

*Please ask for:*

Lisa Young

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25 October 2011

## **S U M M O N S**

**MEETING:** Economic Development Board  
**DATE:** 2 November 2011  
**TIME:** 6.00pm  
**PLACE:** Committee Room 1, Town Hall, Gosport  
**Democratic Services contact:** Lisa Young

LINDA EDWARDS  
BOROUGH SOLICITOR

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### **MEMBERS OF THE BOARD**

The Mayor (Councillor Carter CR) (ex officio)  
Chairman of the Policy and Organisation Board  
(Councillor Hook) (ex-officio)  
Councillor Lane (Chairman)  
Councillor Langdon (Vice Chairman)

Councillor Allen	Councillor Mrs Hook
Councillor Chegwyn	Councillor Kimber
Councillor Edgar	Councillor Ronayne
Councillor Mrs Forder	Councillor Mrs Searle

### **FIRE PRECAUTIONS**

(To be read from the Chair if members of the public are present)

**In the event of the fire alarm sounding, please leave the room immediately. Proceed downstairs by way of the main stairs or as directed by GBC staff, follow any of the emergency exit signs. People with disability or mobility issues please identify yourself to GBC staff who will assist in your evacuation of the building.**

**IMPORTANT NOTICE:**

- If you are in a wheelchair or have difficulty in walking and require access to the Committee Room on the First Floor of the Town Hall for this meeting, assistance can be provided by Town Hall staff on request

If you require any of the services detailed above please ring the Direct Line for the Democratic Services Officer listed on the Summons (first page).

**NOTE:**

- i. Councillors are requested to note that, if any Councillor who is not a Member of the Board wishes to speak at the Board meeting, then the Borough Solicitor is required to receive not less than 24 hours prior notice in writing or electronically and such notice shall indicate the agenda item or items on which the member wishes to speak.
- ii. Please note that mobile phones should be switched off for the duration of the meeting.

**AGENDA**

RECOMMENDED  
MINUTE  
FORMAT

1. APOLOGIES FOR NON-ATTENDANCE

2. DECLARATIONS OF INTEREST

*All Members present are required to declare, at this point in the meeting or as soon as possible thereafter, any personal or personal and prejudicial interest in any item(s) being considered at this meeting.*

3. MINUTES MEETING OF THE BOARD HELD ON 21 SEPTEMBER 2011

4. DEPUTATIONS – STANDING ORDER 3.5

*(NOTE: The Board is required to receive a deputation(s) on a matter which is before the meeting of the Board provided that notice of the intended deputation and its object shall have been received by the Borough Solicitor by 12 noon on Monday, 31 October 2011. The total time for deputations in favour and against a proposal shall not exceed 10 minutes).*

5. PUBLIC QUESTIONS – STANDING ORDER 3.6

*(NOTE: The Board is required to allow a total of 15 minutes for questions from Members of the public on matters within the terms of reference of the Board provided that notice of such Question(s) shall have been submitted to the Borough Solicitor by 12 noon on Monday, 31 October 2011).*

6. PREMISES AT THE ANCHORAGE – THE BRENDONCARE FOUNDATION

*To seek the Board's approval to grant a new 7 year lease to the Brendoncare Foundation at the existing rent of £4500 per annum.*

Part II  
Contact  
Officer:  
Mark Pam  
Ext. 5563

7. DISPOSAL OF GARAGES - BEAUCHAMP AVENUE GARAGE SITE

*To seek Board approval for the disposal of the freehold of 14 garages in Beauchamp Avenue.*

Part II  
Contact  
Officer:  
Charles  
Harman  
Ext. 5287

Economic Development Board  
2 November 2011

8. ANY OTHER ITEMS  
*-which the Chairman determines should be considered, by reason of special circumstances, as a matter of urgency.*

## AGENDA ITEM NO. 6

<b>Board:</b>	Economic Development Board
<b>Date of Meeting:</b>	2 November 2011
<b>Title:</b>	Premises at the Anchorage – The Brendoncare Foundation
<b>Author:</b>	Housing Services Manager
<b>Status:</b>	For decision

### **Purpose**

To seek the Board's approval to grant a new 7 year lease to the Brendoncare Foundation at the existing rent of £4500 per annum.

### **Recommendation**

That the Board approves the grant of a new lease to The Brendoncare Foundation for a term of 7 years at the existing rent of £4500 per annum and authorises the Borough Solicitor to enter into such legal documentation as is necessary to effect the above decision.

