

CABINET ADDENDUM

4.30PM, THURSDAY, 18 JULY 2024

COUNCIL CHAMBER, HOVE TOWN HALL

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ADDENDUM

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Brighton & Hove City Council

Cabinet

Agenda Item 25(b)

Subject: Written Questions

Date of meeting: 18 July 2024

A period of not more than thirty minutes shall be allowed at each ordinary meeting for questions submitted by a member of the public.

The following written questions have been received from members of the public:

(1) King Alfred – Gerry Walden

Given that you have provided rough costings, could you tell me what Low stack and high stack mean with regard to leisure facilities (types) and housing (quantities).

(2) King Alfred – Laura King

The King Alfred is a significant building on Hove seafront, yet nowhere in the latest report on the King Alfred does it mention heritage. How does our council justify the demolition of one of the last remaining coastal Land Ships in the country, training 22,500 men and women for WWII naval Service, in between doing double duty as a south coast destination leisure centre, rather than the restoration and rebirth of this seafront art deco, community leisure centre asset like Saltdean Lido?

(3) King Alfred – Diane Montgomery

The decision as to whether to demolish the King Alfred Centre and build a new sports centre should not be made until a Whole Life-Cycle Carbon (WLC) Emissions Assessment has been completed. This would consider the embodied carbon in the existing building; the option of retrofitting as opposed to demolition and would ensure that the project is fully consistent with the Council's commitments to be carbon neutral by 2030.

Can the Council provide an assurance that any major decisions regarding the future of the King Alfred Centre will not be taken until a WLC Assessment has been completed and made publicly available?

Brighton & Hove City Council

Cabinet

Agenda Item 25(c)

Subject: Deputations

Date of meeting: 18 July 2024

A period of up to fifteen minutes shall be allowed at each meeting of the Executive for the hearing of Deputations from members of the public.

Notification of one Deputation has been received. The spokesperson is entitled to speak for 5 minutes.

1) Deputation: King Alfred Leisure Facility

I am Anne Nickolson, Chairperson of Portslade Cricket Club, Benfield Valley Sports Field, Portslade and I am submitting this deputation on behalf of the cricket club, its committee and its members against the proposal to relocate the current King Alfred Leisure Facility to Benfield Valley. We have played cricket in Portslade since it was founded in 1876 and moved to Benfield in early 1990's as part of the Sainsbury Superstore development. We first heard about the proposal to relocate the King Alfred to Benfield when the scheme went public late in 2023 although discussions had been going on long before to which we were not party to.

The initial consultation process was poor and following intervention from the cricket club was extended more fully and comprehensively to allow more representation from the Portslade community. The questionnaire was biased very much in favour of the relocation of the King Alfred site.

If the cricket club has to move, a new site has to be provided with a minimum requirement of equal in quality and standard to what is currently in place. A site has been identified to which we had no involvement. A site search was carried out by officers from the City Council and Sussex Cricket Foundation to which we had no consultation and involvement in. A new site has been identified but this provides a lesser facility than we have and has not taken into consideration surrounding uses. It was provided as a line on a plan without any site inspection. The proposal to relocate the King Alfred to Benfield Valley is contrary to many policies contained within the approved Development Plan for the city, namely;

Strategic Objective 15 - Protect and enhance the quality and quantity of parks and green spaces, formal and informal, improving their interconnectivity;

SA1 The Seafront, King Alfred/RNR Sites - Secure the redevelopment of the King Alfred/RNR site to ensure the replacement of new indoor public wet and dry sports facilities which provide for the Hove communities...

Citywide Policies CP16 Open Space -...planning permission resulting in the loss of open space will only be granted where...b) the site is not part of a playing field (current or proposed) and the loss is necessary to bring about significant and demonstrable long term enhancement to the cities public open space.

