

Report to: Lead Member for Resources and Climate Change

Date of meeting: 1 October 2021

By: Chief Operating Officer

Title: Grant of 25 year lease term to Project Art Works for The Arches (Linton Road) 1-3, Braybrooke Terrace, Hastings TN34 1TD

Purpose: To agree an extension to the term of the existing lease of The Arches (Linton Road) 1-3, Braybrooke Terrace, Hastings TN34 1TD by way of a surrender and re-grant of the existing lease

RECOMMENDATIONS

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

- 1) Agree to the proposed lease extension and terms in respect to the letting of The Arches 1-3, Braybrooke Terrace, contained in the Exempt report at a later agenda item;
 - 2) Delegate authority to the Chief Operating Officer to approve the final lease negotiations and take any other actions considered appropriate to give effect to the above recommendation, and to secure best value in accordance with the Local Government Act 1999.
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1 Background

- 1.1 East Sussex County Council (ESCC) are the landlord and there is an existing lease with Project Art Works (PAW) as the tenant occupier. PAW is a Community Organisation specialising in supporting neurodiverse artists in Hastings and the surrounding areas.
- 1.2 As a charity they are looking to supplement their day-to-day income streams via external grant funding to repair and improve their premises, The Arches. The subject premises provide their main creative space however it is an infill structure underneath a road viaduct. The infill structure requires significant investment to meet the tenant's obligations set out in the existing lease regarding access and energy efficiency/energy performance requirements.
- 1.3 To meet future grant funding, it has been identified that some funding providers are asking for a minimum of a 20 year term to secure against and similar funding programmes are expected to be released over the next two years. The existing lease has less than 10 years remaining and therefore a 25 year term is being recommended to allow PAW to be able to qualify for funding over the medium term.

2 Supporting information

- 2.1 PAW are a well-respected local organisation receiving national recognition for its work, including a recent nomination for the coveted Turner Prize.
- 2.2 The County Council has no alternative use for the asset, being a void space situated under a road viaduct that requires access for maintenance and repairs, therefore there is no future intention to dispose of the site.
- 2.3 ESCC receives an annual rent for the premises. The rent and terms are set out in the associated Exempt report which is at a later agenda item.
- 2.4 The infill structure which provides the external structure of the premises is structurally unsound and is currently secured by scaffolding. The demise of the premises does not include the brick archway and therefore beyond providing shelter, it is not a structural part of the premises. PAW have made a planning application for improvement works to the

premises which include creating a frame-structure to which new external elevations can be secured. These will provide the thermo-efficiency and improve energy efficiency needed and to assist with meeting the energy performance regulations.

- 2.5 Further works include a side extension to improve access and meet the Equality Act 2010 requirements include the installation of an internal hoist, more suitable wash facilities along with increasing the useable floor space by levelling the internal mezzanines.
- 2.6 Fuller details of the transaction are outlined in an Exempt report later on in the Lead Member agenda. If the longer lease term is not secured, the risk is that significant funding will be not be achieved and this may affect the ability of PAW to provide the necessary alterations.

3 Conclusion and reasons for recommendations

- 3.1 It is recommended that the Lead Member for Resources and Climate Change agrees the new lease terms for The Arches (Linton Road), 1-3 Braybrooke Terrace as outlined in the Exempt report later on in the agenda.
- 3.2 It is recommended that the Lead Member for Resources and Climate Change agrees to delegate authority to the Chief Operating Officer to approve the final lease negotiations and ensure the legal documents are in place that represent best value in accordance with the Local Government Act 1999.

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LOCAL MEMBER

Councillor Godfrey Daniel

Appendix 1 – Lease Plan showing current demise and location