

**Report to:** Lead Member for Resources and Climate Change

**Date of meeting:** 24 January 2023

**By:** Chief Operating Officer

**Title:** Corporate office estate; new lease for St Mark's House, Eastbourne

**Purpose:** To agree a 12-month lease of St Mark's House for use as part of the Corporate Office provision

---

## RECOMMENDATIONS

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

- 1) approve the proposed 'agreement for a lease' and new lease terms of St Mark's House, Eastbourne; and
  - 2) delegate authority to the Chief Operating Officer to approve the final lease negotiations; the signing and completion by the Council of the lease to the Property; any agreement for lease and related documentation; to take any other actions considered appropriate to give effect to the above recommendation to secure best value in accordance with the Local Government Act 1999.
- 

## 1 Background

- 1.1 The corporate office provision includes St Mark's House, Eastbourne. The Council is undertaking a review of its corporate office requirements, as a key part of the Council's Asset Management Plan 2020-2025, to drive efficiency from its assets and by reducing costs, as well as reducing carbon emissions.
- 1.2 The Council has two office bases in Eastbourne and will be seeking to have one base by early 2024. St Mark's House, Eastbourne is a leased property with the current lease expiring on 13 April 2023. A plan of the location of the property is shown at appendix 1.
- 1.3 The freehold owner of the building plans to re-develop the site in due course. The Council intends to enter into a 12-month lease to commence at the end of the current lease (April 2023).
- 1.4 A lease extension is required as St Mark's House currently provides the sole office base in Eastbourne for Children's Services who also work very closely with different partner agencies. The lease extension will assist the organisation in further planning of its ongoing provision of office accommodation in Eastbourne from early 2024.

## 2 Supporting information

- 2.1 The proposed lease will be for 12 months, and the rent payable is £384,900 per annum which represents an increase of £20,000 per annum above the current rent. The rental of the premises is exclusive of business rates, utilities and cleaning, and the lease will place liability on the Council for repairs. This is the case with the current lease, so the proposed extension places no additional operational liability on East Sussex County Council (ESCC).

- 2.2 The Council proposed an 'agreement for a lease' and a separate lease for the extension period. The 'agreement for a lease' is a document that provides certainty for the Council, knowing the new lease will commence in April 2023. The 'agreement for a lease' effectively locks in the landlord and the Council (as tenant). The new lease will also include a tenant's break clause so the Council could terminate the lease before March 2024 if needed. Subject to Lead Member approval, the 'agreement for a lease' will be completed in late January 2023 and the new lease will commence in April 2023.
- 2.3 The increased rent for 2023/24 will be managed within Property Services' corporate office budget.

### **3 Conclusion and reasons for recommendations**

- 3.1 To allow for continuation of corporate use for the Children's Services Department and their partnerships the Lead Member for Resources and Climate Change is recommended to:
- 3.1.1 approve the proposed 'agreement for a lease' and new lease terms of St Mark's House, Eastbourne; and
- 3.1.2 delegate authority to the Chief Operating Officer to approve the final lease negotiations; the signing and completion by the Council of the lease to the Property; any agreement for lease and related documentation; to take any other actions considered appropriate to give effect to the above recommendation to secure best value in accordance with the Local Government Act 1999.

#### **ROS PARKER Chief Operating Officer**

Contact Officers:

Nigel Brown

Tel. No. 07394 410630

Email: [Nigel.Brown@eastsussex.gov.uk](mailto:Nigel.Brown@eastsussex.gov.uk)

Barry Ling

Tel. No. 07971 188596

Email: [Barry.Ling@eastsussex.gov.uk](mailto:Barry.Ling@eastsussex.gov.uk)

#### **LOCAL MEMBER**

Councillor Pat Rodohan