

Committee: **Lead Cabinet Member for Resources**

Date: **28 October 2014**

By: **Chief Operating Officer**

Title of Report: **Land exchange at former Bexhill High School site**

Purpose of Report: **To gain Lead Member for Resources approval to amend the terms of the land exchange at the former Bexhill High School site with Rother District Council.**

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**RECOMMENDATION: The Lead Member is recommended to:**

- 1. Agree the acceptance of £185,000 from Rother District Council and removal of the need for an overage agreement in the land transferred from the Council.**
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**1. Financial Appraisal**

1.1 Approval was given at the Lead Member meeting of 16 April 2013 (Appendix 1) for the transfer of land between the Council and Rother District Council (RDC) without financial contribution by either party.

1.2 It was approved that the Council would enter into a partnership agreement with RDC to share any extra value in excess of £865,000 that may be released through the subsequent whole or part disposal of this land through an overage agreement, through which the County Council would retain the opportunity to share in future receipts generated by the future re-development of this site.

1.3 Through the subsequent legal processing of the agreed transfer, the complexity of the overage agreement has become evident and RDC have subsequently proposed (subject to RDC Cabinet approval) that they make a monetary payment of £185,000 in addition to the transfer of the RDC land as detailed in Appendix 1, resulting in the Council receiving the full value of the former High School site on completion of the transfer. This negates the requirement for an overage clause

**2. Supporting information**

2.1 Background to the exchange of land can be found at Appendix 1.

2.2 At the time of the April 2013 Lead Member decision, the RDC leisure centre project was at an early stage, presenting the possibility that RDC might acquire the site but subsequently find the new leisure centre project was either not supported by members, or not feasible at that site. This uncertainty was to be mitigated through an Overage Clause to protect the Council's interests. RDC plans for the High School Site are now more certain although still subject to Cabinet approval.

2.3 RDC are now in a position to pay the Council the difference in value in the land exchange. The RDC payment of £185,000 to ESCC on completion of the transfer of the land removes the need for any overage arrangement and the associated complexities of future negotiations.

2.4 The Local Members for Bexhill King Offa division have been consulted and are supportive of the proposal.

### **3. Conclusion and Reason for Recommendations**

3.1 The proposed payment incorporated in the exchange of lands identified in this report will support each authorities respective strategic aims to respectively complete the construction of the Bexhill to Hastings Link Road and RDC's objective to improve the provision of leisure services in Bexhill. It is recommended that the Council accept the £185,000 from RDC and remove the need for an overage clause in the land transaction agreement.

**KEVIN FOSTER**  
**Chief Operating Officer**

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LOCAL MEMBERS:

Councillor Michael Ensor

Councillor Michael Phillips

BACKGROUND DOCUMENTS: None

Committee: **Lead Cabinet Member for Community and Resources**

Date: **16 April 2013**

Title of Report: **Proposed exchange of land with Rother District Council.**

By: **Chief Executive**

Purpose of Report: **To consider the proposed transfer of the former Bexhill High School site to Rother District Council in full and final settlement of compensation owed following the compulsory acquisition of various lands owned by Rother District Council required for the construction of the Bexhill – Hastings Link Road.**

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**RECOMMENDATIONS: The Lead Member is recommended to:**

- 1. Approve that the acquisition of full title in the land that has been compulsorily acquired by the Council should be completed;**
  - 2. Approve the acquisition of ancillary land set out in Appendix 1 to this report to mitigate the impact of the Link Road scheme upon Rother District Council;**
  - 3. Approve the transfer of the former Bexhill High School site to Rother District Council;**
  - 4. Approve that the above transactions take place without a financial contribution by either party, subject to the terms of an overage agreement as set out in this report; and**
  - 5. Delegate authority to agree all other terms necessary to facilitate this agreement to the Assistant Director for Property and Capital Investment.**
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**1. Financial Appraisal**

1.1 The former Bexhill High School site has already been declared surplus to Council requirements and its' current market value has been independently assessed to be equal to £1.05 million. The transfer of this property to Rother District Council (RDC) will satisfy the obligation the Council has to compensate RDC for the compulsory acquisition of lands specified in this report that has been independently assessed to be in the order of £865,000. In addition it is proposed that the Council enter into a partnership agreement with RDC to share any extra value in excess of £865,000 that may be released through the subsequent whole or part disposal of this land through an overage agreement. Thus the County Council will retain the opportunity to share in future receipts generated by the future re-development of this site.