### **1 Background**

- 1.1 The Brendoncare Foundation, who was then trading as Club Hampshire (a subsidiary of Brendoncare) took over the former Red Cross building at the Anchorage in 2004 and since then has run the day care facility for elderly residents of Gosport from the premises.
- 1.2 The lease was for a term of 7 years from 2004. They initially paid a rent of £2340 which increased to £3420 rising again to the current rent of £4500 from 2006 until the lease came to an end in June 2011.
- 1.3 When the lease expired a new lease, on the same terms, was proposed with a rent increase to £5100 (an increase of £600 per annum).
- 1.4 The lease excluded the security of tenure provisions which enables the Council to regain possession at the end of the term.

### **2 Report**

- 2.1 The Brendoncare Foundation has written to the Council (see Appendix A) appealing against the proposed increase. They say in support of their appeal that the income from one of the sub lettings has been lost and despite increasing the attendance fee from £3 to £4 that they are struggling to maintain the club services.
- 2.2 The Brendoncare Foundation states that they provide services delivering over 5000 attendances a year for older people in the Borough.

- 2.3 The Council is obliged by virtue of Section 123 of The Local Government Act 1972 to receive best consideration when granting a Lease of its property for a term of 7 years or more. As set out above best consideration is not proposed for the Lease proposed by this Report and therefore the consent of The Secretary of State is required for the disposal.
- 2.4 However, where the Council are disposing at an undervalue of less than £2,000,000 and the disposal is likely to promote or improve the economic, social or environmental well-being of its area then it can rely on the provisions of Section 2 of The LGA 2000. In such cases an application for a specific consent from the Secretary of State is not required. The Head of Property Services has confirmed that the undervalue over the term of the lease is within the relevant financial threshold.
- 2.5 In such cases the Council still needs to be satisfied that the disposal will promote or improve the economic, social or environmental well being of its area if it is to rely on this general consent. The Brendoncare Foundation is a charitable organisation that works in Gosport with older people and Gosport Community Safety Partnership and as such directly support the Council's Community Strategy to support community groups and the voluntary sector, and so it is considered that such objectives will be met in this case.

### **3 Risk Assessment**

- 3.1 There are no risks associated with the proposal.

### **4 Conclusion**

- 4.1 The grant of a new lease to The Brendoncare Foundation will secure the continued operation of the day care facility for the older residents of Gosport.

<b>Financial Services comments:</b>	Contained within the Report
<b>Legal Services comments:</b>	Contained within the Report
<b>Service Improvement Plan implications:</b>	None
<b>Corporate Plan:</b>	People – Promoting health and wellbeing
<b>Risk Assessment:</b>	As above
<b>Background papers:</b>	None
<b>Appendices/Enclosures:</b>	
Appendix 'A'	Letter from John Derban dated 15 September 2011
<b>Report author:</b>	Head of Property Services



Head of Property Services  
Gosport Borough Council

15<sup>th</sup> September 2011

**The Brendoncare Foundation**  
The Old Malthouse, Victoria Road  
Winchester, Hampshire SO23 7DU

Tel: 01962 852133  
Fax: 01962 851506  
[www.brendoncare.org.uk](http://www.brendoncare.org.uk)

Dear Sir

**Re: Lease for The Anchorage**

Further to your email dated 4th July 2011, and our subsequent conversations, Rosemary Clarkson will be responding separately with her comments on several clauses of the proposed lease.

The purpose of this letter is to appeal against the increase of £600/year for the rest of The Anchorage, raising it to £5,100.

Brendoncare run 7 clubs for older people in The Anchorage involving 400 attendances every month and a number of other organisations use the premises on a sub let basis under our current lease agreement.

The rents from the sublet agreements help Club Hampshire to meet the cost of their rent to Gosport Borough Council which even under normal circumstances is always a challenge.

Club Hampshire is unfortunately struggling to maintain its club service despite increasing our attendance fee from £3 to £4, and for the first time having to recover costs from our members for their transport.

This is compounded by the loss of one of our key sublets at The Anchorage and the reduction of available grants to the voluntary sector.

Would the Borough Council please reconsider their decision to increase the rent at this time, especially bearing in mind they make no other contribution to Club Hampshire, which provides a service delivering over 5,000 attendances a year for older people in their Borough.

