

COMMITTEE:	CABINET
DATE:	6 MARCH 2002
SUBJECT:	EASTBOURNE HERITAGE ECONOMIC REGENERATION SCHEME (HERS) – PROPOSED GRANT OFFER ON 78-86 SEASIDE ROAD, EASTBOURNE
REPORT OF:	DIRECTOR OF PLANNING, REGENERATION AND AMENITIES
Ward(s):	Devonshire
Purpose:	To seek members' agreement to offer a grant under the Eastbourne Heritage Economic Regeneration Scheme (HERS) for the comprehensive repair and reinstatement of a pair of Victorian villas at 78-86 Seaside Road, Eastbourne.
Contact:	Jane Stephen, Assistant Historic Buildings Advisor, Telephone 01323 415253 or internally on extension 5253.
Recommendation:	That a Heritage Economic Regeneration Scheme (HERS) grant of up to £50,000 be offered on this scheme.

1.0	<u>Introduction</u>
1.1	The Eastbourne Heritage Economic Regeneration Scheme (HERS) was launched in July 2001. The scheme offers grants for the repair and enhancement of historic buildings within a defined area of Eastbourne, around Seaside Road. The grants are jointly funded by Eastbourne Borough Council and English Heritage. A total of £248,000 has been made available for building repair grants over the 3 year scheme, which will end in 2004.

1.2	Grant offers in excess of £25,000 per property in any one financial year are not delegated to officers to determine, and specific member approval for the release of these larger grant sums is required. The proposed grant offer for 78-86 Seaside Road is being referred to Cabinet for final approval because it exceeds the delegation threshold of £25,000.
2.0	<u>Background information on 78- 86 Seaside Road</u>
2.1	The property is located within the Town Centre and Seafront Conservation Area, towards the eastern end of Seaside Road. The property consists of a pair of three-storey Victorian semi-detached villas, with basements, and with single storey shop units to the front. The buildings date from around 1860. The villas both originally had landscaped front gardens, and a front boundary wall, probably with cast iron decorative railings. The existing single-storey shop units, fronting onto Seaside Road, were a later addition, probably built in around 1900. This pair of properties is considered to be of considerable architectural interest and, with appropriate enhancement works, could make a significant contribution to the character of this part of the conservation area.
2.2	In townscape terms, the preferred option for this pair of buildings is to demolish the two shops to the front of the site, and to allow the properties to revert back to their original form, as a pair of residential villas. It is the villas that are of the greatest conservation interest, and that contribute the most to the streetscape. The loss of the shops will not be detrimental to the character of the conservation area and, therefore, Conservation Area Consent was recently granted for the demolition of the shop units.

2.3	<p>The site at 78-86 Seaside Road has been identified as a priority site for improvement in Seaside Road. Officers have been working with the owners for over two years, to try to bring about the renovation of these prominent buildings. The new owners of 82-86 Seaside Road were keen to renovate their property. However, despite offers of grant aid from the Council, the owner of 78-80 Seaside Road had failed to take any positive action to improve his property. In April 2001, a report was brought before Cabinet, and approval was given for officers to investigate a Compulsory Purchase Order (CPO) on 78-80 Seaside Road. The owner of 78-80 Seaside Road subsequently sold his interest in the property to the owner of the adjoining villa at 82-86 Seaside Road. This has now enabled a scheme to come forward for the comprehensive refurbishment of both of the villas together.</p>
3.0	<p><u>Details of the grant application</u></p>
3.1	<p>The site at 78-86 Seaside Road is now in a single ownership. The new owners, Bentley Homes Developments Ltd., took full possession in October 2001. They are keen to work with the Council to bring about the full restoration of the buildings. The existing residential units at 78-86 Seaside Road are currently empty. The villas potentially offer quite a substantial living area, and the new owners propose to convert them into self-contained flats, for private rental. The building will be converted to provide 4 no. 2-bedroom flats, 7 no. 1-bedroom flats and 1 no. studio apartment.</p>

3.2	<p>An application for a grant under the Seaside Road Heritage Economic Regeneration Scheme (HERS) was submitted on 25 January 2002. The agreed grant eligible repairs on the property include the following key elements :</p> <ul style="list-style-type: none"> - The demolition of the shop units to the front of the site, - The rebuilding of the two original bays to the front elevation, at ground floor and basement levels, - The reinstatement and repair of the decorative render on the front elevation of the buildings, - The reinstatement of the two original front porches, - The reinstatement of front boundary wall and railings, - Render repairs, - Roof repairs, - Window repairs.
3.3	<p>The works proposed in the grant application will deal with the essential repairs required on these buildings. They will also significantly enhance the conservation value of the properties by creating a symmetrical pair of restored residential villas.</p> <p>-</p>
4.0	<p><u>The proposed grant offer</u></p>
4.1	<p>The grant calculation is normally based on a combination of the two grant rates available. A 50% grant rate is offered on items of general repair, whilst a 75% rate is available for repair or reinstatement of architectural features. Based on the above rates, the amount of grant that could potentially be offered on the scheme at 78-86 Seaside Road is £102,172.</p>

