

Report to: Scrutiny Committee

Date: 12 September 2019

Title: Request for scrutiny of the demolition of offices and construction of housing at 20 Fort Road, Newhaven

Report of: Assistant Director, Legal and Democratic Services

Ward(s): Newhaven North

Purpose of report: To provide context to the item being considered and provide guidance on how to proceed with further scrutiny.

Officer recommendation(s): That the Scrutiny Committee considers the request from Councillor Steven Saunders to look further at the demolition of offices and construction of housing at 20 Fort Road, Newhaven and agree on how the Committee can best support Councillor Saunders' request.

Reasons for recommendations: The Constitution allows any member of the Council to request that the Scrutiny Committee consider an item for inclusion on the agenda.

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1. Introduction

1.1 The Council's Constitution, 8a of Part 4 – Scrutiny Procedure Rules, allows for any member of the Council to give written notice to the Head of Democratic Services should they wish an item to be included on the agenda of the Scrutiny Committee. A request was received for the Committee to consider a scheme considered by the Cabinet that includes the demolition of offices and construction of housing at 20 Fort Road, Newhaven.

2. Background information

2.1 On 1 July 2019, the Cabinet considered a report on 'Housing Finance for Short Term Lettings Development' (see appendix 1 to the report) and resolved to (1) approve an increase in the General Fund Capital Programme budget for the scheme from £2.2m to £2.9m (with the additional £700,000 to be funded from Right to Buy Receipts) and (2) report an amendment to a waiver previously approved to the Contract Procurement Rules (CPR) to allow the direct selection of a main contractor, due to the bespoke nature of the product required and time restrictions.

3. Requests for Review

3.1 In accordance with the Council's Constitution, the Chairman of the Scrutiny Committee received a request from Councillor Steven Saunders, ward member for Newhaven North, asking the Scrutiny Committee to consider a number of concerns he has raised following the Cabinet's decision on 1 July 2019. Councillor Saunders' concerns can be summarised as follows:

- The Building identified for demolition has been allowed to stand idle for several years, instead of looking at more innovative ways of acquiring income from it.
- There was a need for starter units in the District and Newhaven in particular - the building suits this type of usage.
- The scheme agreed by the Cabinet ignores the potential for a much larger and more viable scheme that could be brought forward, if the adjacent Fire Authority/ESCC building in Fort Road was included in a joint venture development of a larger site.
- The costs of the proposed scheme will produce a limited number of temporary housing units at a cost of approximately £300,000 per unit. These costs for such a development do not include the value of the land itself and do not provide what can be considered 'value for money' for the Council.
- The proposed new units are not fit for purpose, with a limited lifespan and do not offer a robust structure required for temporary housing needs.
- The Scrutiny Committee have a duty to ensure that the Council is getting value for money and evaluate whether such the sums of money committed, the design of buildings and the siting of such a scheme is justified.

3.2 Councillor Saunders has submitted a request to the Scrutiny Committee (through the Chair) for the item to be included on its agenda and Members are asked to look at the concerns raised and decide how best the Committee can support Councillor Saunders in his request.

4. Financial appraisal

There are no financial implications relating to this report.

5. Legal implications

There are no legal implications relating to this report.

6. Appendices: Appendix 1 – 1 July 2019 Cabinet report 'Housing Finance for Short Term Lettings Development'.