

**Agenda Item No:** 9.7 **Report No:** 122/16  
**Report Title:** Asset Management: Relocation of CAB to Newhaven Square  
**Report To:** Cabinet **Date:** 28<sup>th</sup> September 2016  
**Cabinet Member:** Cllr Bill Giles  
**Ward(s) Affected:** Newhaven Valley  
**Report By:** Director of Regeneration and Planning – Nazeya Hussain

**Contact Officer(s)-**

**Name(s):** Jo Harper  
**Post Title(s):** Head of Business Strategy and Performance  
**E-mail(s):** [jo.harper@lewes.gov.uk](mailto:jo.harper@lewes.gov.uk)  
**Tel No(s):** 01273 471600 ext 1374

**Name(s):** Bee Lewis  
**Post Title(s):** Head of Property & Facilities  
**E-mail(s):** [bee.lewis@lewes.gov.uk](mailto:bee.lewis@lewes.gov.uk)  
**Tel No(s):** 01273 471600 ext 1101

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**Purpose of Report:**

1. To set out the business case for Cabinet to consider additional investment at Newhaven Square.

**Officers Recommendation(s):**

1. To approve capital investment of up to £175,000 at Newhaven Square, Newhaven, to refurbish premises so that they are suitable for the provision of an advice centre, enabling the relocation of the Citizen's Advice Bureau from Lewes to Newhaven.
2. To fund the capital investment from the Strategic Change Reserve.

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**Reasons for Recommendations**

- 1 To enable the CAB to achieve the objective shared with the Council to relocate their main office to Newhaven, in line with service demand and to increase the services on offer to residents along the coastal strip.

## Background

### 2

- 2.1** The Lewes District Citizen's Advice Bureau (CAB) is a long established voluntary organisation for the Lewes District, which provides free, confidential, impartial and independent advice to enable local residents to deal with a wide range of issues, including benefits, housing, money advice, employment, consumer, relationships, taxation and many more. The nature of the assistance provided will depend on a client's needs and ranges from the provision of information to formal representation.
- 2.2** The Council has provided substantial funding to the CAB for many years. A Service Level Agreement (SLA) sets out the service requirements expected in return for the grant given, together with clear monitoring arrangements. The current SLA runs from 2015 – 2018. The total grant funding paid by LDC to the CAB in the current year is £167,205.
- 2.3** In April 2016, the Council purchased the headlease of Newhaven Square. The square comprises of a number of retail and office premises, many of which have been empty for more than 5 years and which are badly run down.

## Information

### 3

- 3.1** The CAB currently operates from two main offices – in Lewes and Seaford. In addition they currently provide a minor presence in Newhaven and Peacehaven, and from LDC offices in Southover House.
- 3.2** When the CAB's three year SLA with LDC was renegotiated in 2014, the Council stressed the importance of the CAB being located where need was greatest for their service. As a result, it was stated in the SLA that that the CAB would provide:

  - (a)** a revised accommodation / service configuration in Lewes where services are delivered through shared accommodation with the Council at Southover House or other public buildings within the District; and
  - (b)** a full service in Newhaven, delivered out of a shared facility with Lewes District Council or other public buildings within the District.
- 3.3** Over the past two years, Council officers have worked closely with the CAB to investigate a range of options to enable these accommodation changes to be achieved. Despite numerous attempts, it has not been possible to find suitable accommodation for the CAB in Newhaven. Initial discussions have discounted both Saxon House, the shared facility owned by ESFRS, and the space above the library owned by East Sussex County Council.

## **Lewes Accommodation**

- 3.4** The current accommodation in Lewes occupied by the CAB is very cramped and its location is not ideal. The rent charged is £13,500 per annum and the CAB have indicated for some time that they would like to move to more suitable premises.
- 3.5** Since the renovation of Southover House, the main reception area has been offered as a shared space for use by local voluntary organisations which provide help, advice and information services. A number of different organisations have taken up this offer, including the CAB on one day a week, and the shared arrangements are working well.
- 3.6** Negotiations are now taking place to enable the CAB to offer a greater presence at Southover reception, which would become their main point of delivery in the town, once the proposed relocation to Newhaven (see below) is achieved.