4.2	Grant levels per property are normally limited to a maximum grant of £25,000. However, this scheme is regarded as exceptional because of the major scale of the works involved in renovating the buildings. The scheme will deal with an eyesore site, and provide much needed new housing opportunities, in this part of the town. This building was identified as a Priority 1 scheme, and a key project, in the HERS Implementation Programme, which sets out the Council's aims for the grant scheme.
4.3	In addition to carrying out the grant aided external repairs to the building, the new owners will be investing a substantial amount of money in extending the building to the rear, and converting the property into self-contained flats. It is estimated that the full costs of the renovation and conversion will be in excess of £350,000. This investment figure excludes the purchase price for the properties.
4.4	It is recommended that, in this case, a higher than normal HERS grant be offered on the scheme. The recommended grant for the scheme at 78-86 Seaside Road is to be capped as a flat rate grant of £50,000. The total value of grant eligible works on this scheme is £146,287. This represents a grant contribution of 34.2% of the cost of the total eligible works.
4.5	The proposed grant amount will exceed the funding remaining in this year's budget. There is currently £41,500 left in the HERS budget for 2001/2. It is therefore proposed that £8,500 of this grant offer be made up from the HERS allocation for the next financial year (£88,250 in total available for grants in 2002/3).
4.6	The Council is co-funding the Eastbourne HERS with English Heritage. If a grant of £50,000 is offered, the two project partners will each fund 50% of the cost. The cost of the grant to the Council will, therefore, be £25,000. English Heritage will meet the remaining cost of the grant (£25,000). This gives an overall leverage of external/private funding to Council funding on this scheme of 13:1.
5.0	<u>Consultations with English Heritage</u>

5.1	English Heritage has to be formally consulted on all proposed grant offers where the amount to be offered will exceed £40,000. The agreement of English Heritage is required in these cases. The grant application was referred to English Heritage on 15 February 2002. A formal response is expected prior to the date of Cabinet, and a verbal update will be given at the meeting.
6.0	<u>Human Resource Implications</u>
6.1	The Assistant Historic Buildings Advisor will oversee the implementation of the grant works, and the grant payments, as part of her role. There is no other human resource implication.
7.0	<u>Environmental Implications</u>
7.1	The scheme will result in the comprehensive refurbishment of an eyesore building. The completed scheme will be a significant enhancement to this part of the conservation area.
8.0	<u>Financial Implications</u>
8.1	If a grant of up to £50,000 is offered, a Council contribution of £25,000 is required. There is insufficient funding to be able to fund this scheme from the grant budget for Year 1 of the HERS (01/02). It is proposed that £41,500 of the grant is taken from the remaining HERS budget for this financial year (01/02), with the additional £8,500 being taken from Year 2's budget (02/03). This will still leave £79,750 in the HERS budget to be spent on grants in Year 2 of HERS (02/03).
9.0	<u>Youth Implications</u>
9.1	None.
10.0	<u>Anti-Poverty Implications</u>

10.1	None.
11.0	<u>Community Safety Implications</u>
11.1	The buildings at 78-86 Seaside Road are currently vacant and derelict. Bringing them back to full occupation will increase activity levels in this part of the street. Some of the flats will also directly overlook Seaside Road, and so will increase the level of surveillance of the public areas. Both of these factors could contribute to a reduction in the fear of crime for local residents.
12.0	<u>Human Rights Implications</u>
12.1	None.
13.0	<u>Summary</u>
13.1	Members are asked to support the proposed HERS grant offer of £50,000 towards the cost of the renovation of 78-86 Seaside Road, Eastbourne.
Jane Stephen Assistant Historic Buildings Advisor	

Background Papers:

The Background Papers used in compiling this report were as follows:

- a) HERS grant application 78-86 Seaside Road.
- b) Eastbourne Heritage Economic Regeneration Scheme contract.
- c) Eastbourne Heritage Economic Regeneration Scheme Implementation Programme, dated April 2001.
- d) Delegation criteria for administering the Heritage Economic Regeneration Scheme grants, agreed May 2001.
- e) Seaside Road Regeneration Strategy. Approved by Cabinet July 2000.
- f) Report to Cabinet April 2001 : Compulsory Purchase Order – 78-80 Seaside Road.

To inspect or obtain copies of background papers please refer to the contact officer listed above.