1.2 The Council has agreed terms for a short term interim lease of part of its former school site to a motorcycle rider training provider known as 1066 Motorcycles. Thus the disposal of this property will result in a small loss of revenue income of £4,600 per annum.

**2. Supporting Information**

2.1 Following the re-provision and re-location of the new Bexhill High School and construction of a Vocational Skills Centre, the land edged black and cross hatched on the attached plan (Appendix 1) was declared surplus to the requirements of the County Council on 12 July 2010 (Appendix 2). This area includes the former kitchen and dining block of the former school that is being temporarily used by the King Offa Nursery until the completion of a new nursery facility within the campus of the King Offa Primary School.

2.2 Following the subsequent report of Lead Member Corporate Resources of the 28 March

2011 (Appendix 3) discussions with RDC have continued to explore the possible partial or whole transfer of this land to support that authority's continuing aspiration to expand the existing Leisure Centre facility adjacent to this land.

2.3 In parallel to these measures the Council in preparation for the construction of the Bexhill - Hastings Link Road served notice in 2010 of the intention to compulsorily acquire various land and premises including land owned by Rother District Council.

2.4 The Compulsory Purchase Order (CPO) was finally approved by the Government in September 2012, and subsequently the Council served Notices to Treat upon various land owners including RDC and have taken possession of the various sites included within the CPO. This included RDC's former waste depot at London Road; the undeveloped part of the former Sidley Goods Yard; and a part of the former railway line leading northwards from Ninfield Road. A plan of these sites is shown horizontal hatched in Appendix (1).

2.5 As a result of the CPO acquisition and the resulting severance and injurious affection to small areas of adjacent land owned by RDC not included within the original CPO it is proposed that the transfer of title should also include these areas (vertical hatched in Appendix 1). This measure will reduce the compensation payable to reflect the injurious affection to this land that would have occurred without the Council agreeing to acquire these areas of residual land. It is intended that these areas will be incorporated with the final design and landscaping works of the Link Road.

2.6 As part of the continuing discussions between both authorities of the possible transfer of the former Bexhill High School site and settlement of the subsequent compensation claim for lands acquired from this authority it was agreed that Independent valuation advice would be obtained jointly by both Councils. As a result an independent assessment of a) the levels of compensation that RDC would be entitled to claim for the acquisition of its land under the CPO, including disturbance and all other relevant heads of claim, b) any value attributable to the additional plots that RDC would seek to transfer to the Council, and c) the market value of the High School site. This valuation advice enabled both parties to assess the relative values of each site, any value differential and consider the best way forward in the light of that information.

2.7 The combined value of RDC's assets and other statutory compensation has been assessed as £865,000. The value of the High School site has been assessed at £1,050,000, which reflects planning policy guidance on the type of development that would be permitted in the light of the adopted Local Plan and emerging Core Strategy policies which envisages a mixed-use development including housing, employment and community uses.

2.8 Following due consideration of this advice by both parties it is being recommended that a transfer of the sites takes place at no net cost to either authority; in other words a straightforward 'land swap'. This has resulted in a difference of £185,000 being due to the County Council comprising the difference between the compensation value payable and the full market value of the High School site.

2.9 In lieu of an additional receipt of £185,000 it has been agreed that the County Council will be able to share in any subsequent increase in value realised by the potential redevelopment of all or part of the site. It is therefore proposed to make the transfer subject to an overage agreement that will require all future receipts derived from RDC's subsequent disposal of all or part of the former High School site (that exceed £865,000 or its future indexed value) be shared equally between both parties. The overage agreement will time-limited to 25 years from the date of acquisition.

2.10 This proposal, reflecting both Councils' shared strategic objectives, will protect the financial interest of the local tax payer in East Sussex and can be considered as an example of best practice in the spirit of partnership working between the two authorities.

2.11 Any transfer of the former Bexhill High School site will be subject to the interim uses that the Council has already secured for this site including the temporary use of the former High School canteen building by the King Offa Nursery until December 2013 and the short term lease of land to 1066 Motorcycles. The transfer will also reserve all relevant access rights to the King Offa Primary School and the Vocational Skills Centre. It will also enable investment by RDC in a revitalised skate board park which is also located within this site.

