

OVERVIEW AND SCRUTINY COMMITTEE

12 April 2021

Minutes of the Overview and Scrutiny Committee meeting held remotely on Monday 12 April 2021 at 6:30pm.

Committee Members present: Councillors P.N. Osborne (Chairman), Mrs V. Cook (Vice-Chairman), J. Barnes, J.J. Carroll, C.A. Clark, P.C. Courtel, B.J. Drayson (ex-officio), Mrs D.C. Earl-Williams, S.J. Errington, P.J. Gray, C.A. Madeley, C.R. Maynard and M. Mooney.

Other Members present: Mrs M.L. Barnes, C.A. Bayliss, K.P. Dixon, A.E. Ganly (in part), K.M. Harmer, Mrs E.M. Kirby-Green, L.M. Langlands (in part), A.S. Mier, Rev H.J. Norton and R.B. Thomas.

Advisory Officers in attendance: Chief Executive, Assistant Director Resources, Head of Service Acquisitions, Transformation and Regeneration, Major Projects Manager and Democratic Services Manager.

Also Present: 27 members of the public, via the YouTube live broadcast.

Prior to the formal start of the meeting the Chairman led Members in a minutes' silence following the death of His Royal Highness The Prince Philip, Duke of Edinburgh.

OSC20/51 **APOLOGIES AND SUBSTITUTES**

There were no apologies for absence.

OSC20/52 **DISCLOSURE OF INTERESTS**

Declarations of interest were made by Councillors in the Minutes as indicated below:

J. Barnes Agenda Item 3 – Personal Interest as an East Sussex County Councillor, not seeking re-election on 6 May 2021.

P.C. Courtel Agenda Item 3 – Personal interest in so far as he was a member of the Bexhill Environment Group.

C.R. Maynard Agenda Item 3 – Personal interest as an Executive Member of East Sussex County Council and seeking re-election on 6 May 2021.

OSC20/53 **TOWN HALL RENAISSANCE PROJECT**

In February 2021, Cabinet recommended to Council that a budget of £460,000 be agreed for the development of a planning application for the wholesale redevelopment of the Town Hall complex and that the Overview and Scrutiny Committee (OSC) be consulted by the Head of

Service, prior to procuring the services required to complete the detailed designs.

A design team had been appointed to undertake a high-level concept feasibility options study for the whole site development, with an initial view to delivering housing on the site. This feasibility study showed that, with the right mix of housing and commercial space, it was possible to deliver a scheme that was revenue neutral, in that the income earned through rent and capital receipts could offset the cost of borrowing for the scheme.

The OSC considered the detailed report and appendices which had been provided, namely: A) Site layout and description; B) Options analysis; C) Option Costs; D) RX Architects; E) Feasibility Cost Estimate; F) Structural Engineering Feasibility Report and G) Energy Strategy.

The options analysis had identified the following options for the site:

1. Basic health and safety remedial measures (do minimum)
2. Basic remedial work plus light touch energy measures
3. Major refurbishment
4. Whole site development
5. Move RDC from Town Hall site

Option 4 presented the opportunity for the works to be cost neutral in the longer-term, regenerate a central area of Bexhill, and provide Rother District Council (RDC) and other public sector organisations a fit for purpose, modern working environment into the future. Attached at Appendix C to the report was a full cost/benefit analysis that demonstrated that only options 2 and 4 could achieve cost neutrality or better.

East Sussex County Council (ESCC) would soon be consulting on plans to create a green plaza at the front of the Town Hall already funded to £1.3m through a combination of Local Growth Fund and Community Infrastructure Levy monies which would also complement the project.

It had been estimated that post COVID, RDC would have an ongoing space requirement to accommodate 120 full time equivalents. Discussions had also been held with a number of other public sector bodies such as ESCC, East Sussex Healthcare Trust, the Clinical Commissioning Group, and Sussex Police, all of whom potentially required workspace for non-clinical/operational staff.

It was considered that a whole site redevelopment, maximising commercial office space, would provide the following benefits:

- Met environmental targets to contribute to Rother's climate emergency action plan.
- Provided civic space for local organisations in a central location convenient for the community.

- Provided modern, fit for purpose and financially viable new office space for Rother officers and other public services (Department for Work and Pensions, ESCC, NHS etc.).
- Flexible office space to enable adaption as working practices change and evolve 'Post-COVID'.
- Provided up to 14 town centre flats, supporting the housing supply targets.

Following consultation with the OSC, architects, engineers, consultants, surveyors and other professionals would be appointed to work up detailed proposals and achieve planning permission. It was agreed that the OSC would be kept up-to-date with progress and a further report would be made towards the end of 2021 / early 2022. Members were pleased to note that the proposals presented were indicative conceptual ideas only and not set in stone at this stage.

During the debate the following points and observations were made:

- concerns over 'post-COVID' office space assumptions both for RDC and other public sector bodies; dialogue had begun with interested and existing tenants and the exact office space requirements would become apparent in time and the proposals designed / amended accordingly;
- the parking requirements for the developed site, including the residential element, would be in accordance with the relevant planning parking policies;
- the existing Town Hall location provided good connectivity to public transport links, and there were several under-used long-stay car parks in the vicinity of the Town Hall;
- more imaginative use of the car park space should be made to increase the amount of residential accommodation;
- the loss of income from existing tenants had been factored into the financial appraisal;
- the better the energy efficiency heating system, the more expensive it was to fit; the Council was able to borrow money at a highly competitive rate, through the Public Works Loan Board, with interest set on day one for the whole duration of the loan agreement;
- the conversion of the Amherst Road building into residential flats, realising a capital receipt was an integral part of the project; this building would require investment soon in any event to maintain it as fit for purpose office accommodation;
- was the timing right for this project – was there not better things to spend money on 'post COVID' recovery?
- was the project being ideologically driven, rather than practically; the Town Hall building had received investment in recent years, which would be mostly retained in the new proposals;
- proposals would improve and enhance the access and facilities of the buildings to ensure access for all, regardless of disabilities;
- staff would be temporarily relocated away from the Town Hall complex whilst in the redevelopment stage and preliminary discussions had taken place with regard to the location of formal committee meetings; these costs had been factored into the

- budget forecasts and there was plenty of time to give these matters due consideration; and
- the £3.4m anticipated capital receipt for the sale of the 14 flats in the converted Amherst Road building seemed a little optimistic in the current market; the exact mix of properties and tenures would become clearer as the proposals were developed further.

The Cabinet Portfolio Holders leading on the project were grateful for the comments made by the OSC and agreed to ensure that these issues would be explored as the project progressed and that the OSC would be kept informed of progress.

RESOLVED: That:

- 1) the report and the decisions at full Council and Cabinet be noted;
- 2) the issues raised in the meeting be taken into account by the Project Officers and Cabinet Members in taking the project forward; and
- 3) the Head of Service Acquisitions, Transformation and Regeneration provide a progress report back to the Overview and Scrutiny Committee in late 2021/ early 2022.

(Councillor J. Barnes declared a personal interest in this matter as an East Sussex County Councillor, not seeking re-election on 6 May 2021, and in accordance with the Code of Conduct remained in the room during the consideration thereof).

(Councillor Courtel declared a personal interest in this matter in so far as he was a member of the Bexhill Environment Group and in accordance with the Code of Conduct remained in the room during the consideration thereof).

(Councillor Maynard declared a personal interest in this matter as an Executive Member of East Sussex County Council and seeking re-election on 6 May 2021 and in accordance with the Code of Conduct remained in the room during the consideration thereof).

CHAIRMAN

The meeting closed at 8:14pm.

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