

Restoration

The restoration of historical buildings will always play well with the public. It protects the country's heritage, generally results in aesthetically pleasing properties and, as shows such as *Grand Designs* prove, makes for great tv. But behind an attractive, historical façade often lies a building eager to swallow up vast amounts of money.

Those who follow *Grand Designs* will know that restoration projects rarely go to plan. Unforeseen problems invariably consume money and time at an alarming rate. Developers live on the basis that a quantifiable risk will bring them a significant return, and unfortunately a historic building comes with no such guarantees. As Clive Fenton, chairman of Barratt Southern, says, "you never know what you are getting when you strip a building back."

This causes many housebuilders to blow budgets. Jonathan Flint, md of Chase Homes explains: "Initially we massively underestimated the cost, but as we've grown in experience we are more accurate." Fenton similarly comments: "Whenever we cost for restoration projects now, we put in far more contingency money and we always spend it."

prohibitive costs

The prohibitive costs that come with restoration projects put off many larger housebuilders. Andrew Large, director of external affairs at the Federation of Master Builders (FMB), says: "Major housebuilders don't get involved in restoration at all. In my understanding they do the absolute minimum to get them on the market. Some put it up to auction straight away so they don't take on the months of risk."

This theory is borne out by James Wilson, David Wilson Homes (DWH) development director, who says DWH sold a restoration site for £1 to a developer because of the risk involved. Wilson says, "It's more a job for a specialist builders' than a larger commercial developer." On the other hand, DWH's award winning Quorn Mill development in Leicestershire, a scheme that involved the restoration of a derelict mill as well as new build homes, is one of a number that have been a real success for the firm.

Housebuilders are becoming increasingly savvy in their assessment of restoration projects. This is partly out of necessity, as Flint explains: "We're increasingly forced into conversions because of land

drama

Restoring historic buildings can be expensive and unpredictable, but it is often necessary on brownfield sites. Chris Windle looks into the costs and challenges, and the importance of getting experts on board to help make your scheme a success



Gilbert & Hall's Anglo Scotian Mills in Beeston, Nottingham



Laing Homes teamed up with Morgan Restoration to restore Baldwyns, in Bexley, Kent

Housebuilders are becoming increasingly savvy in their assessment of restoration projects, partly out of necessity because of land supply issues

supply issues. Location is of primary importance on such schemes. The building also has to be easily devisable, the structure has to be sound and there needs to be suitable parking arrangements. Ultimately, you have to ask does it look the part?"

A developer experienced in restoration can price the work realistically, although this too can lead to problems. Banner Homes commercial director John Kelly explains: "We are often pricing ourselves out of the land because we put lots of

cost on refurbishments." Indeed Banner Homes has good reason to do this. On its Blosswood Groves development in Whitchurch it spent £80,000 restoring a cobb wall, a sum that vastly exceeded the cost of demolishing and rebuilding the wall, for a plot of only six houses.

"Arguably we wouldn't have bought the site if we had known the price of the restoration," says Kelly, "but it looks fantastic." This scenario is a common one among developers who find the aesthetics of a

restored building attracts buyers, and the Blosswood Groves scheme did make a profit.

Buyers with money to spare are looking for something that has character beyond the average new build. Fenton says: "If it looks the part you can sell them for more than the average. If you can offer something slightly different people will pay."

For a project to go smoothly planners have to be on board and supportive of the scheme. Michael Chambers, director of policy at the Royal Institute of Chartered Surveyors, says: "There are issues around what you're allowed to do to a building. Unless there is flexibility there it can scupper a scheme."

Restoration and rebuild – a successful combination

Gilbert & Hall's Anglo Scotian Mills development in Beeston, Nottingham, is an example of how restoration and new build can successfully work together. Designed by Nottingham-based Franklin Ellis Architects, the development will comprise 104 apartments, including both new build and mill conversions. The main mill building was originally built in the 1880s for a fabric manufacturer and is a grade two listed property.

"Anglo Scotian Mills represents a flagship development for our company and for Beeston as a whole," says director of Gilbert & Hall, Chris Hall. "The development forms a gateway into Beeston and will see the restoration of these fabulous mill buildings complemented by the creation of sympathetically designed new buildings."

As with many listed buildings, planning was a delicate issue further complicated by the fact that the scheme comprised three main plots, which had to be negotiated separately. Consent was eventually granted on each site but all were subject to separate section 106 agreements, which were typically time consuming to negotiate.

The main mill is the centrepiece of the scheme, and although the company incurred significant costs during restoration it is confident that the high ceilings, exposed brickwork, original columns and large windows will bring in buyers. Indeed Gilbert & Hall expects to have its first occupants by September 2005, with the whole scheme due to be completed by spring 2007.

listed buildings

Listed buildings, in particular, can be problematic if substantial changes need to be made. Barry Morgan, chief executive and founder of specialist firm Morgan Restoration says: "Developers need to ensure that the local authority conservation team and planners are sufficiently pragmatic to see the greater good. Conversion will always alter parts of the building the important thing is the building as a whole will be preserved and given a new life." And convincing planners is where specialists such as Morgan Restoration come in very handy.

