

## **LEAD MEMBER FOR RESOURCES AND CLIMATE CHANGE**

DECISIONS made by the Lead Member for Resources and Climate Change, Councillor Nick Bennett, on 15 October 2024 at Remote Meeting via Microsoft Teams

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Councillors Hollidge, Redstone and Stephen Shing spoke on item 4 (see minute 35)

Councillor Stephen Shing spoke on item 5 (see minute 36)

Councillor Stephen Shing spoke on item 6 (see minute 37)

### **31. DECISIONS MADE BY THE LEAD CABINET MEMBER ON 3 SEPTEMBER 2024**

31.1 The Lead Member approved as a correct record the minutes of the meeting held on 3 September 2024.

### **32. DISCLOSURE OF INTERESTS**

32.1 There were none.

### **33. URGENT ITEMS**

33.1 There were none.

### **34. REPORTS**

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

## 35. COUNTY HALL SITE OPTIONS - ASSET REVIEW

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

### DECISIONS

35.2 The Lead Member RESOLVED to:

- 1) Note the report, including the Scrutiny Committee comments and the detailed asset review in Appendix 1 of the report;
- 2) Approve that the Council proceed on a phased partnership approach set out in section 4 of the report reflecting the key milestones in the next few months;
- 3) Receive a report in July 2025 to review progress on the approach set out in this paper; and
- 4) Note, as detailed at paragraph 2.1 of the report, the current valuation of the site, even with planning permission for a mixed development, would deliver a capital receipt of less than £10m.

### REASONS

35.3 At the moment, there are no standout re-development options (2-4) in the report due to viability. The cost of providing a suitable new County Hall exceeds the market value for the sale of the site if sold, assuming planning permission was secured. Given the Council's financial constraints and the uncertainties noted in paragraphs 3.10 to 3.16 of the report, a phased approach means that the Council would look to remain at County Hall in the short term until alternative Council owned accommodation becomes available in the medium term at Sackville House, Lewes, at which point the Council would consider relocation (see Option 6 in the report). In the intervening period certain milestones are likely to occur (as outlined in paragraph 4.5 of the report) which could provide greater certainty over the variables noted within the report, and therefore greater knowledge of the viability of any potential development.

35.4 The Council will take immediate steps to ensure utilisation of County Hall improves, to boost rental income opportunities and to reduce property running costs. These would include:

- Relocating teams based in other locations in leasehold premises (other than Eastbourne and Hastings) to move to County Hall to reduce rental costs elsewhere.
- Mothballing a significant section of County Hall to reduce running costs. The Property team will work with directorates to consider how best to reduce the number of blocks that will remain open with the intention of finalising plans by December 2024.
- Appointing an office agent to pursue the medium term letting of spare space and working with business forums in Lewes to explore short term lettings.

35.5 Ahead of this work, a public sector partner has already agreed to take one floor of one of the blocks and this occupation will take place by the end of November 2024.

35.6 The intervening period will also enable the Council to obtain more information which would increase the certainty in any assessment of development viability. Key dates and information include:

- Adoption of the South Down National Park Authority (SDNPA) Local plan – Spring 2026.

- There may be another round of the Brownfield Land Release Fund which might provide grant funding for the site – Potentially by 2026.
- Any precedent being set on factors such as housing density, housing specification and levels of affordable housing coming from other planning applications in the SDNPA area – Ongoing.
- Central government policy changes or changes to the planning system given their commitment to housing delivery – 12-18 months.
- Changing nature of the property market, economic context, falling interest rates etc – Ongoing.

35.7 It will also allow close working with SDNPA and also further adopt partnership working with Lewes District Council, Lewes Town Council and other stakeholders to consider a wider master planning of County Hall alongside the statutory process in SDNPA process to develop their new Local Plan. This recognises the strategic importance of the site in the area.

35.8 A further report presented to the Lead Member in July 2025 will provide the new Council more information, and progress on this approach.

## 36. THE REVIEW OF PURCHASING RENEWABLE ENERGY GUARANTEES OF ORIGIN (REGOS)

36.1 The Lead Member considered a report by the Chief Operating Officer together with exempt information contained in a later agenda item.

### DECISIONS

36.2 The Lead Member RESOLVED to:

- 1) Agree that East Sussex County Council ceases the purchase of Renewable Energy Guarantees of Origin certificates from 1 April 2025; and
- 2) Delegate authority to the Chief Operating Officer to take all actions necessary to give effect to the above decision.

### REASONS

36.3 REGOs are purchased from existing suppliers of renewable electricity, so paying for REGOs does not automatically increase the investment in renewable energy generation. In other words, there is no 'additionality' in renewable energy available as a result of purchasing REGOs. The price of REGOs has increased significantly in the last few years, from about 20p per certificate a couple of years ago to a record high of £20 in October 2023 and continue to trade as such. At current prices, this would add about 3.5% to the Council's unit cost of electricity at a time when the Council is under significant financial constraints.

36.4 There is both a financial impact and a reputational risk to East Sussex County Council in continuing to purchase REGOs, with no clear benefit from doing so.

### 37. DILAPIDATIONS SETTLEMENT - UNIT D ROPEMAKER PARK, HAILSHAM

37.1 The Lead Member considered a report by the Chief Operating Officer together with exempt information contained in a later agenda item.

#### DECISIONS

37.2 The Lead Member RESOLVED to:

- 1) Agree that the Council seeks to settle the claim by mutual agreement in the first instance, as set out in paragraph 2.2 of the report; and
- 2) Delegate authority to the Chief Operating Officer to take all actions necessary to give effect to the recommendations in the report, including, but not limited to, approving the amount of any settlement.

#### REASONS

37.3 The Council has taken appropriate professional advice with regard to the Landlord's dilapidations claim in respect of Unit D, Ropemaker Park, Hailsham. To minimise costs, the Council intends to resolve this matter by negotiation. If the parties are unable to agree a mutual settlement, the Landlord may issue court proceedings. The landlord can legitimately claim for interest, at the rate prescribed by the lease, and legal and expert fees. In addition to this, the Council will incur its own additional legal and expert fees. Determination of the matter by the court or via an alternative process such as mediation, may be more costly to the Council than settling the claim mutually, and the outcome is uncertain.

### 38. EXCLUSION OF THE PUBLIC AND PRESS

38.1 It was RESOLVED to exclude the public and press for the remaining agenda items on the grounds that if the public and press were present there would be disclosure to them of exempt information as specified in paragraph 3 of Part 1 of the Local Government Act 1972 (as amended), namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

### 39. THE REVIEW OF PURCHASING RENEWABLE ENERGY GUARANTEES OF ORIGIN (REGOS) - EXEMPT INFORMATION

39.1 The Lead Member considered a report by the Chief Operating Officer which provided exempt information in support of an earlier item on the agenda.

#### DECISIONS

39.2 The Lead Member RESOLVED to note the exempt information in the report which relates to an earlier item on the agenda.

## REASON

39.3 The report contained exempt information in relation to an earlier item on the agenda.

## 40. DILAPIDATIONS SETTLEMENT - UNIT D ROPEMAKER PARK, HAILSHAM - EXEMPT INFORMATION

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