LEAD MEMBER FOR RESOURCES AND CLIMATE CHANGE

East Sussex County Council

<u>DECISIONS</u> to be made by the Lead Member for Resources and Climate Change, Councillor Nick Bennett

TUESDAY, 25 JUNE 2024 AT 2.00 PM

REMOTE MEETING VIA MICROSOFT TEAMS

<u>AGENDA</u>

- 1. Decisions made by the Lead Cabinet Member on 21 May 2024 (Pages 3 4)
- 2. Disclosure of Interests Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct
- 3. Urgent items Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
- 4. 98 South Coast Road, Peacehaven Disposal of Freehold (*Pages 5 8*) Report by the Chief Operating Officer
- 5. Renting of open storage space at Brampton Road Eastbourne *(Pages 9 14)* Report by the Chief Operating Officer
- 6. Any urgent items previously notified under agenda item 3

PHILIP BAKER Assistant Chief Executive County Hall, St Anne's Crescent LEWES BN7 1UE

17 June 2024

Contact Sophie Webb, Interim Senior Governance and Democracy Officer, 01273 337495 Email: sophie.webb@eastsussex.gov.uk

NOTE: As part of the County Council's drive to increase accessibility to its public meetings, this meeting will be broadcast live on its website. The live broadcast is accessible at: www.eastsussex.gov.uk/yourcouncil/webcasts/default

Agenda Item 1

LEAD MEMBER FOR RESOURCES AND CLIMATE CHANGE

DECISIONS made by the Lead Member for Resources and Climate Change, Councillor Nick Bennett, on 21 May 2024 at Remote Meeting via Microsoft Teams

1. DECISIONS MADE BY THE LEAD CABINET MEMBER ON 16 APRIL 2024

1.1 The Lead Member approved as a correct record the minutes of the meeting held on 16 April 2024.

- 2. <u>DISCLOSURE OF INTERESTS</u>
- 2.1 There were none.
- 3. URGENT ITEMS
- 3.1 There were none.

4. <u>REPORTS</u>

4.1 Reports referred to in the minutes below are contained in the minute book.

5. <u>117 SOUTH COAST ROAD, PEACEHAVEN - DISPOSAL OF FREEHOLD</u>

5.1 The Lead Member considered a report by the Chief Operating Officer.

DECISIONS

5.2 The Lead Member RESOLVED to:

1) Declare 117 South Coast Road, Peacehaven, as shown on the Plan in Appendix 1 of the report, surplus to the Council's requirements;

2) Approve the disposal of 117 South Coast Road, Peacehaven to Lewes District Council;

3) Delegate authority to the Chief Operating Officer to agree the terms of the sale to achieve the best consideration reasonably obtainable for the Site in accordance with s.123 of the Local Government Act 1972; and

4) Delegate authority to the Chief Operating Officer to take all actions necessary to give effect to the recommendations in the report.

REASONS

5.3 Agreeing a sale of the freehold to Lewes District Council will give the County Council a capital receipt and will enable Lewes District Council to undertake necessary improvement works to the property, while maintaining the secure social housing tenancy.

Agenda Item 4

Report to:	Lead Member for Resources and Climate Change
Date of meeting:	25 June 2024
Ву:	Chief Operating Officer
Title:	98 South Coast Road, Peacehaven – Disposal of Freehold
Purpose:	To declare the property to be surplus to the operational requirements of the Council and to agree to dispose of the asset in accordance with s123 of the Local Government Act 1972

RECOMMENDATIONS

The Lead Member for Resources and Climate Change is recommended to:

- 1) Declare 98 South Coast Road, Peacehaven to be surplus to the requirements of the Council;
- 2) Approve the disposal of the Property in accordance with s123 of the Local Government Act 1972;
- 3) Delegate authority to the Chief Operating Officer to agree the terms of the sale to achieve best value for the Property in accordance with s123 of the Local Government Act 1972, including proceeding with the next best offer(s) in the event of the transaction(s) not completing within the expected timelines; and
- 4) Delegate authority to the Chief Operating Officer to take all actions necessary to give effect to the recommendations in this report.

1 Background

- 1.1 The Property comprises a two-bedroom detached bungalow of traditional brick-build, with separate lounge, bathroom and kitchen. Externally, there are front and rear lawned gardens and a self-contained single garage. The extent of the Property is shown in Appendix 1.
- 1.2 The Property is in need of total refurbishment, including works to the structure and roof.
- 1.3 There had previously been a licence agreement in place with Lewes District Council ("LDC") since 1977. LDC were permitted to use the property for social housing purposes. LDC gave notice and vacated the property in August 2023.