Supported by:

Anne Nickolson (Lead Spokesperson)
Shaun Chambers
Andy Glover

Roger Walsgrove
Alfie Gent

Brighton & Hove City Council

Cabinet

Agenda Item 26(b)

Subject: Member Questions

Date of meeting: 18 July 2024

A maximum period of fifteen minutes in total shall be made available at each meeting of the Executive for questions from Members of the Council. The questions included on the list of questions referred to above shall be taken as read at the Cabinet meeting. The question will be answered either orally or at the discretion of the Chair by a written answer circulated after the meeting. Officers may assist the Leader or a Cabinet Member with technical answers to questions. No supplementary questions shall be permitted.

The following written questions have been received from Members:

(1) Councillor McNair- Council Performance Update

Recycling rates are at a mere 27.4% and falling. What is being done to improve our recycling rates? And at what timescale?

(2) Councillor McNair- Council Performance Update

Only 46.38% of routine council house repairs were conducted on time, and the figure is falling, even with the use of the private sector. What is being done to improve the timeliness of council house repairs?

(3) Councillor McNair- Council Performance Update

Only 93.46% of rent was collected from current tenants of council owned homes. What is being done to ensure council tenant rent is collected?

(4) Councillor McNair- Targeted Budget Management (TBM) 2024/25 Month 2 (May) and Council Productivity Plan Response

Many schools have been in significant deficit for years. Other schools balance their budgets well. What is being done to ensure schools with a deficit reduce it other than forcing federation? What is the expected timeframe for schools to do so?

(5) Councillor Meadows- Estate Management

While ensuring management decisions are taking account of the effects of climate change and managing tree planting and woodlands, and also improving water quality; Can a report be written into investigating the extra costs of selling the land, put flooding issue costs, subsidence issues and other unintended costs into that report before making a decision that will affect thousands of residents? This may end up costing the council more than they gain from a quick sale.

(6) Councillor Meadows- Estate Management

In the procurement paper for our Estate Management, page 314 it states that the Agricultural Portfolio was acquired to protect the city's aquifer. With that in mind why are the Council still supporting the land at Patcham Court Farm being redeveloped in a way that will destroy our aquifer and possibly contaminate it? In addition, by selling the land or putting it on a long lease will mean that this land could be developed by another organisation when the Royal Mail is sold and divided. What steps will the Council take to ensure our city's water is protected as in the original conception?

(7) Councillor Shanks- Targeted Budget Management (TBM) 2024/25 Month 2 (May) and Council Productivity Plan Response

Can the cabinet member tell me what is the issue with the proposed change in commissioning of Tudor House as agreed in the 2024 budget.

(8) Councillor Sykes- King Alfred Leisure Centre Regeneration Project

Although the economic analysis is stated to be Treasury Green Book compliant, the key options comparison presentation (Table 1) is unfamiliar. Why was the standard Green Book Appraisal Summary Table approach not used? Where is consideration of Net Present Social Value of options, risk, and optimism bias? Can we see the build up to the capital and revenue values presented? Additionally, were critical success factors developed and used in appraisal, as required by the Green Book?

(9) Councillor Sykes- King Alfred Leisure Centre Regeneration Project

Were greenhouse gas emissions, including transport emissions, of options considered in appraisal? What are the respective climate impact risks of options? Why is the BREEAM ambition for the new building limited only to 'Good' status - can we not aim for better than this?

(10) Councillor Sykes- Targeted Budget Management (TBM) 2024/25 Month 2 (May) and Council Productivity Plan Response

Given the council's immediate and likely medium term dire financial circumstances as set out under item 34 TBM 2, is it justifiable to add to long term revenue pressures by selecting the more revenue expensive option?

(11) Councillor Davis- King Alfred Leisure Centre Regeneration Project

The cost benefit analysis scores the two options for redevelopment of a leisure centre at the existing site as just 1.31 and 1.74. Neither of these ratings are considered to be 'good', whereas the score for developing a new facility at the land south of Sainsbury's is 3.7, a rating which the treasury consider to be 'very good'. If this project were directly funded by the government it would support the best rated options, especially where there is a clear best choice flagged as we have here. You have chosen to use the treasury green book approach then ignored its conclusions. Will funders be

comfortable with this? Notwithstanding preferences for maintaining a facility on the current site, by ignoring the findings of the analysis is this new Cabinet not at risk of making an insufficiently robust decision on a £40m+ investment?

