



EAST SUSSEX COUNTY HALL

Lead Member for Resources and Climate Change 15 October 2024



County Hall constructed 1968 and civic facilities provided in 2003

Site area -4.13 hectares whole campus

Former St Anne's School vacant since 2005

What were the options considered?

Retain & Maintain

Option 1 - Stay

Adapt County Hall to maintain it in operational condition for the Council to function as is. Invest in replacing failing plant and equipment to maintain BAU. Without some minimum investment there is a risk to Council operations



Council Led Site Development

Option 2:

Adapt County Hall building with reduced office usage, lease / co-locate other uses in the building + develop surrounding land.

Option 3:

Re-purpose the County Hall building entirely for new uses, develop surrounding land and include a smaller, purpose-built Council building

Option 4:

Demolish existing CH building, develop the site to include a smaller, purpose-built Council building and other uses



OPTION 2 – indicative site plan



OPTION 4 – indicative site plan

Sell Site & Relocate

Options 5&6:

Option 5 - Sell County Hall site and relocate Council services and activities to other location(s) in Lewes. Overall space c. 3500 sqm required.

Option 6 – Sell County Hall site and relocate Council Services to Sackville House in 2030-2032 as new County Hall



Reviewing development options



- **There is no clear re-development option that stands out at this moment in time**
- The whole site has complex constraints – topography, archaeological matters, natural environment and ecological matters, bio-diversity, accessibility to the wider site
- The Council’s earlier office rationalisation was straightforward - Phase 1 and Phase 2 – Hastings and Eastbourne office solutions focused on reducing space requirements and these didn’t concentrate on wider re-development opportunities with a freehold asset in the South Downs National Park.
- Wider property re-development market is volatile. Sensitivity analysis of key inputs to a development model shows high risk at present.
- Size of County Hall future accommodation needs more analysis as increased office usage at CH in 2024 compared to 2023.
- The overall Council’s financial budget position for 2025/2026 and beyond require significant organisational focus
- Technical experts have challenged assumptions in the modelling though options remain financially borderline with significant risks. The future potential risks could reduce in a more stable operational context.

East Sussex
County Hall
(now)



£914k
Annual
operational
costs

22%
occupancy
levels -2023

25-27%
2024

£8.4M
additional
repairs
required in the
next 10 years



SITE POTENTIAL



Modern
efficient
office

£500k-
£840k
Annual Rev
Saving

240+
Homes

New
3500^{sqm}
County Hall
space req.



Staying at CH

It costs about £1m per annum to operate the CH building just in its current condition which is reaching end of life. There are risks of plant and machinery failing in the next few years impacting the ability of part or all of the building to function which would be a risk to business continuity in the next few years.

Up to £8.4 million over next 10 years required from the Council's corporate maintenance programme and reactive repairs needed.

Areas for further review under Options 2-4

GRANT FUNDING

Testing the potential for leveraging grant funding for the site through a fund similar to the Brownfield Land Release Fund and other potential central government affordable grant provisions

COUNTY HALL SIZE REQUIREMENT

Testing the feasibility with a further reduced Council footprint that could accommodate 1400-1600 Council staff plus civic meeting spaces to drive efficiency and minimise cost

DENSITY AND MIX CHALLENGE

Exploring a more ambitious density on the site and a refined housing mix, with appropriate benchmarking for similar developments in Lewes

SUSTAINABLE SPECIFICATION

Establishing a suitable design specification that supports the environmental ambitions of the project but is commensurate with public building investment and assessing embedded carbon

AFFORDABLE HOUSING

Testing the viability against lower affordable housing targets, supported by a clear rationale for how this argument could be supported in planning terms

What are the key commercial considerations?

Key Objectives

- To provide a workspace that aligns to modern ways of working - flexible and adaptable to future needs;
- To reduce the Council's running and maintenance costs for the County Hall building and surrounding assets on the site;
- To closely align with the Council's climate targets and net zero ambitions;
- To create a more rational layout that improves the connection of the site with its natural surroundings and community;
- To achieve a more efficient use of the site, creating financial value for the Council;
- To support East Sussex's economic growth ambitions for Lewes.

County Hall Requirements

An assessment of reasonable reduction in size.