Yours faithfully

John Derben OBE FRICS  
Manager, Brendoncare Clubs Division



## AGENDA ITEM NO. 7

<b>Board/Committee:</b>	Economic Development Board
<b>Date of Meeting:</b>	2nd November 2011
<b>Title:</b>	Disposal of Garages - Beauchamp Avenue garage site
<b>Author:</b>	Housing Services Manager/CH
<b>Status:</b>	FOR DECISION

### **Purpose**

To seek Board approval for the disposal of the freehold of 14 garages in Beauchamp Avenue.

### **Recommendation**

That the Board authorises the Head of Property Services, on behalf of Housing Services, to agree terms for the sale of the freehold interest in the Beauchamp Avenue garage site and authorises the Borough Solicitor to enter into such legal documentation as is necessary to effect the above decision.

### **1      Background**

- 1.1      In June 2009 Housing Board agreed the Garage Action Plan. The garage review has been progressing in line with strategy timescales. Beauchamp Avenue garage site was assessed in the review as being 'fair condition' with a recommendation for retaining as a garage site. It was originally determined within that plan that the garages at Beauchamp Avenue would be demolished and rebuilt.
- 1.2      An inspection carried out by the Council's Structural Surveyor confirmed that this site does not require demolition (as detailed in Appendix A). The garages can be repaired at this stage rather than needing replacement.
- 1.3      The Council's Structural Surveyor has indicated there are the following cost implications for this block of garages as follows;
  - Estimated cost of repair to the 14 garages; £12,125
  - Estimated cost of repair to the garage forecourt; £2,000
  - Estimated cost to replace 14 garages; £26,092

All figures are exclusive of VAT. Expenditure on repairs would give the garages an estimated 8 to 10 years extra life. Costs for work to garages 11 & 12 would be recharged in part to the owners.

- 1.4      The garages are numbered 1-15 and are located behind the row of



shops in Beauchamp Avenue (as detailed in Appendix B); The current occupancy status of each garage is as follows;

- Garages 1, 13 & 15; are occupied under the terms of a tenancy agreement between the Council and the owners of the local bakery (No 132a Beauchamp Ave) producing a rent of £30.72 per week
- Garages 3 & 14; are occupied under the terms of a tenancy agreement between the Council and the owners of a restaurant (No 130 Beauchamp Ave) in the same block of shops
- Garage 2; is empty due to its poor condition
- Garage 5; is the only garage occupied by a council housing tenant
- Garages 4, 6, 7, 9 & 10; are all tenanted by non-council residents who live within a mile radius of the site
- Garage 8; is tenanted by a non-council resident who lives within a 4 mile radius of the site
- Garage 11; was sold in 1996
- Garage 12; was believed sold around 1991, but the title was never registered

1.5 The garages rents are £8.53 per week with non Council tenants paying an additional £1.71 per week VAT.

1.6 Beauchamp Avenue garage site has a low development potential.

## **2 Report**

2.1 The Beauchamp Avenue shops garage site is a non-standard garage block situated at the back of commercial premises and as such does not fit readily with the current Housing Service garage portfolio. This block of garages is used primarily for commercial interests and use by non-Council tenants.

2.2 Between 2012-13 and 2019-20 the block is likely to require in the region of £42,000 investment for immediate repairs, management and minor maintenance costs and, latterly, replacement. Over the same period it will only generate approximately £36,000 rental income assuming a 100% occupancy rate (all figures at current prices).

2.3 There is also considerable over provision of garages in the area with 15 garage sites within a half mile radius of Beauchamp Avenue, totalling some 232 garages. After the completion of the Garage Strategy, in 2015-16, there will still be at least 128 garages for rent plus an additional 48 free parking spaces on Council land within that half mile radius.

2.4 The Council has received expressions of interest from existing

garage tenants to purchase garage(s). Any existing tenants displaced by the sale could be accommodated in surrounding Council sites

- 2.5 The disposal of these garages would release additional investment funding for the continuation of existing garage strategy. If retained it would be possible to undertake repair work in 2012-13.
- 2.6 The Council is under a duty to obtain best consideration under section 123 of the Local Government Act 1974. The open market valuation was based on the assumption that it can only be used for its existing use and has no development or 'hope' value for an alternative use. A valuation based on the sale of the garages individually was also sought.
- 2.7 The garages have been valued as an investment in their current state of repair, at between £50,000 and £60,000 (Appendix C). The professional advice is that the best consideration would be achieved through an auction of the site in its entirety, in which regard the costs would be £650 + vat plus 3% of the sale price achieved. There is no potential to sell the site in separate lots since individual garages may remain unsold and the management and repairing obligations would remain with the Council.
- 2.8 A Land Registry Search has highlighted no covenants or other binding conditions on the land.