(12) Councillor Shanks- Council Performance Update

I am interested in the performance information on allotments. Can the cabinet member please tell me what progress is being made on reletting empty allotments. Across the city there are many vacant allotments which are overgrown and therefore making life difficult for people keen to cultivate their plots. At the same time we have a long waiting list of people keen to take on plots.

(13) Councillor Hill- An Economic Plan for Brighton & Hove

The emphasis on addressing neighbourhood inequality in the economic plan is laudable and I hope has greater substance than the previous government's levelling up agenda. The draft economic plan states as a goal that it will 'give local people greater opportunity to influence neighbourhood economies as a foundation for greater participation in Brighton & Hove's economy'. Can cabinet further explain how the plan seeks to do this using practical examples? For instance, the plan later goes on to say it will 'work with Black & Racially Minoritised owned businesses to understand opportunities to better engage these companies, evolving mainstream support to better meet their needs' What is the nature of the work you will be doing to support these businesses? How can we apply community wealth building principles to support such businesses?

Brighton & Hove City Council

Cabinet

Agenda Item 44

Subject: Commercial Property Lettings

Date of meeting: 18 July 2024

Report of: Cabinet Member for Finance and City Regeneration

Contact Officer: Name: Corporate Jessica Hamilton

Tel: 01273 291461

Email: Jessica.hamilton@brighton-hove.gov.uk

Ward(s) affected: West Hill & North Laine; Westbourne & Poets' Corner;

Key Decision: Yes

Reason(s) Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000.

For general release

Note: Urgency

By reason of the special circumstances below, and in accordance with section 100B(4)(b) of the 1972 Act, the Chair of the meeting has been consulted and is of the opinion that this item should be considered at the meeting as a matter of urgency.

Note: Reasons for urgency

The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that in respect of Café Unit at Outdoor Sports Hub, Kingsway, Heads of Terms for the lease are agreed and practical completion of the property is due on 6 September 2024. As a Key Decision the lease cannot complete until Cabinet agrees the recommendation. A delay to the lease completion would leave the building sitting vacant beyond practical completion at cost to the council. In addition, any delay to the lease completion will delay the council's public announcement about the tenant and the café's occupation.

1. Purpose of the report and policy context

- 1.1 The council owns a Commercial Property Investment Portfolio located across the city. In addition, the council has an extensive portfolio of commercial properties and sports and leisure facilities along the seafront. Two properties, one within each portfolio, have recently been marketed and commercial terms agreed for their letting and occupation.

- 1.2 This report directly supports Outcome 4 of the Council Plan, that is a responsive council with well-run services. The recommendation supports good governance and financial resilience through achieving value for money and best use of our assets.

2. Recommendations

- 2.1 Cabinet agrees to the completion of two commercial leases and delegates authority to the Corporate Director City Services and the Assistant Director Legal and Democratic Services in consultation with the cabinet member to approve terms and take the necessary steps to complete the transactions.

3. Context and background information

Café Unit at Outdoor Sports Hub, Kingsway

- 3.1 The Outdoor Sports Hub building is being constructed as a key part of the development of the new Hove Beach Park and is due to be completed in early September 2024. Marketing commenced in February for the cafe/restaurant and terraces at first floor level. The opportunity was offered as a shell and core letting and rental offers sought in excess of £70,000pa. It was advertised on the council's website and shared widely with interested parties and on social media. Eleven applications were received by the closing date in early April. The lease terms agreed are set out in Part 2 of this report.