## **Newhaven Accommodation**

- 3.7** Demographic and service usage data shows that the coastal strip contains the highest proportion of residents likely to benefit from CAB services. The CAB have delivered their specialist benefits and money advice services from a shared facility in Newhaven for a couple of years, and this has proved to be a popular service. However, the current facility does not have good access, and other partners located there are seeking alternate accommodation. Thus there is an ideal opportunity to bring the core CAB main office and specialists together in one location in Newhaven.
- 3.8** At an early stage, co-location at Saxon House was ruled out due to the particular special requirements of the CAB – such as dedicated storage and confidential sound-proofed interview rooms. A range of other accommodation options in Newhaven have been fully explored, but these have either not proved to be suitable, or could not be made available to the CAB.
- 3.9** Following the Council's purchase of properties at Newhaven Square, discussions have again taken place with the CAB regarding relocation. A suitable property has been identified at units 15-19 Chapel Street, Newhaven. The property requires refurbishment works prior to letting. The Council's property team would expect to budget in the region of £30k to undertake such refurbishment works, prior to a commercial letting of a shell and core unit, where the tenant undertakes to fit the unit out.
- 3.10** Units 15-19 have a combined total of 1,825 sq ft. Initial discussions with the CAB, prior to the refurbishment and fit-out proposals received by the Council, centred around a rent of £9,500 per annum, which is equivalent to £5.20 per square foot, in recognition of the costs that CAB will incur to

move and to kick-start interest and footfall in the area. However, the scheme put forward by CAB exceeds the initial budget set aside for a shell and core unit.

- 3.11** Rent at £9,500 per annum would be considered an undervalue. The Local Government Act 1972: General Disposal Consent (England) 2003, allows for a disposal (in this instance by way of a lease) where the specified circumstances are:
- (a)** the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
- i.** the promotion or improvement of economic well-being;
  - ii.** the promotion or improvement of social well-being;
  - iii.** the promotion or improvement of environmental well-being; and
- (b)** the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).
- 3.12** Due to the specialist and confidential nature of their work, CAB require the accommodation to be sub-divided into multiple, sound-proofed interview rooms. Because of the nature of the building, these rooms would then require air conditioning and ventilation in order to provide a conducive environment in which staff can work and which meets Building Regulations. The estimated costs of the refurbishment works are in the region of £175k plus fees.
- 3.13** With additional investment, the Council could undertake to provide fully refurbished offices, but the rent would have to increase accordingly to recognise the additional investment. It is therefore proposed that the rent for the accommodation, refurbished to the standard required by CAB, would be £13,500 per annum. This is the equivalent of £7.39 per sq ft.
- 3.14** Achieving a rent of £13,500 per annum on the property would not be seen as an undervalue as the rent per sq ft would be competitive with the open market rents currently being achieved in Newhaven.
- 3.15** The yield outlined in paragraph 3.12 does not take into account the capital cost of the existing building. However, improving the asset would have a positive effect on the overall asset value and the difference could be offset.
- 3.16** There are other possible sources of funding available to assist with relocation of businesses. CAB will be encouraged to apply for other sources of funding and LDC will ensure they are supported to do that.

The level of additional investment required to refurbish the offices is therefore variable. If CAB were to access a grant of £50,000 from ESCC,

the additional investment required from LDC would be £125,000. Combined with the £30,000 already set aside for refurbishment, the total investment from LDC would be £155,000.

- 3.17** The new lease will be offered for a period of 10 years, at a rent of £13,500 pa on an internal insuring and repairing basis. There will also be a service charge payable by CAB, estimated to be £1,500 per annum.
- 3.18** Newhaven Square is in one of the designated Enterprise Zone areas. A study is underway to determine regeneration options for the area. However, it would be possible to exclude the block comprising of units 15-19 from any potential plans for the area without significantly impeding or impacting on future development plans.
- 3.19** It is therefore recommended that LDC invests up to £175,000 in addition at Newhaven Square to ensure that the CAB can relocate to an area where they will be able to more easily serve the coastal strip, thus meeting the shared objective to locate services where they are most needed.

## **Financial Appraisal**

### **4**

- 4.1** The potential cost to the council, and the rent income that will be generated, associated with the relocation of the CAB into Newhaven Square are set out in the body of the report.
- 4.2** The Strategic Change Reserve holds an uncommitted balance of £278,000 which could be used to finance this project.

## **Legal Implications**

### **5**

- 5.1** The legal implications are covered within the body of the report.

## **Risk Management Implications**

### **6**

- 6.1** There are no additional risk management implications arising from this report.

## **Equality Screening**

**7** See attached Appendix A

## **Background Papers**

**8**

## **Appendices**

**9** Appendix A: Equality Assessment

## Appendix 1: Equality Analysis Report Template

<b>Title:</b>	<b>Lewes District Citizen's Advice Bureau (CAB) - Accommodation</b>
<b>EA Lead :</b>	<b>Jo Harper</b>
<b>EA Team:</b>	
<b>Date Commenced:</b>	<b>1 August 2016</b>
<b>Target Completion Date:</b>	<b>1 March 2017</b>
<b>Reason for assessment:</b>	<b>Cabinet Member Decision</b>

### **Context and Scope**

1. What are the main purposes and aims of the service/project/decision?

*The purpose of this decision is to enable Lewes District CAB to move to premises in Newhaven where they will be able to better serve the needs of their clientele.*