### **3 Risk Assessment**

- 3.1 The pursuit of disposal is considered a **low** risk.

### **4 Conclusion**

- 4.1 Disposal of this site is proposed primarily for three reasons;
- It does not readily fit with the current Housing Service garage portfolio, because of its location and as the garages are primarily for commercial interests and use by non-council tenants
  - Anticipated income over the next 8 years is expected to be exceeded by management and maintenance and renewal costs
- There is already considerable over provision of Council garages in the area.
- 4.2 The area has a low development potential.
- 4.3 The asset would achieve the best consideration through a sale at auction in its entirety.

<b>Financial Services comments:</b>	The proposed sale of the freehold will raise a capital receipt which can be used towards the funding of the Council's Capital Programme.
<b>Legal Services comments:</b>	The Garages are currently held within The Housing Revenue account and so the sale will proceed under Section 32 of The Housing Act 1985. The consent of The Secretary of State will be required to the sale, although a number of General Consents have been issued. It would appear that the proposed disposal which is the subject of this Report will fall within General Consent E3.1 which provides that a local authority can sell land for the best consideration reasonably obtainable. This will be obtained if the property is sold at auction.
<b>Service Improvement Plan implications:</b>	The Garage Review is a service management plan objective within Housing Services for 2011-12
<b>Corporate Plan:</b>	Action Summary; Review the Council's assets to ensure best value in service delivery and best use of land [PL2/002]
<b>Risk Assessment:</b>	Low
<b>Background papers:</b>	Reports to Housing Board entitled "Garage Review" September 2008 & June 2009
<b>Appendices/Enclosures:</b>	
Appendix 'A'	Structural Survey Report
Appendix 'B'	Site Map and Photographic Schedule
Appendix 'C'	Valuation from Cyan Power
<b>Report author/ Lead Officer:</b>	Charles Harman, Head of Operational Services Mark Pam, Head of Property Services

**GOSPORT BOROUGH COUNCIL – CONSERVATION AND DESIGN, LEGAL DEMOCRATIC AND PLANNING SERVICES UNIT.**

**Structural Inspection Report :      Garages to the rear of the shops in Beauchamp Avenue.**

**This report dated 18<sup>th</sup> March 2011.**

**1.0 Introduction**

1.1 At the request of Gosport Borough Council Housing Services a brief visual inspection of the garage block to the rear of the parade of shops in Beauchamp Avenue was made 16<sup>th</sup> March 2011. (Refer to the 1:1250 location plan and 1:200 block plan enclosed for position and orientation).

1.2 The purpose of the inspection was to confirm that the garages were basically structurally sound such that repair rather than demolition would be a viable option.

**2.0 Scope of Inspection**

2.1 Visual external inspection was generally carried out from ground level and involved the south and west elevations and part of the North elevation. Access to part of the north elevation and the east elevation could not be made from publically owned land.

2.2 The west end elevation and part of the roof area was inspected using stepladders.

2.3 No internal access was provided at the time of inspection, however limited observations were made possible by the partial collapse of roof sheeting over one of the garage units.

2.4 No sampling or testing of materials has been carried out. The form of foundations has not been investigated. No plumb line survey has been carried out.

**3.0 General Description and Form of Construction**

3.1 Fifteen single garage units are arranged in one continuous terraced block as shown on the enclosed 1:1250 location plan. The overall length of the block is approximately 39.5 meters, as scaled from the 1:200 block plan.

3.2 Both the external walls and the internal separating walls are constructed in single skin brickwork of half brick thickness, with stiffening piers of one brick thickness. The anticipated layout of walls and piers is as shown on sheet Sk.3. Full internal access will be required to confirm these details.

3.3 The roof construction consists of corrugated fibre/cement sheets supported by steel angle purlins. It is likely that the fibre/cement sheets contain asbestos although no sampling or testing has been carried out to confirm this. The roof falls to plastic guttering at the front of the garages and is butted to parapet walls on the other three sides of the block.