3-7 Preston Circus, Brighton

- 3.2 This property has been marketed through external agents inviting 'All Enquiries' following the departure of the previous occupiers Lloyds Banking Group in October 2023. The former banking hall has remained in a dilapidated condition and needs substantive remedial work for onward occupation, estimated to be in the region of £450,000. In addition, the property includes four self-contained flats, two of which are vacant and two of which are occupied by parties who were sub-tenants of Lloyds who have remained in occupation beyond the termination of the headlease to Lloyds. This occupation of two of the flats requires that any tenant will become an intermediary landlord, the current residents becoming their subtenants, and this additional complexity has hampered levels of interest. The lease terms agreed are set out in Part 2 of this report.

4. Analysis and consideration of alternative options

Café Unit at Outdoor Sports Hub, Kingsway

- 4.1 A panel of council officers carried out an evaluation of the applications received based on six criteria - hospitality offer, place making/design, community benefit, deliverability/track record, sustainability and rental offer/investment. A shortlist of five were invited for interview and evaluated further based on a presentation and interview. The chosen applicant is a local consortium with considerable experience in hospitality across the city.
- 4.2 They presented a unique offer which is very different from existing businesses in the vicinity and officers felt this targeted a gap in the market on Hove seafront. The hospitality offer will be accessible and aim to appeal to families, local residents and park and beach users. The design and

overall ambience will aim to be relaxed and welcoming. Social value is intrinsic to the offer aimed specifically at new and existing stakeholders and the wider Hove community. Sustainability initiatives are clear, including beach cleans, minimising waste and a focus on circular economy using local suppliers. The rental offer is significantly above the minimum asking rent and was the highest received. The consortium will be investing in a fit-out of the premises and is offering a strong financial covenant.

3-7 Preston Circus, Brighton

- 4.3 The property has been marketed for nine months and has produced only one interested party that is capable of undertaking the required works and addressing the outstanding legal complications brought about by the existing residential tenancies created by the former tenant. Outside of this party there is no feasible alternative. The council have been strongly recommended by the marketing agent to capture this interest.

5. Community engagement and consultation

- 5.1 The letting of the Café Unit at Outdoor Sports Hub was considered in detail by a panel of council officers. The wider scheme to create a new public park in the city, new public toilets and a new home for the local bowling club, has been extensively consulted upon. It is widely understood that the new public park will have a café in the outdoor sports hub and the whole project is now close to completion.
- 5.2 The council has sought advice from its marketing agents, Avison Young in respect of offers received for 3-7 Preston Circus.

6. Financial implications

- 6.1 Agreeing to the completion of the two commercial leases will ensure value for money and best use of our assets. The Café Unit at Outdoor Sports Hub will provide new rental income to the authority, which is required to support the borrowing elements of the capital project for Hove Beach Park as well as other ongoing revenue costs associated with the site. Should the lease not complete or completion be delayed, this would result in lost rental income and operational costs of the units adding further financial pressure to the authority as well as additional officer time required to attract new tenants.
- 6.2 3-7 Preston Circus has been vacant since October 2023 resulting in lost rental income since that time. Agreeing to the lease terms will ensure rent is received for this commercial unit as well as ensuring operational costs of the unit such as Business Rates become the responsibility of the tenant rather than the authority.

Name of finance officer consulted: John Lack Date consulted: 11.07.24

7 Legal implications

- 7.1 There is a general obligation on a local authority when disposing of land to achieve the best consideration reasonably obtainable as set out in Section 123 of the Local Government Act 1972. In exercising the delegated authority to dispose of the properties set out in this report, the Corporate

Director City Services will need to be satisfied that the requirements of section 123 of the Local Government Act 1972 are met.

Name of lawyer consulted: Hannah Bassett Date consulted: 11.07.24

8 Equalities implications

- 8.1 It is not considered that the proposal would negatively impact on any particular group in relation to their 'protected characteristics'. Therefore, no equalities implications have been identified as arising from this report.