2. What effect does it have on how other organisations operate and what commitments of resources are involved?

*The CAB provides information, advice and guidance to residents on a range of issues including, benefits, housing, debt, welfare rights etc. They currently operate from a main office in Lewes and a subsidiary office in Seaford. The CAB has delivered their specialist benefits and money advice services from a shared facility in Newhaven for a couple of years, and this has proved to be a popular service. However, the current facility does not have good access, and other partners located there are seeking alternate accommodation. Thus there is an ideal opportunity to bring the core CAB main office and specialists together in one location in Newhaven.*

*A number of other agencies providing advice and support services operate in the area, and referrals are made between agencies to ensure residents receive the most appropriate help and support. The Sussex Community Development Association (SCDA) is one such agency, and this organisation is also planning*

*to relocate to central Newhaven. Having both organisations in close proximity will provide a benefit to clients of both organisations.*

*A residual service would still be retained in Lewes, operating from the main reception in Southover House, which would bring the CAB alongside other advice and guidance providers in that location.*

*The proposed new accommodation in Newhaven is owned by LDC. Refurbishment costs to make the building suitable for CAB use are estimated at up to £200k. A rent of £13.5k is to be charged.*

3. How does it relate to the demographics and needs of the local community?

*Demographic and service usage data shows that the coastal strip contains the highest proportion of residents likely to benefit from CAB services.*

*In 2015/16 the CAB dealt with over 3,500 clients, with 40% being face to face visits (others being dealt with over the phone, by email or by post). 45% of clients had a disability, 7% were over 65 with the majority of clients being between 40 and 65. In terms of ethnicity, 6% of clients were categorised other than white British.*

*The current location of the CAB offices is in central Lewes. The offices and interview rooms are small and in a location which can be difficult for some to access.*

4. How does it relate to the local and national political context?

*The Council is the CAB's major funder. LDC has funded the CAB for many years because of the key role it plays in providing a core information, advice and guidance service to local residents.*

5. Is there any obvious impact on particular equality groups?

Race (includes ethnic or national origins, colour, & nationality)	Disability (includes mental & physical)	Gender (includes gender reassignment)	Pregnancy (includes maternity & paternity)	Sexual Orientation (includes heterosexual, homosexual & bisexual)	Religion & Belief (includes all faiths, beliefs & agnostic)	Age (includes all age groups)
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Impact	Positive	Negative	None																		
Tick if relevant	X			X					X			X			X			X			X

6. How does it help to us meet our general duties under the Equality Act 2010?

*See paragraph 2 of the guidance.*

*Our duties under the Equalities Act 2010 are to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations. Funding the CAB, and supporting their operation through assisting their move to accommodation helps us to fulfil this duty as the service supports those experiencing all forms of disadvantage, in particular, the service is used heavily by people with disabilities (a protected characteristic under the legislation). As part of the CABs core objectives, they state that they value diversity, promote equality and challenge discrimination.*

7. What is the scope of this analysis?

*The scope of this analysis is those issues covered by the Cabinet Member report : ‘Lewes District Citizen’s Advice Bureau (CAB) – Accommodation’*

**Information gathering and research**

8. What existing information and data was obtained and considered in the assessment?

*The annual report of the CAB, which contains statistical data about the usage of the service by different socio-economic groups, was used to inform this assessment.*

9. What gaps in information were identified and what action was undertaken/is planned to address them?

*The assessment has identified that the move of office base of the CAB to Newhaven would be positive from an equality perspective as it would provide a more central location for those needing the service in the district, whilst retaining a residual service in Lewes.*

10. What communities and groups have been involved and what consultation has taken place as part of this assessment?

*The CAB have discussed this move with their staff and volunteers, and have agreed that the move to Newhaven would be beneficial to their service and their clients.*

## **Analysis and assessment**

11. What were the main findings, trends and themes from the research and consultation undertaken?

*Demographic and service usage data shows that the coastal strip contains the highest proportion of residents likely to benefit from CAB services.*

12. What positive outcomes were identified?

*The Newhaven location would provide good accessibility (bus and train, as well as parking) and more suitable accommodation for both staff and clients visiting the bureau. The location of Newhaven in the centre of the coastal strip, where demand for the service is highest, will make it easier and cheaper for clients to access the service.*

*Those living in the centre and north of the district will still be able to access the residual service operating out of Southover House, Lewes.*

13. What negative outcomes were identified?

*None*

## **Action planning**

14. No specific actions have been identified

## **Summary Statement**

On 1 August 2016 an Equality Analysis was undertaken by Jo Harper on the Cabinet Member Decision regarding 'Lewes District Citizen's Advice Bureau (CAB) – Accommodation'.

Due regard was given to the general equalities duties and to the likely impact of the decision on people with protected characteristics, as set out in the Equality Act 2010.

The assessment identified:

The decision was found to have positive outcomes for clients of the CAB, particularly those with disabilities by locating the service closer to the key areas of need.

No major changes are required. The EA demonstrates the decision is robust, there is little potential for discrimination or adverse outcomes, and opportunities to promote equality have been taken.