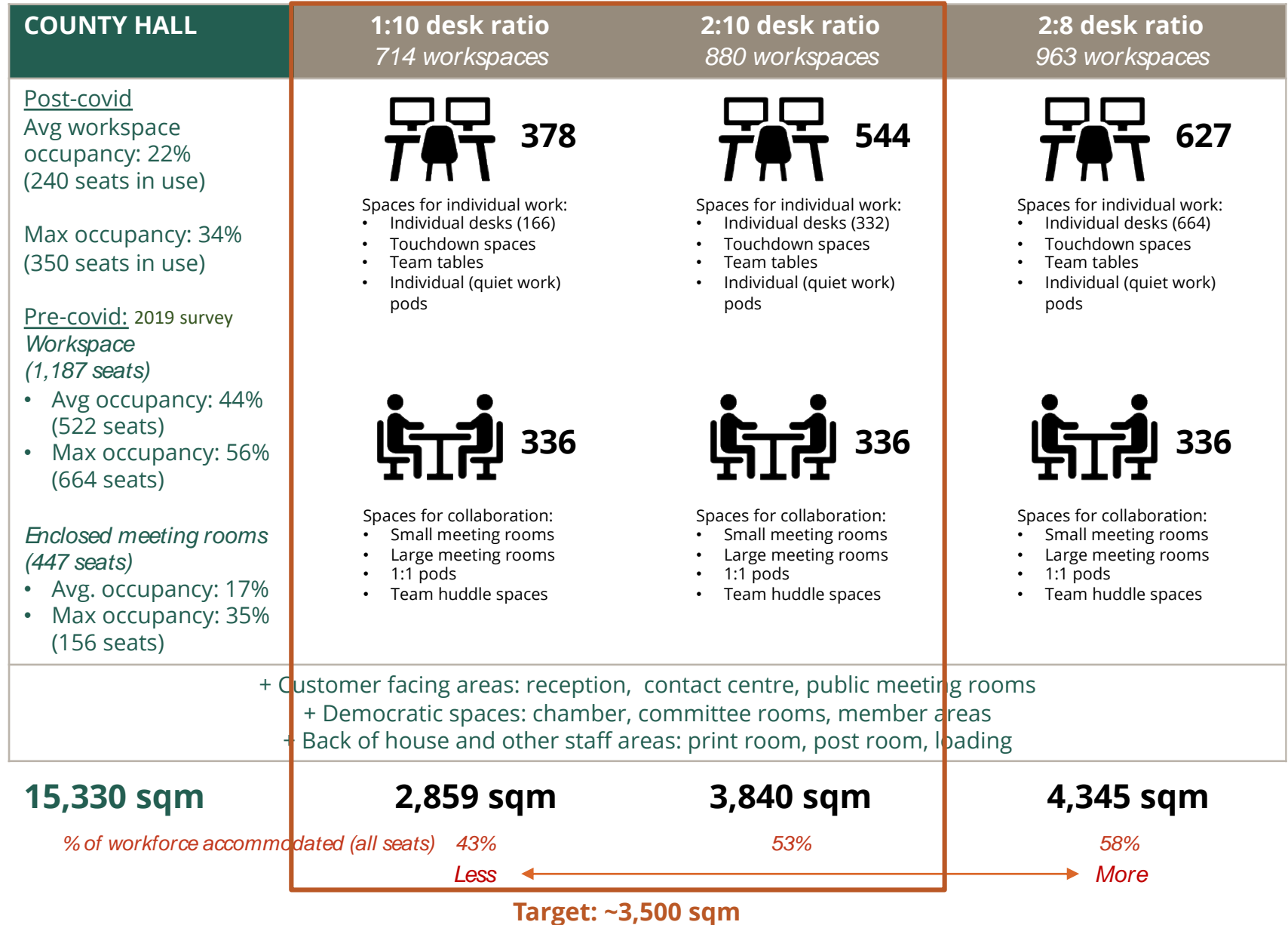
How much space does the Council need?

Informed by Hastings office move
(Note: current observed occupancy is 50%)

There is an opportunity to reduce the Council's current footprint and modernise its workspace.

A number of scenarios were tested to indicate the potential size of the Council office. These were benchmarked against:

- Observed occupancy
- Learning from recent rationalisation of other Council accommodation (i.e. Hastings offices)
- Benchmarking against other civic offices across the UK
- ESCC's specific functional and team requirements and where they need to be based



Wider engagement

- LDC initial view is:
 - “Welcome the early engagement and commitment to a partnership approach
 - Emphasising the strategic importance and opportunity of the site to Lewes especially in providing much needed housing
 - Recognising the complexity of the site in terms of topography, landscape impact and access and the uncertainty in market currently
 - Importance of recognising the embedded carbon in County Hall current building
 - Learning the lessons from other developments including importance of clarity about objectives and likely strength of public interest
- Understanding the significant and unique opportunity the site provides for the town”

South Downs National Planning Authority - emerging Local Plan proposals

| Actions | Progress |
|--|---------------|
| Work on Local Plan Review started | 2022 ✓ |
| Call for sites (various uses) | Summer 2022 ✓ |
| Evidence gathering | In progress < |
| Land Availability Assessment & Local Green Space Assessment | In progress < |
| Early engagement (scope & ways to consult) | In progress < |
| Drafting policies and site allocations | Autumn 2024 |
| Public Consultation on draft Local Plan Review (Reg 18) | Early 2025 |
| Review consultation feedback and refine policies/allocations | 2025 |
| Public Consultation on submission Local Plan Review (Reg 19) | Early 2026 |
| Submit Local Plan Review for Examination | 2026 |

Interim next steps to increase utilisation and boost income?

- Interim measures on County Hall to make better use of the space being explored:
 - Other public sector partners shown active interest in using some of the space
 - Reducing some running costs by mothballing part of the building
 - Alternative operational use such as more meeting rooms, more conference style facilities
 - Exploring local business interest in use