2.12 This transfer will be in full and final settlement of the compensation payable for the compulsory acquisition of land acquired from RDC thereby assisting in providing further budgetary certainty for the Link Road project.

2.13 The Local Members for Bexhill King Offa division have been consulted on these proposals.

### **3 Conclusion and Reasons for Recommendations**

3.1 The exchange of lands identified in this report will support each authorities respective strategic aims to respectively complete the construction of the Bexhill to Hastings Link Road and RDC's objective to improve the provision of leisure services in Bexhill at no net cost to either authority. It is therefore recommended that the proposed exchange of lands specified in this report subject to the specified overage agreement be approved.

BECKY SHAW  
Chief Executive

Contact Officer: David Baughan, Head of Strategic Property Tel: 01273 336680

Local Members: Councillor Michael Ensor  
Councillor Joy Hughes.


#### Background Documents

None

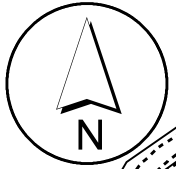






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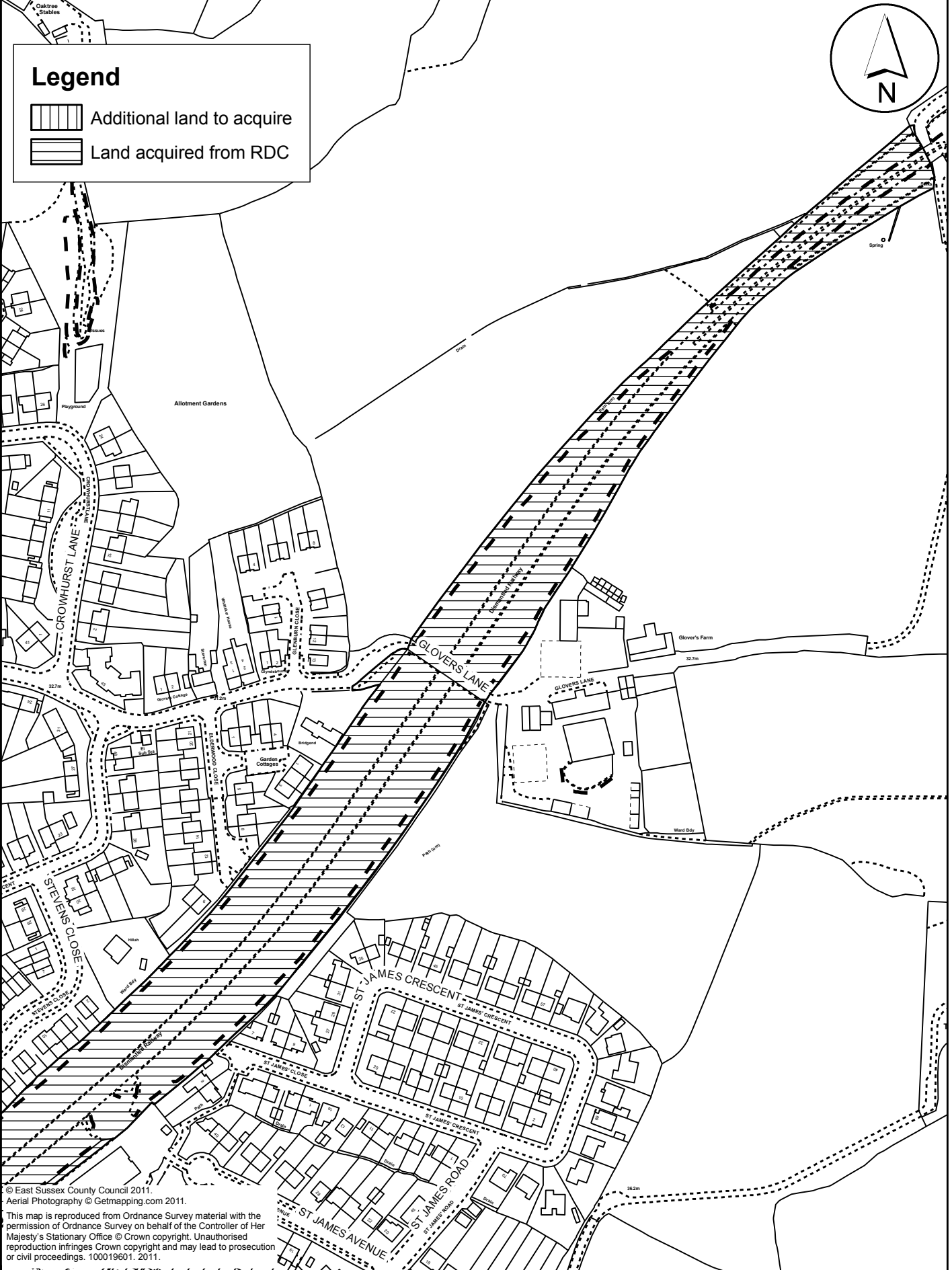
Map Title: <b>Bexhill Interests</b>		East Sussex County Council County Hall St Annes Crescent Lewes	
Date: <b>2 April 2013</b>	Map No: <b>2</b>		
Scale: <b>1:2,500</b>	Author: <b>RP</b>		