9 Sustainability implications

- 9.1 The Café Unit at Outdoor Sports Hub is a new construction with energy efficiency intrinsic to its design. The terms of the letting include sustainability initiatives.
- 9.2 For 3-7 Preston Circus it is anticipated that following grant of the lease the tenant would refurbish and make improvements to the property which would include elements to improve energy efficiency.

10 Health and Wellbeing Implications:

- 10.1 The leasing of these properties will support employment, therefore contributing in a small way to the wider factors influencing health and wellbeing.

11. Conclusion

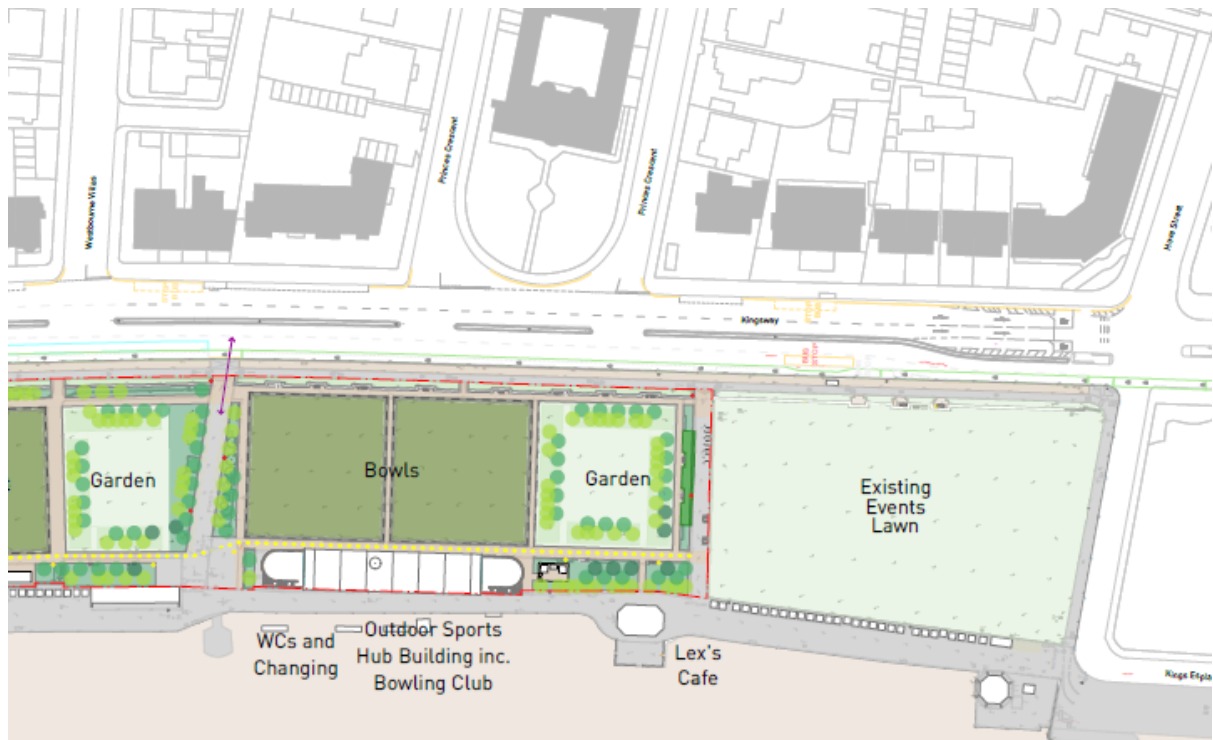
- 11.1 These units have been marketed fully and extensively with the best offers selected to take forward to completion. The provisional terms agreed represent the best consideration under each circumstance. It is recommended that each transaction be approved for onward completion to secure refurbishment, occupation and an income stream for the council.

