

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

**Date of meeting:** 15 July 2024

**By:** Chief Operating Officer

**Title:** Grant of a new 25-year lease to West Hill District Community Association for West Hill Community Centre, Bembrook Road, Hastings

**Purpose:** To agree to the grant of a new lease of West Hill Community Centre, Bembrook Road, Hastings

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## RECOMMENDATIONS

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

- 1) Agree to grant a new 25-year lease to West Hill and District Community Association, in relation to West Hill Community Centre, Hastings; and
  - 2) Delegate authority to the Chief Operating Officer to take all actions considered appropriate to give effect to the above recommendation including, but not limited to, agreeing the final terms of the lease.
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### 1 Background

- 1.1 East Sussex County Council (ESCC) are the freeholder of the site known as West Hill Community Centre, which is on the corner of Bembrook Road and Croft Road in Hastings. The site comprises a single storey prefabricated building that is being used as a Community Centre, with associated car parking and areas of soft landscaping. The community building is adjacent to Torford School, providing special educational needs (SEN) for young people. A site plan is included at Appendix 1.
- 1.2 The site has been let to the West Hill and District Community Association (WHDCA) since 1974. Under the terms of the original lease, WHDCA were to build a community centre building which they did; however, that building is now considered to be in need of total modernisation or replacement. The most recent lease to WHDCA expired in March 2023 and they have been occupying under a tenancy at will since that date, whilst the future site requirements have been under discussion.
- 1.3 WHDCA is a Charitable Incorporated Organisation (CIO) that aims to support the community of the Tressell, Castle and Old Hastings wards in Hastings. As stated in their Constitution, the mission of the CIO is:
- To promote the benefit of the inhabitants of the 'area of benefit', without distinction of sex, sexual orientation, age, disability, nationality, race or of political, religious or other opinions, by associating together the said inhabitants and the statutory authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants;
  - To establish, or secure the establishment of, a Community Centre and to maintain and manage the same (whether alone or in cooperation with any statutory authority or other person or body) in furtherance of the Objects;
  - To promote such other charitable purposes as may from time to time be determined. The Charity shall be non-party in politics and non-sectarian in religion.

- 1.4 The community centre provides a variety of spaces, both indoors and outside, for casual hire on an affordable and flexible basis, seven days a week. The centre is well-used by local social groups and residents.
- 1.5 WHDCA appointed a firm of Chartered Surveyors to undertake a building survey in 2020, with a condition report being produced in 2023 by a separate firm. Both reports highlighted extensive defects with the existing building, ranging from smaller items such as non-opening windows, to larger items such as issues with the roof support structure. In addition to this, the building is considered to be limiting in terms of access and layout.
- 1.6 The current building was constructed in 1974 using prefabricated methods and has exceeded its intended lifespan. It therefore requires substantial capital investment to prolong its lifespan, albeit the existing building would still be limited in terms of accessibility and size. WHDCA have therefore explored the viability of constructing an entirely new building to replace the existing Community Centre. It is intended for the new building to be more environmentally sustainable and efficient, both in terms of energy consumption and space provision.
- 1.7 WHDCA will require grant funding for the new building and have approached various funders. It has been identified that some grant funding providers are asking for a minimum 20-year term to secure any potential grant funding against. Future funding programmes are expected to have similar criteria. A 25-year term is therefore being recommended to allow WHDCA to be able to qualify for funding over the medium term and provide security for investment.

## **2 Supporting information**

- 2.1 WHDCA are a well-established local organisation providing essential community facilities in Tressell, Castle and Old Hastings wards in Hastings, an area where very few alternative facilities exist in West Hill. There are other community facilities in the central Hastings area. WHDCA had new Trustees in 2022, who have now worked up a detailed business plan showing their plans to widen the services to the community throughout the year and also set out their vision for a new building to be erected.
- 2.2 The Council has no alternative operational use for the site, which has been occupied by WHDCA since 1974. Alternative options for the site have been considered, including disposing of it in return for a capital receipt, and letting the site for a commercial rent.
- 2.3 ESCC currently receives a nominal rent, reflecting its community use and not-for-profit status. The lease terms are set out in the associated exempt report at a later agenda item. It is anticipated that the subsequent lease would also be on the basis of a nominal rent.
- 2.4 Any new building constructed on site would be subject to consultation with the community and WHDCA would need to secure planning approval via Hastings Borough Council, as the Local Planning Authority. WHDCA will appoint external support in legal services, architecture, and project management to support the development of the community centre. They are being supported by Hastings Voluntary Action in this development project. If the longer lease term is not secured, the risk is that significant funding would not be awarded, and this would result in the closure of the Community Centre.
- 2.5 The Council has power under s.123 of the Local Government Act 1972 to dispose of land in any manner they wish, including the granting of a lease. However, this power is subject to a requirement that such disposal must be for the best consideration reasonably obtainable (save in the case of short tenancies), unless the Secretary of State consents to the disposal.
- 2.6 Under Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003 (disposal of land for less than the best consideration that can reasonably be obtained), a general consent from the Secretary of State is given to local authorities in certain specified circumstances. These are as follows:
  - The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the promotion or improvement of the economic, social or

environmental well-being of the whole or part of its area, or of all or any persons resident or present in its area; and

- The difference between the unrestricted value of the land to be disposed of and the proposed consideration for the disposal does not exceed £2,000,000 (two million pounds).

2.7 In line with the guidance in Circular 06/03, an internal assessment of the market value of the asset has been undertaken on the basis of the existing use (i.e. *F2(b) Halls or meeting places for the principal use of the community*). Further details of the assessment are set out in an exempt report later on the agenda. A 25-year lease at a nominal rent is likely to be a slight undervalue compared to what could be achieved as a commercial rent. The Council is satisfied, however, that the requirements set out in the general disposal consent are met in relation to the community centre and the Council therefore has the power to dispose of the asset in this way. This is because the undervalue is less than £2,000,000 and the grant of the proposed lease is considered to contribute to the promotion or improvement of the social wellbeing of the local area.

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

3.1 In the interest of facilitating WHDCA's plans to further invest in the site and continue to provide a community space for the benefit of the residents in West Hill area, it is recommended that the Lead Member for Resources and Climate Change:

3.1.1 Agrees to grant a new 25 year lease to West Hill and District Community Association, in relation to West Hill Community Centre, Hastings; and

3.1.2 Delegates authority to the Chief Operating Officer to take all actions they consider appropriate to give effect to the above recommendation including, but not limited to, agreeing the final terms of the lease.

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

Contact Officer: Zoe Tweed

Email: [zoe.tweed@eastsussex.gov.uk](mailto:zoe.tweed@eastsussex.gov.uk)

Assistant Director – Property: Nigel Brown

Email: [nigel.brown@eastsussex.gov.uk](mailto:nigel.brown@eastsussex.gov.uk)

#### LOCAL MEMBER

Councillor Julia Hilton

#### BACKGROUND DOCUMENTS

None