

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 03 September 2018

Portfolio:	Policy and Resources
Subject:	Locks Heath Memorial Hall Progress Report
Report of:	Head of Leisure and Corporate Services
Corporate Priorities:	A dynamic, prudent and progressive Council

Purpose:

To update the Executive regarding a proposal from St John's Church Locks Heath regarding the future of Locks Heath Memorial Hall.

Executive summary:

At the September 2017 Executive meeting, members considered a report regarding the future of Locks Heath Memorial Hall.

The Council had, in January 2016, been made aware that the Locks Heath Community Association only had one remaining trustee who, at that time, wanted to stand down from the position. The implication for this was that the Association would be in default of the lease and there would be nobody to operate and manage the building.

Following unsuccessful efforts to find new trustees, arrangements were made to relocate the remaining user groups.

After considering the report, the Executive agreed that the Hall was surplus to the Council's requirements and was to be placed on the open market for sale.

Since the Executive agreed to dispose of the Locks Heath Memorial Hall, St John's Church has come forward and stated that its interest in the Hall was not considered. The purpose of this report is to provide an opportunity for that interest to be considered now, including its future business plan.

Recommendation:

To consider the business plan for Locks Heath Memorial Hall proposed by St John's Church and, in light of this, to consider if the previous decision made by the Executive to sell the site on the open market, should be reconsidered.

Reason:

St John's Church feels that its interest in the Hall was not considered at the time when the Executive made its decision to dispose of Locks Heath Memorial Hall and, when the Planning Committee granted planning permission for redevelopment.

Cost of proposals:

There is a significant capital value attributable to this site. Best and final offers are to be submitted to the Council.

Appendices:

A: Report & Briefing Paper to the Executive. September 2017 - Locks Heath Memorial Hall Asset Disposal Report

B: Business Plan prepared by St John's Church (to be tabled at the meeting)

Background papers: None

Reference papers: Planning application P/18/0246/D4

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BOROUGH COUNCIL

Executive Briefing Paper

Date:	03 September 2018
Subject:	Locks Heath Memorial Hall Progress Report
Briefing by:	Head of Leisure and Corporate Services
Portfolio:	Policy and Resources

INTRODUCTION

1. The purpose of this report is to set out the background regarding the Executive's decision in September 2017 to dispose of Locks Heath Memorial Hall, on the open market, and to provide an opportunity for members to consider a proposal put forward by St John's Church.

BACKGROUND

2. Locks Heath Memorial Hall, and the land it sits upon, is owned by Fareham Borough Council. The original build is dated to 1922 and the property was purchased by the Council from the Church in 1966. The hall is served by WCs, a small kitchen, storage facilities and a secure outdoor space, but is in poor condition overall.
3. 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 was that the Association would be in default of the lease and there would be no one to operate and manage the building.
4. The Locks Heath Community Association had been experiencing ongoing issues with its governance arrangements, which had resulted in limited use of the facility and a deterioration of the internal fabric of the Hall.
5. The Council had an arrangement with "One Community", an organisation which provides help and support to community and voluntary organisations, and One Community was asked to take on a temporary administrative role to keep the facility open.
6. While assisting in this capacity, One Community also sought to recruit new trustees for the Community Association to enable it to continue to function.
7. A meeting took place on 16 November 2016 with the existing user groups to establish if they would consider standing as trustees, but there was no interest, and as a result the Association folded.

8. The Church were not invited to attend the user group meeting as they were not a group that used the hall.
9. The property was, and still is, in poor condition, not fit for purpose and would require a significant amount of capital investment to bring it up to an acceptable standard.
10. As the Association had defaulted on the lease, the practical responsibility for the building fell to the Council. In the circumstances, the Council had no option but to identify alternative accommodation for the existing users of the Hall.
11. All the user groups were helped to find suitable, alternative accommodation, in other nearby community facilities, offering a far better standard of facility for them to deliver their groups and activities from.
12. Neither the Council nor One Community has received any direct enquiries from anyone wishing to book the Hall since the Association handed the building back to the Council.

DISPOSAL OF THE ASSET

13. In September 2017, the Executive was asked to consider a report on the future of the Memorial Hall. (A copy of the report has been attached at Appendix A). It was vacant, in poor condition and not fit for purpose. The Executive approved the following recommendations;
 - (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 on 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 and Resources following consultation with the Executive Leader.
14. No deputations were made and the Executive agreed the recommendations.

PLANNING

15. Following Executive approval, officers began the process of preparing an outline planning application for the redevelopment of the site for residential purposes.
16. Subject to planning consent being obtained, the site was to be placed on the open market by the Council's retained agent so that maximum market coverage could be achieved with offers sought from interested parties on a competitive basis to achieve best value to the Council.
17. Following the standard public notice process on the 23 May 2018, the Planning Committee considered a planning application for the construction of a single dwelling on the site of the Locks Heath Memorial Hall.
18. One of the considerations taken into account was the loss of a community facility. The Council's Local Plan has a policy that effectively protects community facilities from being lost unless it can be demonstrated that; new or extended facilities have been provided on the site, or at a suitable alternative location, or; that there is no demand for continued community facilities at the proposed location and, that it can be satisfactorily

shown that the site was marketed effectively for such use for at least one year.