3.4 Reinforced concrete beams are used over each individual garage door opening.

3.5 The form of foundations and ground slab construction are unknown.

3.6 Refer to Figs. 1,2,5 and 11 for illustrations of the general form.

**4.0 Findings**

4.1 The rear elevation of the garage block has an approximate overall length of 39.5 metres with no provision for movement. Since movement joints in clay brickwork should normally be provided at a maximum of 12 metre centres, and at half that distance measured from a stiff return to the first joint, then signs of distress are to be expected. Oversail of the rear elevation brickwork at damp proof course level (Fig.3) and vertical cracking in the rear elevation (Fig.4) are the result of longitudinal expansion and contraction of the brickwork in the rear elevation due to this lack of movement joints.

4.2 The parapet walls at both ends of the block are very exposed and vulnerable to frost action. Repairs have been made which are not entirely satisfactory. The maximum up-stand is greater than current good practice would permit at the east end and the materials used are probably not sufficiently frost resistant to give a lasting solution. Spalling at the west end has already started. See Figs.10 and 16. The high level cracking in the west parapet, shown in Fig. 16 may be the result of rust expansion of embedded metalwork but this requires further investigation.

4.3 Cracking in the reinforced concrete beams shown in Figs. 6 and 7 probably indicates the onset of rust expansion of reinforcement that will lead to spalling of the concrete cover to the reinforcement.

4.4 Spalling of bricks at the edge of brickwork bearings (Fig.8) is likely to be the result of long term shrinkage of the concrete beams or edge loading of the bearing.

4.5 There are a number of different forms of garage door in use throughout this block which are in different conditions of repair (see figs. 9 and 11 to 12). Replacement or repair of at least 5 doors is likely to be required prior to redecoration.

4.6 Ingress of water at the butt joints between the roof sheeting and parapet walls appears to have been an ongoing problem throughout the life of these garage. It is not clear if current details have fully dealt with this problem.

4.7 The corrugated fibre cement roofing sheets are unlikely to give a totally waterproof roof due to the shallow pitch and the multiple thicknesses that occur due to end laps and side laps coinciding. The possible asbestos content needs to be investigated and at least some roof repairs are required. If asbestos is confirmed then the condition of the sheets and possible total replacement needs to be considered. Current controls in the use and disposal of asbestos materials must be complied with.

4.8 Roof purlins show surface corrosion which is probably not significant at this time. The adequacy of the existing members has not been checked since their size and spacing have not been determined on site. There are no obvious signs of distress. The size and position of these members will need to be checked to suit the requirements of any replacement form of roof sheeting.

4.9 The internal arrangement of stiffening piers does not fully conform to the current Building Regulations Approved Document A in relation to walls for certain small buildings. (See figs. 19 – 20 and sheet Sk.3).

## **5.0 Discussion and Conclusions**

5.1 Although the construction of these garages does not fully comply with current design standards, they appear to have stood the test of time with relatively little maintenance required. Further maintenance is now required to ensure that these garages continue to deliver acceptable service.

5.2 Although no overall lateral instability is imminent it would be prudent to consider repairs to the brickwork in the rear wall and end walls. Cyclic longitudinal movements have occurred in the rear wall leading to the vertical cracking and oversail at the damp proof course. These movements can be caused by thermal expansion/contraction or by variations in the moisture content of the bricks, or a combination of both. Contractions are not generally total reversals of expansions. This leads to a ratchet effect which gradually increases the oversail at damp proof course and widens vertical cracks in the rear wall. To protect against this problem the introduction of movement joints would be required.

Suitable spacing for joints is indicated on sheet Sk.4 and a movement joint detail shown on sheet Sk.5.

5.3 With movement joints established, any vertical cracks which do not coincide with these joints should be repaired by cutting out any cracked bricks and bonding in new.

5.4 The height and materials used in the parapets to each end wall need to be reviewed to produce a stable up-stand in bricks having adequate frost resistance.

5.5 Internal inspections are required to check the condition and spacing of roof support purlins and their method of support at the masonry walls.

5.6 Specialist assessment of the fibre/cement corrugated roofing sheets is required to determine possible asbestos content and actions appropriate.

