CHALK PIT UPDATE - 25 November 2024

Development Strategy

- The feedback from the Community Consultation (see <u>here</u>) indicated support for both replacement of the existing commercial units to create a future income stream as well as some form of community facility.
- The Sell Option was suspended in September, following a clear message by 65% of respondents in the Community Consultation, that they did not support the option that, even if funding cannot be raised, the site be sold.
- The key development objective is revenue generation to deliver community benefit. If sufficient funding can be found to include the community facility, it will be incorporated. If it is not, the commercial units will be the priority to support future income streams which can then support the community facility as a second phase (along with other improved community services and projects).
- We have examined the financial and operational risks associated with a new building and renovating the existing structure. The existing building is in a very poor state and would require significant expenditure. It has become clear that rebuilding is the better option, rather than renovating the existing building.
- The sudden revaluation of the Business Rates to £12.5k per annum jeopardised the commercial viability of the lease for the previous tenant. A key goal is therefore to minimise business rates for future tenants, which can be achieved by letting smaller commercial units.
- These commercial unit design should be scalable and modular to ensure that development is not delayed by available finance.
- In the pre-app discussion with TVBC it looks like the idea of on-site Container Storage is unlikely to be accepted.

Cost mitigation

- We are exposed to a business rates charge of £847 per month. We have contacted the Valuation Office Agency (VOA) requesting this should be suspended on the grounds that the building does not meet tenancy standards and therefore cannot be let. This was rejected on the grounds that we cannot demonstrate that the building is being demolished or that work is taking place that makes it unfit for occupation. We have mitigating these monthly charge to the extent possible.
- SSE Service charges. The monthly standing charges are unavoidable as disconnection followed by reconnection once the development is complete, is prohibitively expensive. Moving the existing 3-phase supply is the most attractive long term option but means monthly standing charges have to be paid.

Pre-development actions

- **Concept design** We have retained a local architect to provide an initial outline design of the commercial units and community facility.
- **Bat Survey** was carried out in August and September by Kate Savage and a number of volunteers who had participated in a training session. The Draft Bat Survey Report has been received.

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- **Geological Stability Survey** by specialist consultants CGL was carried out in August. Initial view is that the face is sufficiently stable not to prevent proposed construction. A further Rockfall Assessment study is in progress which will define the area suitable for construction.
- Other pre-development studies will be required, including Ground Contamination, Flood Risk, Arboriculture Survey and Biodiversity Impact Statement. We are looking to source funding for these and to have them done before May 2025.

Funding

The Parish Council will not utilise commercial loans for redevelopment. The goal is that this redevelopment will be covered by grant finance maximising the long term financial benefits to the Community.

- Scale of funding is now becoming clearer. The current expectation is that total costs will be between £500,000 for 4 commercial units and £750,000 if we include the community centre.
- Several potential sources of funding are no longer available TVBC Community Infrastructure Levy fund has dried up and the Ministry of Housing, Communities and Local Government Community Ownership Fund has been suspended since the election
- An unsuccessful application was made to the TVBC Rural England Prosperity Fund for costs associated with upgrading the track to the Chalk Pit
- A specialist fund raising consultancy, Lipa Consultancy, has been approached for a proposal. They have submitted a proposed package of services to help identify and apply for a range of potential funding sources.
- A direct approach to Cowdown Renewables Ltd and parent company Equitix, have been constructive. A facility to fund the above studies, the architectural design and the Chalk Face Stability Study has been agreed in principle. Financial support at the redevelopment phase is planned.

Community & Stakeholder Engagement

- **Community engagement** Taking the Upper Clatford and Anna Valley community with us on this project is critical. We plan to have another Community Open Meeting in the Village Hall in March 2025, at which we will present the development options and the decision process in selecting the planned development, along with funding plans and a timeline to completion.
- **Parish involvement** on several days earlier in the year, parish volunteers were invited to help clear up the site. About 15 parishioners also helped complete the Bat Survey.
- External Stakeholders. Caroline Nokes MP has visited and expressed strong support for the general objectives. She has also supported us in our efforts to have the Rates suspended. The Deputy CEO of TVBC (Salena Mulhere) as well as both Anna Ward Councillors have also visited the site and expressed support for the goal to redevelop.

If you have any questions or suggestions, please send them to <u>cllrceyre@upperclatford-pc.gov.uk</u> or call on 07730 304 29