19. The Planning Committee's decision was to grant planning permission for a single storey dwelling.

PROPOSAL BY ST JOHNS CHURCH, LOCKS HEATH

20. When One Community was seeking to recruit new trustees for the Community Association to enable it to continue to function, Reverend Foster from St John's Church Locks Heath, expressed an interest in acquiring the site. There was no indication of any commitment to become a trustee for the existing Community Association. The interest was to utilise the building for church based activities.
21. Although this was not in line with the Council's objective, Reverend Foster was asked to submit his proposals so that they could be considered by the Council. This was not forthcoming.
22. When the Executive agreed to dispose of the Memorial Hall, no proposals had been submitted by the Church and, in subsequent correspondence when Reverend Foster was asked again to submit proposals for how the Church intended to use the site and how the project would be funded, no proposals were received.
23. However, St John's Church have since indicated that it feels that its interest in the Hall was not considered at the time when the Executive made its decision to dispose of Locks Heath Memorial Hall.
24. Since planning permission was granted and the Executive resolved to sell the land, the Church has prepared a business plan that it would like to be considered by the Executive. The Executive Leader agreed to this request. The proposal is to be tabled as Appendix B.

ASSET OF COMMUNITY VALUE

25. Following the Executive decision to dispose of the Hall, St John's Church also put forward a request for the property to be registered as an Asset of Community Value.
26. After extensive research by officers into the usage, significance and condition of Locks Heath Memorial Hall, and taking into account the Localism Act 2011, Regulations and Guidance, and taking advice from the Solicitor to the Council, the Church was recently advised that the Council is unable to agree to register Locks Heath Memorial Hall as an Asset of Community Value.
27. This decision was taken for the following reasons: -
 - (a) Usage was low before the closure of Locks Heath Memorial Hall in 2017, being mainly occupied by Jigsaw Nursery from Monday to Friday each week during term time, between the hours of 8.30am and 3.30pm, some usage was apparent on weekday evenings, and only two hours of usage on a Saturday morning. Taking all of the usage into account, and based on opening times of 8.30am to 9pm, the Hall was actually used for approximately 30% of the reasonable times available for hire per annum.
 - (b) The condition of the Hall is poor, which is a salient factor, and whether or not it could reasonably be put back into community usage has to be considered and given due weight. A condition survey in 2016 identified the need for significant investment

(circa £60,000 at that time) to bring the building up to a good, useable standard. As it is now two years on from that condition survey, it is probable that even more investment would now be needed to ensure safe usage of the Hall, as the fabric of the building will have deteriorated further since its closure in 2017.

(c) Finally, all users who occupied the Hall before its closure in 2017 have been successfully relocated to alternative sites, within close proximity to the hall, and appear to be content to stay at their new locations, which provide better conditions than Locks Heath Memorial Hall did. There are also several other, underutilised community centres, within the Western Wards which could accommodate user groups from the local area.

28. Following detailed research, the overall conclusion was that Locks Heath Memorial Hall has very limited value as a community asset, and after taking all matters into account should not be registered as such.

FINANCIAL IMPLICATIONS

29. There is a significant capital value attributable to this site, and interest is anticipated to be high. Best and final offers are to be submitted to the Council.

30. Members are reminded that when the Council decided to build a new swimming pool and fitness facility in the western wards (Holly Hill Leisure Centre), it was agreed that any funds raised from the sale of land or property assets in the western wards would be used to help fund the construction costs of the new Leisure Centre. This of course, is a benefit enjoyed by all members of the local community. If Locks Heath Memorial Hall is sold, then the funds would be used for this purpose.

31. At the time of preparing this report the proposals to be submitted by the church have not been received so cannot be given any professional examination or costing. Officers estimate that simply to return the Hall to being “fit and proper” would be in excess of £60,000. No budget for this sum has been allocated.

CONCLUSION

32. The Council has followed the correct procedures with regard to making a decision on the future of Locks Heath Memorial Hall. All reports to the Executive and Planning Committee were published in accordance with the law. However, St John’s Church has requested an opportunity to put forward its proposals before the site is disposed of. Members are asked to consider any business plan put forward by the Church and to indicate whether or not they wish to review the current resolution to dispose of the site on the open market, realising a significant capital sum.

Enquiries:

For further information on this report please contact Lindsey Ansell, Ext 4567.

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:

- (e) the Locks Heath Memorial Hall is declared surplus to the Council's requirements;
- (f) an outline planning application is submitted for residential use of the site;
- (g) 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
- (h) 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.

Background papers: None

Reference papers: None

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BOROUGH COUNCIL

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

33. 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.
34. 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.
35. 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.
36. 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.
37. 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

38. 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.
39. 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.

40. 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.
41. 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.
42. 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.
43. 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.
44. 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

45. Advice was sought from the Head of Development Management on the use of the site redeveloped for residential use. The following advice was received.
46. 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.
47. 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.
48. 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

49. 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.
50. 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.

51. 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

52. 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

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 recommendation set out in the report.