Supporting Documentation

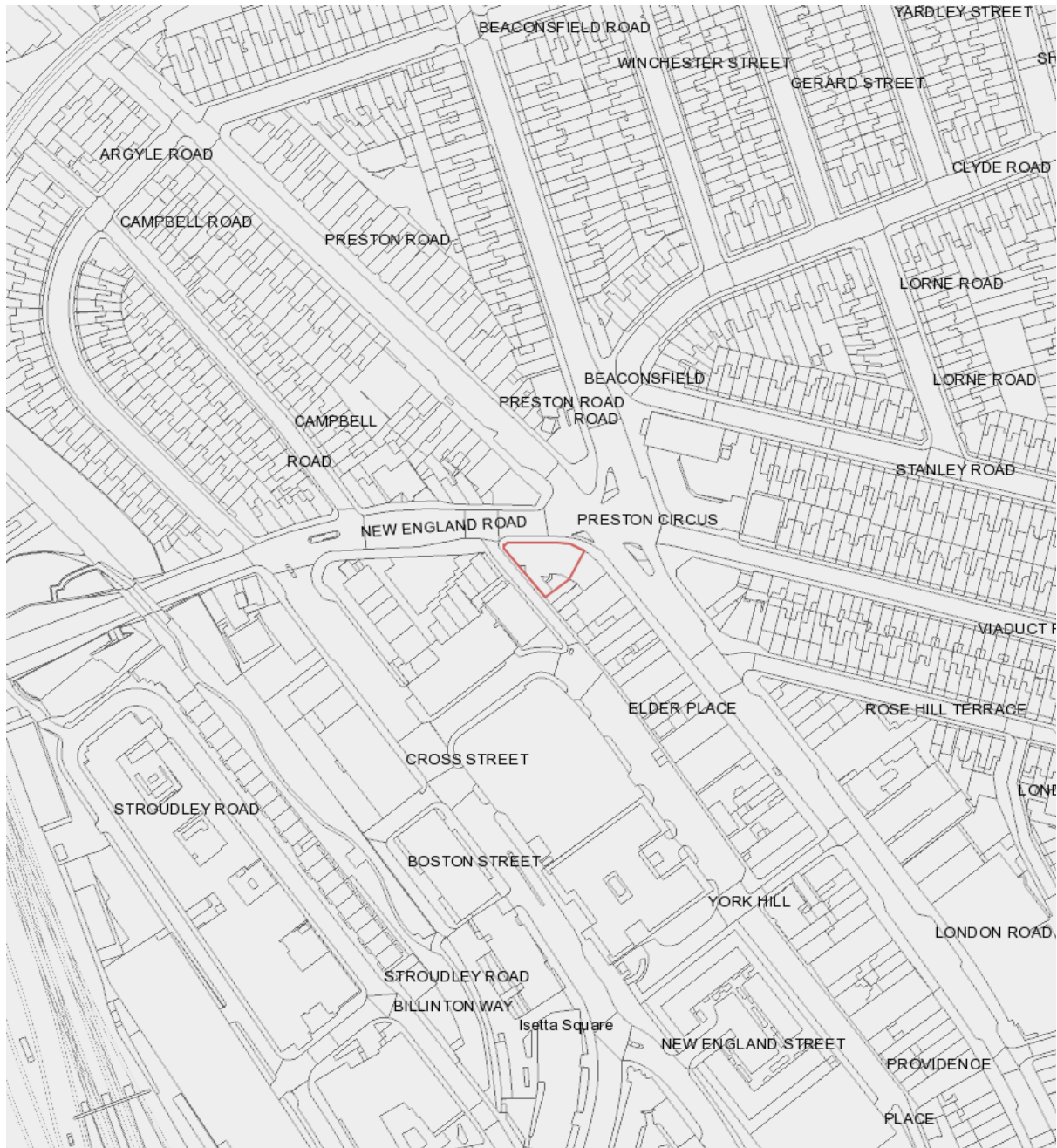
1. Appendices

1. Location Plan - Café Unit at Outdoor Sports Hub, Kingsway
2. Location Plan - 3-7 Preston Circus

Café Unit at Outdoor Sports Hub, Kingsway



3-7 Preston Circus Brighton



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