**Legend**

-  Additional land to acquire
-  Land acquired from RDC



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<b>Map Title:</b> Bexhill Interests		East Sussex County Council County Hall St Annes Crescent Lewes 
<b>Date:</b> 2 April 2013	<b>Map No:</b> 3	
<b>Scale:</b> 1:2,500	<b>Author:</b> RP 13	



Committee: **Lead Member for Corporate Resources**

Date: **12 July 2010**

Title of Report: **Land at Bexhill High School**

By: **Deputy Chief Executive and Director of Corporate Resources**

Purpose of Report: **To declare land at The Down, Bexhill campus surplus to County Council requirements.**

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## **RECOMMENDATIONS:**

**The Lead Member is recommended to:**

- 1. declare the land edged black and shaded on the attached plan at The Down Bexhill surplus to County Council requirements, retaining that area shown hatched temporarily pending resolution of permanent catering provision for King Offa Primary School; and**
  - 2. authorise the Deputy Chief Executive & Director of Corporate Resources to conclude a disposal at not less than Market Value**
- 

### **1. Financial Appraisal**

1.1 The retention of Bexhill High School premises at The Down would incur on-going revenue costs in relation to their upkeep, and would be likely to include protection from arson and vandalism. Financial provision is made in the approved Capital Programme in 2011/12 for demolition of the High School buildings. Relocation of the existing New Generation Network (NGN) mast is to be funded from the Bexhill One School Pathfinder budget, prior to any demolition of the buildings. During the mid-term review of the capital programme a request will be made for the funding for demolition to be brought forward to 2010/11. These works are expected to be carried out in the third quarter of the financial year.

1.2 Should the land be declared surplus to County Council requirements capital receipts arising from its disposal will be available to support the Capital Programme.

### **2. Supporting Information**

2.1 As Lead Member will be aware work to provide new premises for Bexhill High School in Gunters Lane is programmed for completion in the autumn 2010, and construction of the new Skills Centre at The Down scheduled for completion in July this year. On completion of these projects the existing High School buildings and land on The Down campus will no longer be required by the school.

2.2 However it is proposed to retain part of the campus for development of King Offa Primary School, specifically to provide the school with dedicated space for recreation and sport. In addition land is required for re-providing Bexhill Nursery, which will be displaced by construction of the proposed Bexhill Link Road.

2.3 Additionally primary school pupils take meals in the detached Kitchen/Dining Room (KDR) building managed by the High School. When the High School relocate to Gunters Lane the primary school will continue to use the KDR in the short term, until March 2011 when the proposal to develop

the school is clarified and the position regarding Capital Funding for that development will be known. Thereafter it is anticipated alternative catering arrangements will be put in place.

2.4 The plan attached shows, shaded grey, the land to be declared surplus to County Council requirements following Bexhill High Schools relocation to Gunters Lane later this year. The plan also shows, hatched, the KDR building which will be surplus to Childrens Services requirements provided the development of King Offa Primary School, including re-provision of kitchen/dining facilities, proceeds after March 2011.

2.5 The area of land to be declared surplus by the County Council includes the existing access road. The Corporate Resources Directorate are developing a masterplan of the surplus land in consultation with Rother District Council which will inform any subsequent disposal. Childrens Services require access to its retained educational premises at The Down to be provided for in that plan.

### **3. Conclusion and Reason for Recommendations**

3.1 Given that on relocation of Bexhill High School to their new premises in Gunters Lane later this year there will be no further operational requirement for the land shown shaded grey on the attached plan it is recommended that this land be declared surplus to County Council requirements on completion of the work to demolish the High School buildings.

