

Report to: Lead Member for Resources

Date of meeting: 20 October 2020

By: Chief Operating Officer

Title: Warwick House, Seaford

Purpose: To seek Lead Member approval to grant two new 10-year leases to the Sussex Partnership NHS Foundation Trust

RECOMMENDATIONS

The Lead Member for Resources is recommended to:

- 1) **Agree the implementation of two new 10-year leases to the Sussex Partnership NHS Foundation Trust and any legal documentation (Works Licence) associated with enabling this rental.**
 - 2) **Agree to delegate authority to the Chief Operating Officer to approve the details of the new leases and works licence**
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1 Background

1.1 Following the vacation of the Adult Social Care Service from Warwick House in Seaford, East Sussex County Council (ESCC) has sought a suitable tenant to take on the parts of the vacant premise. While ESCC have had conversations with several potential tenants the overlapping nature of the property and shared services may limit the appeal of the property and the nature of who we may let to. There is a need for an appreciation that the library service will remain an integral element of the premise and will require access to parts of the property to ensure they are able to carry out their own operation. This is understood and acknowledged by the NHS.

1.2 The Ground and Second Floor space are already in a suitable condition for the NHS occupation with established clinic space limiting the need for investment and alterations. The Sussex Partnership NHS Foundation Trust have stated that they wish to make some minor alterations but the demised premises is likely to remain in roughly the same state as it will lend itself well to the function required by the group.

1.3 The Sussex Partnership NHS Foundation Trust are proposing to take one single lease for the whole building. The proposed lease is for a term of 10 years with a (break option at year 5).

1.4 The lease is required to be approved as a delegated authority may only be used to approve agreements where the annual rental does not exceed £25,000 per annum. The lease exceeds that amount and therefore the permission is sought from this Lead Member for Resources report.

1.5 Further exempt information is contained in an item later on the agenda which should be considered alongside this report.

2 Supporting information

2.1 The decision required relates to whether ESCC may rent the vacant sections on the Ground and Second Floor to the Sussex Partnership NHS Foundation Trust. Not only will the group pay rent but also make a service charge contribution. The NHS will also be responsible for their share of the charges relating to non-domestic rates for occupied premise. The leases will be

excluded s.24 – 28 of the Landlord and Tenant Act and as such the tenant will have no right to renew.

The approval would look to delegate authority to the Chief Operating Officer to sign off the final agreements.

Lease Summary:

The Sussex Partnership NHS Foundation Trust Tenancy at Warwick House – vacant sections on the Ground and Second Floor including part of the roof terrace (formally used by ESCC ASC) 315.19 sq. m (3,392.7 sq. ft.) with 171.97 sq. m roof terrace (1,851 sq. ft.).

3. Conclusion and reasons for recommendations

3.1 It is recommended that the Lead Member agrees for East Sussex County Council to approve the proposed lease and associated legal documentation (Works Licence) to secure a 10-year lease in order that the NHS may be charged a commercial rent and associated service charge percentage.

3.2 It is recommended that the Lead Member agrees to delegate authority to the Chief Operating Officer to approve the details of the new 10-year lease.

Kevin Foster
Chief Operating Officer

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LOCAL MEMBER: Councillor Carolyn Lambert

BACKGROUND DOCUMENTS: None