

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 04 September 2017

Portfolio:	Policy and Resources
Subject:	Locks Heath Memorial Hall - Asset Disposal
Report of:	Director of Finance and Resources
Strategy/Policy:	Asset Management Plan
Corporate Objective:	A Dynamic, prudent and progressive Council

Purpose:

To obtain the approval of the Executive to the sale of the Locks Heath Memorial Hall site.

Executive summary:

The Locks Heath Memorial Hall is vacant, in poor condition and not fit for purpose. This report asks the Executive to declare the Locks Heath Memorial Hall surplus to requirements and seeks approval to dispose of the asset and obtain a capital receipt for the Council.

Recommendation/Recommended Option:

It is recommended that the Executive agrees that:

- a) the Locks Heath Memorial Hall is declared surplus to the Council's requirements;
- b) an outline planning application is submitted for residential use of the site;
- c) subject to the receipt of planning consent, the site is placed in the open market for potential purchasers to submit offers on a competitive basis; and
- d) acceptance of an offer is delegated to the Director of Finance & Resources following consultation with the Executive Leader.

Reason:

To obtain the approval of the Executive to the sale of the Locks Heath Memorial Hall site.

Cost of proposals:

The sale will secure a capital receipt for the Council. Initial marketing costs will be required when the site is placed in the open market.

Appendices: **A:** Locks Heath Memorial Hall Site Plan

Background papers: None

Reference papers: None

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Executive Briefing Paper

Date:	04 September 2017
Subject:	Locks Heath Memorial Hall - Asset Disposal
Briefing by:	Director of Finance and Resources
Portfolio:	Policy & Resources

INTRODUCTION

1. Locks Heath Memorial Hall is owned by Fareham Borough Council and leased to Locks Heath Community Association. The Association holds a 20 year lease on the property which expires in March 2018. Appendix A shows the land that is included within that lease.
2. The original build is dated to 1922 and the property was purchased by the Council in 1966 for the sum of £2,200. The hall is served by WC's, a small kitchen, storage facilities and a secure outdoor space.
3. The Association has experienced ongoing issues over recent years with its governance arrangements which have resulted in limited use of the facility and a deterioration of the internal fabric of the building.
4. Despite efforts from the Council and from One Community, the organisation funded by the Council to provide support for community and voluntary organisations, the Association has now folded.
5. The vacant property is in poor condition and not fit for purpose and is therefore surplus to requirements. This report seeks approval to dispose of the asset and obtain a capital receipt for the Council.

BACKGROUND

6. In January 2016, the Council was made aware that the Locks Heath Community Association only had one remaining trustee who wanted to stand down. The implication for this being that the organisation would be in default of the lease and there would be nobody to operate the building.
7. The Council has an arrangement with One Community, an organisation who provide help and support to community and voluntary organisations. One Community were asked to take on a temporary administrative role in order to keep the facility open.

8. While assisting in this capacity, One Community also sought to recruit new trustees for the Community Association to enable it to continue to function. A meeting was organised with the existing user groups to discuss them standing as trustees, but there was no interest.
9. One Community's Volunteer Centre produced a flyer, asking for volunteers, including the role of secretary and caretaker, but unfortunately nobody came forward. The Charity Commission was informed of the situation and without any remaining trustees the process of closing down the charity was instigated.
10. The Chief Executive of One Community acted as interim Treasurer to handle the affairs of the Charity in the short term to coordinate the closure of the Charity and to ensure all income and expenditure is dealt with appropriately.
11. As the Association has defaulted on the lease, the responsibility for the building falls to Fareham Borough Council. The property is in poor condition and not fit for purpose and would require a significant capital investment to bring it up to an acceptable standard.
12. In the circumstances the Council had no option but to explore alternative accommodation for the existing users of the building and all these user groups have been found alternative accommodation in nearby community facilities.

PLANNING ADVICE

13. Advice was sought from the Head of Development Management on the use of the site redeveloped for residential use. The following advice was received.
14. The size of the site and the character of development within the area (in particular the bungalows on either side of the site) would inform the scale and design of any replacement buildings.
15. The area is characterised by regularly spaced, detached buildings which adhere to a uniform building line. As the dwellings on either side are bungalows, it would be expected that any replacement building to be of a similar height. It is therefore unlikely that a two storey development in this location would be acceptable, although chalet style development (i.e. rooms within the roof space) may be acceptable. The provision of one building designed to look like a house but, in reality, containing two flats may be an option. But it is unlikely that more than two units could be provided given the policy requirement to respect the character of the area, provide car parking, amenity space etc.
16. The advice received and maximum number of units suggested will prevent the site being retained by the Council and redeveloped for affordable /social housing. Therefore, a sale to a private developer is proposed.

DISPOSAL OF THE ASSET

17. There were covenants on the property when it was purchased by the Council. However, these covenants are not particularly onerous and would not preclude redevelopment of the site. They relate to such things as not building within 30 feet of the road, not using the land for gravel or sand extraction or as a burial ground and not selling or manufacturing alcohol.
18. It is proposed that the Council submits an outline planning application for the redevelopment of the site for residential purposes. Subject to planning consent being

obtained the site will be placed in the open market by the Council's retained agent so that maximum market coverage can be achieved with offers sought from interested parties on a competitive basis. This will achieve best value.

19. Interested purchasers will submit offers based on what they will want to build on the site. The offers are expected to be conditional on the successful applicant receiving detailed planning consent. The Council will not bind itself to accept any of the offers received. It is suggested that the acceptance of any offer is delegated to the Director of Finance & Resources in consultation with the Executive Leader.

FINANCIAL IMPLICATIONS

20. The sale will secure a capital receipt for the Council. Initial marketing costs will be required when the site is placed on the open market.

CONCLUSION

21. The Locks Heath Memorial Hall is vacant, in poor condition and not fit for purpose. This report asks the Executive to declare the Locks Heath Memorial Hall surplus to requirements and seeks approval to dispose of the asset and obtain a capital receipt for the Council. The Executive are therefore requested to agree the recommendations set out in the report.

Enquiries: For further information on this report please contact Mark Bowler. (Ext 4420)