On Banner Homes' Blosswood Groves development Kelly found just how obstructive a

continued on page 40

Get the experts on board early for tricky restorations

Housebuilders are increasingly seeking the skills of specialist developers to work with them on sites that include historic buildings. David Tomback, English Heritage's development economics director, says: "There have been a number of joint ventures and it's a sensible way of doing it." Banner Homes, for example, joined forces with The Lime Centre on a major cobb wall project.

Morgan Restoration has teamed up with Laing Homes on several developments. Barry Morgan, chief executive and founder, says: "The projects I have done alongside Laing Homes have ended up with our restored building forming the centrepiece of the new development." The central building at projects such as Langley Park, in Beckenham, Kent and Baldwyns, in Bexley, Kent make an impressive focal point for the developments. "New home customers like the backdrop of the historic building, it adds value and quality to their environment," says Morgan.

Enthusiasm for restoration can also get planners on side. "Often when these large sites are acquired they contain some historic buildings the local authority would like to see retained. One can always argue enabling development in these cases can gain large numbers of brownie points from the local authority by suggesting a reuse and conversion for these buildings," says Morgan.

Groups such as The Lime Centre and Morgan Restoration stress that the key to a successful restoration project is involving the experts early. This may help avoid costly mistakes and influence the planning and conservation officers that will oversee the project.

continued from page 39

hostile conservation officer could be. "It's quite a feat keeping a conservation officer happy," says Kelly. "We had the Lime Centre as consultants but the conservation officers weren't very forgiving. We felt we could have done it faster without them."

Another area where developers often struggle is in finding skilled contractors. Many find it hard enough to get good bricklayers let alone those versed in the building ways of the Tudors. Chambers says: "There is an issue about skill shortages across the industry and especially in relation to the specialist skills you may need for restorations." Large stresses the importance of employing reputable builders: "You need to make sure you choose the right person: ring the FMB, get references and a written contract."

Consultants such as The Lime Centre and Morgan Restoration can also help by training workers to meet the demands of a project. Banner Homes took this route at Blosswood Groves, says Kelly. "We had to train up groups of workers through The Lime Centre, and they have since gone on to set up their own company because there is a demand for their skills."

financial incentives

Another pressing concern for housebuilders is the lack of incentives that would make restoration more worthwhile. While new build remains VAT-free and so more profitable, restoration will remain a niche market, says Chambers.

Such obstacles can block inventive schemes. Henry Owen-John, English Heritage's regional director for the north west, points out that Urban Splash's problems with a regeneration scheme in Salford – for which it has radically redesigned the layouts of traditional terrace housing – highlights the downfalls in the system. "Urban Splash's proposals, to turn the house layouts upside down, retained the essential character of the buildings while creating properties people want to live in. But because it is classified as repair it attracts the 17.5% VAT, so they may have to add new build to make it viable and that is not what it is about."

Meanwhile the government's plans to demolish up to 400,000 homes in



Historic buildings with contemporary interiors: Laing Homes' Baldwyns

pathfinder areas in the north and Midlands, rather than restore them, has attracted an angry response from local communities. Chambers says: "The crucial thing is to look at the reason housing markets in these areas have collapsed. If it is because industry has left or people simply don't want to live there then demolition may be necessary. But where industry is returning and buildings are in a good enough state to be economically repaired, restoration is preferable."

"There are a number of factors in favour of restoration," says Owen-John. "One is environmental sustainability: restoration is an inherently more sustainable solution." It can also compete economically as long as the projects are carefully selected. "English Heritage," explains Owen-John, "wants the repair and refurbishment of properties to take care of the environment around it."

There are plenty of examples that illustrate the potential positive effect of restoration on the surrounding area. Chambers sights Grainger Town in Newcastle, a previously run down area brimming with listed buildings, as a beacon of what can be done. The project, begun in 1997, brought historic buildings back into use and has been the catalyst for an economic, cultural and social rebirth in the area.

While this type of city regeneration project may not be in the remit of a traditional housebuilder, it illustrates how well thought out restoration can have a tremendous effect in the same way that an impressively restored historic building will add character and kerb appeal to a new build development. The key to avoiding a grand design becoming a grand nightmare is to be selective and engage with expert assistance from the start. **hb**

Chase Homes relishes the historic angle

Chase Homes has taken on several restoration projects in recent years. Jonathan Flint, md, says: "A larger part of our portfolio is refurbishment than at the average housebuilder, and we now have the experience to know how to choose projects carefully. If it works on paper we are happy to do it, because we have found we can sell the homes for more."

One Chase Homes project currently on the go is White Hart Mews in Chipping Norton. The former coaching inn is a grade two listed building that dates back 500 years and is reputed to have had King Charles I as a guest. The building is being converted in to luxury apartments and cottages, combining modern interiors with the original façade. An oak panelled room of architectural significance has also been preserved along with an original archway through which horses and coaches would have passed.

Chase Homes appears keen on properties with politically as well architecturally historical edges. One of its completed projects, The Convent in Nottingham, was designed by Augustus Pugin who helped to design another rather significant building – the Houses of Parliament. The Convent has been converted into 31 luxury apartments.