2 Supporting information

- 2.1 The following options have been considered for the Property:
 - 1) Retain for a Council service;
 - 2) Rent to an East Sussex County Council (ESCC) partner or external tenant;
 - 3) Dispose of the freehold, either via Community Asset Transfer or market sale;
- 2.2 Option 1 (Retain for a Council service): the Directorates have confirmed that there is no operational service need for the Property.
- 2.3 Option 2 (Rent to an ESCC partner or external tenant): the Property will require significant refurbishment if it were to be let. The rent previously received from LDC was negligible. The necessary work needed to put the Property in good condition would either need to be undertaken by the Council at its expense, or by way of a lengthy rent free or incentive period via a tenant age 5

- 2.4 Option 3 (Dispose of the Freehold): the Property is not considered suitable for a community asset transfer due to its condition and residential use. It is not listed as an Asset of Community Value under the Localism Act 2011. The Property is likely to be considered as a small residential development site, either as a single dwellinghouse or as a small block of flats. We understand from local agents that there is a good level of demand in the open market for this type of property.
- 2.5 The disposal of the Property will result in a capital receipt. Capital receipts are an important source of funding, and the Council seeks to maximise the levels of these resources which will be available to support the Council's capital plans and reduce the need to borrow in accordance with the Council's Capital Strategy.
- 2.6 The disposal of the Property on the open market is therefore considered to be the most appropriate strategy.
- 2.7 In the event that an offer was accepted, and that transaction did not progress as expected, ESCC would reserve the right to proceed with the next best offer, or to remarket the property if appropriate. The timeframe for a transaction varies depending on a number of reasons. For example, the offer may be made on a conditional or unconditional basis, subject to planning approval, or subject to finance being obtained. Target timescales will be recorded at the memorandum of sale stage and will form part of the sale contract.
- 2.8 The Local East Sussex County Council Member has been consulted on the sale of the Property and had no objection to the proposal. Lewes District Council have also been informed of ESCC's intention to dispose of the property.

3 Conclusion and reasons for recommendations

- 3.1 The Council has no ongoing operational use for the Property. It is therefore surplus to the Council's requirements. The disposal of the Property will reduce revenue liabilities relating to the management and holding costs of this surplus asset, as well as providing the Council with a capital receipt.
- 3.2 The Lead Member for Resources and Climate Change is recommended to declare the Property to be surplus to the Council's requirements and approve the disposal of it in accordance with s.123 of the Local Government Act 1972.
- 3.3 To facilitate the effective disposal of the Property, the Lead Member is also recommended to delegate to the Chief Operating Officer authority to agree the terms of the sale to achieve best value for the Property in accordance with s123 of the Local Government Act 1972, including authority to proceed with the next best offer(s) in the event of the transaction(s) not completing within the expected timelines and;
- 3.4 To take all actions necessary to give effect to the recommendations in this report.

