Report to: Lead Member for Resources and Climate Change

Date of meeting: 22 April 2025

By: Chief Operating Officer

Title: Sandbanks, 1 Cacklebury Close, Hailsham – Disposal of Freehold

Purpose: To seek a declaration that the property is surplus to the operational

requirements of the Council and to seek agreement to dispose of the asset in accordance with s123 of the Local Government Act 1972

### **RECOMMENDATIONS**

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

- 1) Declare Sandbanks, 1 Cacklebury Close, Hailsham (the Property) to be surplus to the requirements of the Council;
- 2) Approve the disposal of the Property in accordance with s123 of the Local Government Act 1972;
- 3) Delegate authority to the Chief Operating Officer to agree the terms of the sale to achieve best value for the Property in accordance with s123 of the Local Government Act 1972, including proceeding with the next best offer(s) in the event of the transaction(s) not completing within the expected timelines; and
- 4) Delegate authority to the Chief Operating Officer to take all actions necessary to give effect to the recommendations in this report.

## 1 Background

- 1.1 The Lead Member for Adult Social Care approved the relocation of the Learning Disability Service then operating from Sandbanks at a meeting on 13 October 2015 Decision Development of Learning Disability Respite Services | East Sussex County Council
- 1.2 The service vacated in 2016. As part of the Adult Supported Living Project, new accommodation has now been developed at Grangemead, Hailsham. This completed in 2025.
- 1.3 The Property, known as Sandbanks, is identified in Appendix 1, comprises a two-storey building that was constructed in the 1970s, with a rear garden. Adjacent to the Property is a modern, single-storey building called The Martins. This is an operational building owned by the Council and would not form part of any disposal of Sandbanks. New fencing or an appropriate boundary marker will need to be put in, and this can be made a condition of the sale contract. Additionally, the services are currently shared by the Property and The Martins and will therefore need to be separated prior to any disposal.
- 1.4 Various operational requirements have been considered for the Property since the vacation of the service in 2016. However, none have come to fruition.
- 1.5 The site is situated on the outskirts of Hailsham, in a popular residential area.

## 2 Supporting information

2.1 The following options have been identified for the Property:

- 1. Retain for a Council service:
- 2. Rent to an East Sussex County Council (ESCC) partner or external tenant; or
- 3. Dispose of the freehold.
- 2.2 Option 1 (Retain for a Council service): all Council Directorates have confirmed that there is no operational service need for the Property.
- 2.3 Option 2 (Rent to an ESCC partner or external tenant): the Property will require significant refurbishment if it were to be let. The necessary work needed to put the Property in good condition would either need to be undertaken by the Council at its expense, or by way of a lengthy rent free or incentive period via a tenant.
- 2.4 Option 3 (Dispose of the Freehold): the Property is likely to be considered as a small residential development site, or as a care home, subject to gaining the necessary planning consents. It is understood from local agents that there is a good level of demand in the open market for sites of this nature. If offers are made by community or voluntary organisations, they will be considered alongside companies or developers submitting commercial bids.
- 2.5 The disposal of the Property will result in a capital receipt. Capital receipts are an important source of funding, and the Council seeks to maximise the levels of these resources. The funds will be used to reduce the need to borrow in accordance with the Council's Capital Strategy and also supports the Council's Strategic Asset Plan 2020-2025.
- 2.6 The disposal of the Property on the open market (Option 3) is therefore considered to be the most appropriate strategy.
- 2.7 It is not listed as an Asset of Community Value under the Localism Act 2011.
- 2.8 In the event that an offer was accepted, and that transaction did not progress as expected, the Council would reserve the right to proceed with the next best offer, or to remarket the property if appropriate. The timeframe for a transaction varies depending on a number of reasons. For example, the offer may be made on a conditional or unconditional basis, subject to planning approval, or subject to finance being obtained. Target timescales will be recorded at the memorandum of sale stage and will form part of the sale contract.
- 2.9 The Local Member has been consulted on the proposed sale of the Property and had no objection to the proposal.

#### 3 Conclusion and reasons for recommendations

- 3.1 The Council has no ongoing operational use for the Property. The Property is surplus to the Council's requirements and the disposal of it will reduce revenue liabilities relating to the management and holding costs of this surplus asset, as well as providing the Council with a capital receipt.
- 3.2 The Lead Member for Resources and Climate Change is recommended to declare the Property to be surplus to the Council's requirements and approve the disposal of it in accordance with s.123 of the Local Government Act 1972.
- 3.3 To facilitate the effective disposal of the Property, the Lead Member is also recommended to delegate to the Chief Operating Officer authority to agree the terms of the sale to achieve the best consideration for the Property in accordance with s123 of the Local Government Act 1972, including authority to proceed with the next best offer(s) in the event of the transaction(s) not completing within the expected timelines and to take all actions necessary to give effect to the recommendations in this report.

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## LOCAL MEMBERS

Councillor Gerard Fox

# BACKGROUND DOCUMENTS

None