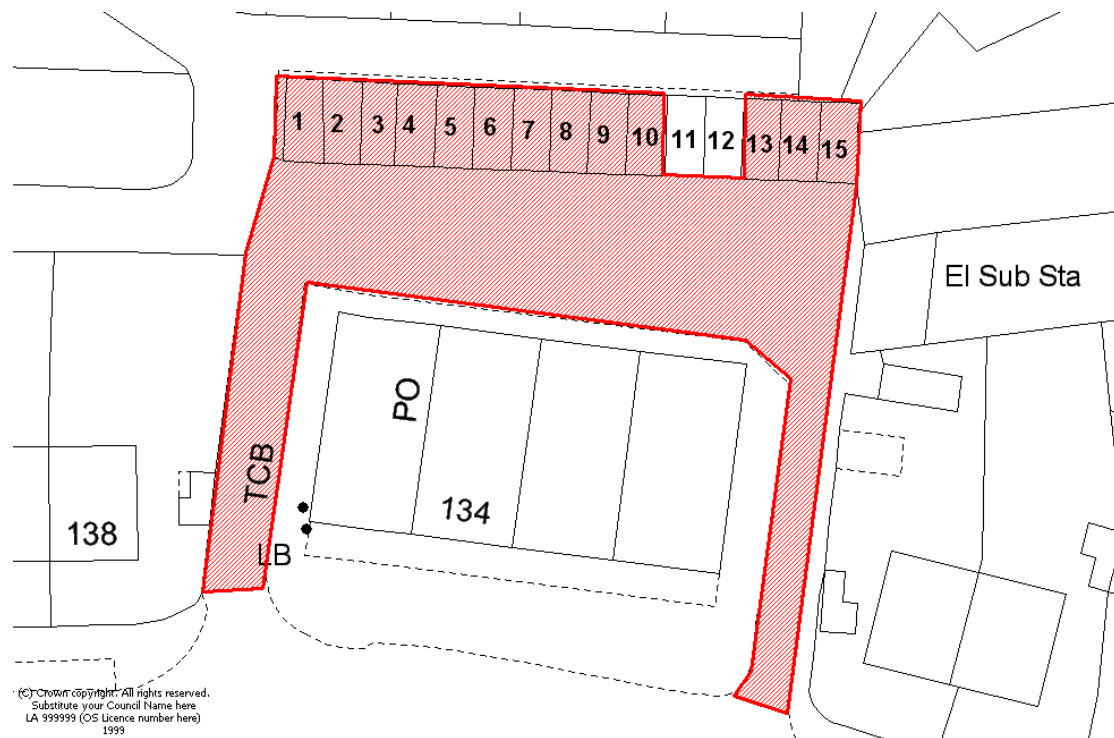
5.7 Some repair of holed roofing sheets is required subject to 5.6 above, together with a review of weathering around the perimeter of the complete roof.

5.8 Some specialist concrete repair of a number of beams over garage door openings is required to maintain these in a manageable condition.

5.9 Some replacement/repair and redecoration of garage doors is required.

## Appendix B

### Beauchamp Avenue garage site



Our Ref: IMP/PC

30th August 2011

Ms Emma Jacobs  
Asset Management Officer  
Gosport Borough Council  
Town Hall  
High Street  
Gosport  
Hampshire PO12 1EB

  
CyanPower

Gosport Borough Council  
Gosport Borough Council  
09 SEP 2011  
Housing Services  
Housing Services

Dear Ms Jacobs

**Re: Beauchamp Avenue Garage Site**

Thank you for your letter of 12th August, which was received while I was on holiday.

Having considered the contents of your letter and studied the attached photographs, my initial estimation of value is within a band of £50,000 to £60,000.

It is likely that you will be advised to sell your remaining interest here as a whole. Should you decided to sell garages individually then there becomes a risk that you may be unable to sell one or two units and that these become economically unviable for you to continue to manage.

You are advised that the best method of sale is by public auction. The most suitable auctioneer is Clive Emson, who would handle the sale from their Fareham office. Their charges will be as follows:-

Initial contribution to marketing costs £350 plus vat. This fee is payable at the time of instruction and is non refundable in the event of the sale being unsuccessful. It will include advertising within the Estates Gazette.

Commission in the event of the property being sold will be 3% plus vat, payable from the proceeds of sale.

My company's charges will be £300 plus vat for completing valuation work and providing whatever other supporting professional advice that you may require.

Please let me know if these initial arrangements are in order, in which case more detailed advice will be provided.

Yours sincerely,



Ian Power MRICS  
For and on behalf of Cyan Power Limited