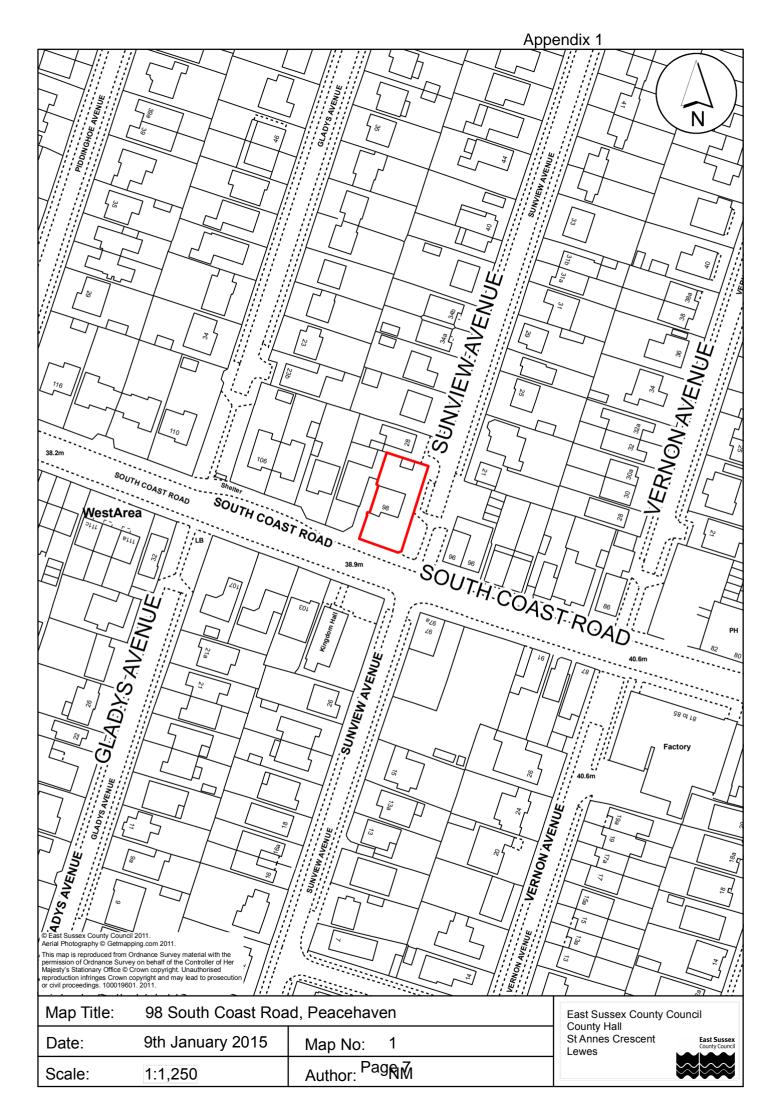
ROS PARKER Chief Operating Officer

Contact Officer: Rebecca Lewis Tel: 01273 335873 Email: <u>rebecca.lewis@eastsussxex.gov.uk</u>

LOCAL MEMBERS

Councillor Chris Collier – Peacehaven

BACKGROUND DOCUMENTS



Agenda Item 5

Report to:	Lead Member for Resources and Climate Change
Date of meeting:	25 June 2024
By:	Chief Operating Officer
Title:	Renting of open storage space at Brampton Road Eastbourne
Purpose:	To agree that East Sussex County Council will take a lease for a further 18 months of open storage space at Brampton Road Eastbourne. This is to facilitate Eastbourne Town Centre project works.

RECOMMENDATIONS

The Lead Member for Resources and Climate Change is recommended to:

- 1) Agree that East Sussex County Council take a new lease for 18 months of land in Brampton Road Eastbourne, to be used as open storage space; and
- 2) Delegate authority to the Chief Operating Officer to determine the detailed terms of the lease, to approve the final lease negotiations and the signing of the lease by East Sussex County Council (ESCC) and to take any other actions considered appropriate to give effect to the above recommendation.

1 Background

1.1 As part of Phase 2a of the Eastbourne Town Centre Improvement Scheme (ETCIS), a new pedestrian zone will be introduced on Terminus Road, Cornfield Road and Langney Road, including the northern section of Bolton Road. The scheme consists of a complementary package of improvements, building on the already completed Phase 1 improvements. Phase 2a will create a pedestrianised area at the eastern end of the primary retail corridor. In Eastbourne Town Centre, (Bolton Road/Langney Road) and a high-quality urban environment on the middle section of Terminus Road.

1.2 The Council is the Highway Authority and its contractors are progressing with Phase 2a of ECTIS which involves updating the townscape of Eastbourne Town centre with use of paving, stonework and other materials. These materials are being supplied in bulk from overseas and need to be stored safely until required to be used as part of the townscape works.

1.3 A storage facility is required as close as possible to the town centre to reduce transportation costs. The Council identified a suitable site that was formerly in use as a factory in Brampton Road Eastbourne, close to Hampden Park. A 12 month lease was entered into that commenced in May 2023 following a Lead Member decision on 23 May 2023 - <u>Issue - items at meetings - Renting of storage facility for Eastbourne public works at 41 Brampton Road | East Sussex County Council</u>. A plan of the land to be leased is attached as Appendix 1.

1.4 There remains a need for storage of materials as the improvement works are still ongoing.

1.5 The Council has undertaken a search for alternative sites, supported by local commercial property agents, but no viable alternative sites could be identified. Secure open storage land is in short supply. There were a small number of sites identified in locations outside of central Eastbourne that were available at a lesser rent (on a price per square foot

basis); however, these sites were discounted due to the increased travel time and lack of convenience from the works in Eastbourne Town Centre (as the site will need to be frequently accessed).

2 Supporting information

2.1 The Council has occupied the site since 8 February 2023, taking a 12-month lease in May 2023 that expired on 24 May 2024. The rent was £65,000 per annum exclusive.

2.2 The new lease is proposed to be based broadly on the same terms as the previous lease, save for the rent and term. The rent is to increase to £70,000 per annum exclusive and the term is to increase to 18 months. The lease is to include a rolling break option throughout the term, allowing the Council to serve two months' notice to terminate the lease at any time, should the project complete early or the need for storage requirements cease.