3.2 The land and building shown hatched on the attached plan is required for operational purposes until March 2011, but thereafter and subject to development of the primary school it is recommended this land also be declared surplus to County Council requirements.

SEAN NOLAN

Deputy Chief Executive and Director of Corporate Resources

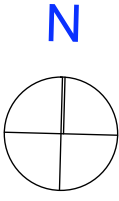
Contact Officers: Paul McLafferty, Senior Estates Surveyor, Tel: 01273 481728

#### **BACKGROUND DOCUMENTS**



Report to Lead Member for Learning and School Effectiveness 22 June 2010.

Local Members: Councillors Ensor and Hughes

Background Documents: Appendix 1 - Plan



**KEY**

-  LAND SURPLUS TO REQUIREMENTS
-  SUBJECT TO RESOLUTION OF FUTURE CATERING PROVISION

Land Proposed to be Declared Surplus

Scale - 1:1250 @ A3





Report to: **Lead Member for Corporate Resources**

Date: **28 March 2011**

By: **Deputy Chief Executive & Director of Corporate Resources**

Title of report: **Land at the former Bexhill High School**

Purpose of report: **To agree a disposal strategy for this site**

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## **RECOMMENDATION:**

**The Lead Member is recommended to agree a phased approach to the disposal of this site as set out in paragraph 2.5 of the report.**

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### **1. Financial Appraisal**

1.1 Discussions with Rother District Council (RDC) will be on the basis that any transfer of land will be at market value. Capital receipts arising from any disposal will be available to help fund the capital programme.

### **2. Supporting Information**

2.1 Following construction of the new Bexhill High School and Skills Centre, the land edged black and shaded on the attached plan was declared surplus to the requirements of the County Council on 12 July 2010. The hatched area within the land declared surplus forms the current kitchen and dining block still used by King Offa Primary School. This will be retained until replacement kitchen facilities are provided for the school. The Deputy Chief Executive and Director of Corporate Resources was authorised to conclude a disposal at not less than market value.

2.2 Prior to disposal it is necessary to establish the potential uses which would be permitted on the site by the Local Planning Authority (RDC) in order to maximise value. This site is affected by two objectives of RDC:

- The RDC Corporate Plan seeks to achieve an expansion of the adjacent Leisure Centre.
- The Rother Local Plan seeks to achieve a mixed use development of the area, including commercial uses.

2.3 Planning consultants have been commissioned to carry out a master-planning exercise on the surplus land and on the basis of their stage 1 report, consultant valuers have advised on the value of the surplus land. In their report they advise that there would be no market demand for any commercial development.

2.4 The Rother Local Plan also requires a public consultation on the future use of this site which is seen to be an important gateway to Bexhill in visual amenity terms. It is anticipated that this will take place in June 2011 prior to finalisation of the master-planning exercise.

2.5 Discussions have been held with RDC on the best way forward. Provisional agreement has been reached that the County Council adopt a phased approach to plans for a disposal. This would involve:

a) Discussions with RDC on the transfer to them of that part of the site between the buildings at King Offa Primary School and the Leisure Centre; and

b) further discussions with RDC planners to secure an optimum planning consent of the remainder prior to disposal on the open market.

### **3. Conclusion and Reason for Recommendation**

3.1 In an attempt to both support RDC's aspirations for an improved Leisure Centre and the County Council's need to maximise capital receipts, it is recommended that a phased approach to the disposal of this site is adopted.

SEAN NOLAN  
Director of Corporate Resources

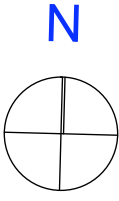
Contact Officer:      John Morris, Assistant Director - Property      Tel No. 01273 482404  
                                 Paul McLafferty, Senior Estates Surveyor      Tel No. 01273 481728

Local Members:      Councillors Ensor and Hughes



#### Background Documents

Reports to Lead Member for Learning & School Effectiveness 22 June 2010 and Lead Member for Corporate Resources 12 July 2010





**KEY**

-  LAND SURPLUS TO REQUIREMENTS
-  SUBJECT TO RESOLUTION OF FUTURE CATERING PROVISION

Land Proposed to be Declared Surplus

Scale - 1:1250 @ A3

