Report to	-	Cabinet
Date	-	12 February 2018
Report of the	-	Executive Director of Business Operations
Subject	-	8-10 Beeching Road, Bexhill – Ambulance Station

Recommendation: It be RESOLVED: That:

- Officers be authorised to complete a surrender of the lease to South East Coast Ambulance NHS Trust at 8-10 Beeching Road, Bexhill for the figure set out in confidential Appendix 2 with funds to be drawn from the Medium Term Financial Strategy Earmarked Reserve; and
- 2) the Executive Director of Business Operations be granted delegated authority to re-let the premises, as appropriate.

Service Manager: Brenda Mason Lead Cabinet Member: Councillor Lord Ampthill

- 1. Negotiations have taken place with South East Coast Ambulance NHS Trust (SECAmb) for the surrender of their lease. The premises are occupied under a ground lease for 99 years from June 1970 and the Council currently receives a ground rent of £9,979.81 per annum.
- 2. The property is shown edged red in the plan attached as Appendix 1. The original lease was divided by Deed of Transfer in 1996 following the establishment of the Sussex Ambulance Service NHS Trust. The adjoining plot, shown edged blue, remains let to East Sussex County Council and occupied as a day care centre, and the Council will continue to receive a ground rent (currently £15,107.69 per annum) from that site.
- 3. The Ambulance Station is now surplus to SECAmb's requirements and accordingly negotiations have taken place for the surrender of their head leasehold interest. Following external valuation advice and subsequent negotiations a figure has been agreed in principle with SECAmb, subject to contract and Cabinet approval, as set out in confidential Appendix 2.
- 4. The strategic context relating to this recommendation is set out in confidential Appendix 2. The premises comprises a garage/workshop of approximately 297sqm (3,195sqft) behind a two-storey office and restroom block with a net area to let of approximately 147sqm (1,580sqft).
- 5. Officers will seek to secure a new tenant or tenants for the premises as soon as practicable and delegated authority is sought to enable the Executive Director for Business Operations to approve the terms thereof. Based on the estimated rental receipts for the Ambulance Station when re-let, the expected return on investment is approximately 8.0%, taking into account the loss of ground rent, costs and Stamp Duty Land Tax liability.

Dr Anthony Leonard Executive Director of Business Operations

Risk Assessment Statement

This transaction is a key element in progressing a corporate priority project. Should the Council not proceed alternative arrangements would be required which will result in delay and could compromise delivery of the project.