



The purpose of this paper is to ask Members to respond to an invitation to comment on the Isle of Wight Council's intention to allow its option to repurchase the Winter Gardens to lapse.

No. DETAIL

1) BACKGROUND

- a) The Winter Gardens was sold to the Hambrough Group by Delegated Decision 32/11 of August 2011 for £1.
 - b) The sale was subject to a condition providing the Isle of Wight Council with an option to buy back the building if the buyer has now substantially completed the works to the existing building in accordance with the planning permission.
 - c) The re-purchase in those circumstances would involve paying the greater of £1 or the total expenditure incurred by the owner in connection with its acquisition of and any works undertaken to the premises.
 - d) The owner has indicated those costs as being in the region of £1.2 million.
 - e) The Isle of Wight Council's option to purchase the building expires on 9 January 2015.
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2) ISLE OF WIGHT COUNCIL DECISION

- a) The Isle of Wight Council's Property Disposal and Capital Programme Sub Committee meeting of 9 December will have before it an Officer Recommendation: *that Members note the council is unable to exercise its option to purchase Ventnor Winter Gardens under the terms of the sale agreement on the basis that works to the building have been substantially completed.*
 - b) It is important to note that the condition allowing repurchase only relates to works on the building as it was at the date of the sale and not to any proposed extensions to it or works external to it.
 - c) The Report to the Committee includes a report from the Council's Condition Surveyor carried out on 20 November 2014 on the works that have been carried out and forms the basis of the conclusion that the condition relating to repurchase has been satisfied.
 - d) A copy of the Surveyor's listing of works completed is attached to this Report.
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3) RESPONSE

- a) Ventnor Town Council has been asked in an email from the Isle of Wight Council's Head of Economy John Metcalfe on 27 November if the Town Council wishes to make any representations to the Property Disposal and Capital Programme Sub Committee meeting of 9 December.
 - b) A copy of that email is attached to this Report.
 - c) Members are asked to consider how they wish to respond to the email.
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From: [Metcalf, John](#)
To: [Ventnor Town Council](#)
Subject: Ventnor Winter Gardens
Date: 27 November 2014 10:55:25
Importance: High

Dear David,

The Council has an option to buy back the Winter Gardens if the current owner has not substantially completed planned refurbishment works to the existing building within eighteen months of the freehold transfer.

This option has to be exercised by 9 January 2015 but if used the Council would have to pay a price for the building which takes account of the expenditure made by the owner during its period of tenure.

We have surveyed the building and the view is that the owner has substantially completed the planned works and therefore the option is not in my view legally available for the Council to use.

However, I think it is necessary to bring a report noting this fact to the next meeting of the Property Sub Committee on 9 December.

I wanted you to be aware of this position so that the town council is able to consider any representations it may wish to make to the meeting on the 9 December.

Kind Regards

John

John Metcalfe | Head of Economy
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APPENDIX 3

Summary of Works Completed – Assessed by Isle of Wight Council

Following an on-site inspection of the building and associated works, carried out on 20th November 2014, I can confirm the following in accordance with Phase 1 of the proposal submitted by the Hambrough Group:

1. Three number elevations, South, East and West, have been repaired and redecorated to a large extent. Existing cracks to the render have been repaired and repainted over, and from a comparison inspection internally, these cracks appear to be to the render finish and not to the main structure. However, due to the exposure of the South and East elevations, this piece of work will need re-doing in the next six months or thereabouts.
2. All previously broken glazing to these elevations has been replaced, and related window frames repaired as necessary.
3. An existing roof leak and resulting damaged decoration internally and externally to the staircase tower has been resolved with the replacement of the roof finish and redecoration accordingly. However, due to the poor detailing of the original design, I expect this will be a recurring issue that will need regular maintenance in the future.
4. The ground floor restaurant appears to be largely complete, including a bar, kitchen, preparation kitchen and leads onto an outside terrace that with seating areas.
5. The first floor restaurant is in the process of completion, which currently has new bar area, stripped and renovated walls, a new carpet, and lighting upgrades. The external terrace requires completion, and is awaiting a new railing system to be installed before further works to the area can be carried out.
6. Following large volume water ingress as a result of a damaged and partially collapsed roof, the auditorium has received substantial renovation works. The roof has been repaired, and the wood floor has been lifted, dried and re-laid at significant cost. The walls have been dried and repainted – although there is currently a lingering slight smell of damp which will dissipate through time and further drying and airing of the area.
7. The lighting system in the auditorium has been replaced and upgraded.
8. The entrance foyer has been substantially renovated, with a hole in the floor repaired, new carpet throughout as well as redecoration of the walls.
9. The existing reception area, box-office and cloakroom have been improved. However, their current location remains as existing and not as shown in the proposed floorplans of Planning Application P/01802/11, TCP/14651/C. However, I am of the understanding this work, as well as raising the existing floor levels in this area, will be undertaken once works to the proposed extensions and reconfiguration starts.

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Condition Surveyor
Isle of Wight Council
24th November, 2014