conclusion and recommended 'next steps'

The bar/restaurant/hotel option is considered to be the most viable as an end use.

When Heritage Works embarked upon the study, the Old Hall had been on the market for several years and its future was uncertain. It was considered as a potential project for a building preservation trust to take forward.

Shortly before this study was submitted, a pub company completed a purchase of the building with plans to re-open it as a pub/restaurant.

This study has explored a number of possible end uses for the building but the recent purchase has proved that Sandbach Old Hall is capable of attracting a private sector investor to take the project forward.

Sandbach Old Hall has been vacant for a number of years and has suffered from the lack of a comprehensive maintenance schedule. The profile of the building has been raised considerably by the Sandbach Old Hall Action Group. It is considered likely that the undertaking of this study has, in combination with the real threat of notices being served by the local authority, influenced the former owners in their decision to sell the building.

The research for this report has concluded that potential grant funding for the Old Hall is limited and that the costs of any scheme will need to be met by sources other than public funding.

Heritage Works has the experience and ability to work with owners, local authorities and heritage bodies such as English Heritage and could undertake a liaison role to secure the project.

It is also possible that Heritage Works could also provide a consultant project management role for the repair and reuse of the Old Hall.

In the event that the current plans for the Old Hall do not lead to its repair and reuse, Heritage Works could revisit the project and investigate the option of taking forward a shell repair scheme, subject to grant funding.

The Sandbach Old Hall Action Group (SOHAG) now has the opportunity to work with the new owners to assess the community and heritage learning benefits that could be derived from the repair and reuse of the Old Hall. A discrete education programme could be eligible for funding (for example from the Heritage Lottery Fund) and could produce a long-term legacy in the form of a publication or education days. Heritage Works could facilitate such a programme and would be eligible to apply for relevant funding streams.