2.3 The draft lease terms are included in Appendix 2.

2.4 All costs and expenditure involved are to be incorporated in the budget of the Eastbourne Town Centre Improvement Scheme.

3 Conclusion and reasons for recommendations

3.1 Due to the ongoing need for storage of bulk materials needed for Phase 2a of the Eastbourne Town Centre Improvement scheme, in close proximity to the Town Centre, it is recommended that the Lead Member for Resources and Climate Change:

3.1.1 Agree that East Sussex County Council take a new lease for 18 months of land in Brampton Road Eastbourne, to be used as open storage space; and

3.2.2 Delegate authority to the Chief Operating Officer to determine the detailed terms of the lease to approve the final lease negotiations and the signing of the lease by East Sussex County Council (ESCC) and to take any other actions considered appropriate to give effect to the above recommendation.

ROS PARKER Chief Operating Officer

Contact Officers:

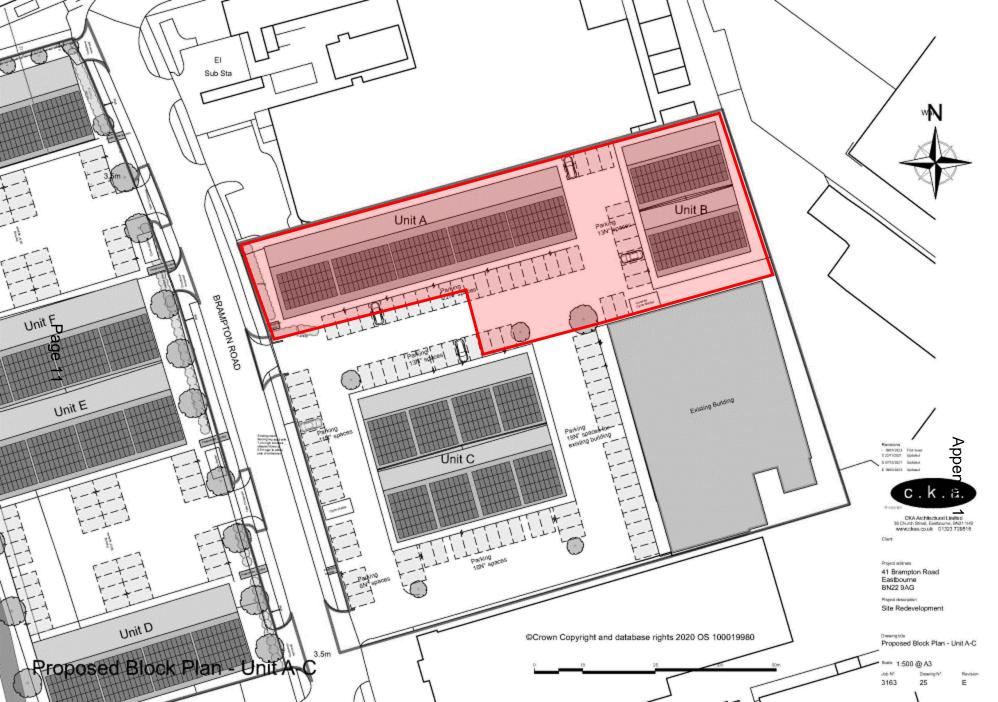
Rebecca Lewis, Head of Estate Management and Disposal Tel: 07955 312 371 Email: <u>rebecca.lewis@eastsussex.gov.uk</u>

LOCAL MEMBER

Councillor Colin Swansborough

BACKGROUND DOCUMENTS

None



DRAFT HEADS OF TERMS OF PROPOSED LEASE:

- 1. Property. 41 Brampton Road Eastbourne, BN22 9AG
- 2. Landlord. Brampton Eastbourne Ltd, 28 Wilton Road, Bexhill on Sea TN40 1EZ.
- Tenant.
 East Sussex County Council, County Hall, Lewes, BN7 1UE
 Demise.
 17,000 sq ft open yard area.
- 5. Lease Terms. A new lease for a period of 18 months from completion.
- 6. L&T Act. Lease is to exclude Sections 24-28 of the 1954 L&T Act.
- 7. Break option. Rolling on 2 months notice. (Mutual)
- 8. Rent. £70,000 per annum payable quarterly in advance.
- 9. VAT. VAT will be charged on rent and other payments.
- 10. User. Storage yard for materials for paving, stone kerbs, slabs etc.
- 11. Tenants works.
- Tenant to instal Heras fencing to demise the area. Each party to be responsible for their own costs.
- 12. Costs.