

Report to:	Cabinet
Date:	10 February 2020
Title:	Former Police and Fire Station Sites, Newhaven
Report of:	Director of Regeneration and Planning
Cabinet member:	Cllr William Meyer, Cabinet member for Housing
Ward(s):	Newhaven Denton and Meeching
Purpose of report:	To seek approval to the acquisition of the sites in Newhaven formally housing the Police and Fire stations for development as affordable housing.
Decision type:	Key
Officer recommendation(s):	<ol style="list-style-type: none"> 1 To approve the purchase of two sites in Newhaven known as the Former Police Station, and the former fire station details in Appendix A either separately or together. 2 To authorise the Director of Regeneration and Planning, in consultation with the Lead Member for Housing, to finalise the terms of the purchase of both sites and to sign or execute as appropriate the purchase agreements, transfers and all related documentation including the SDLT return. 3 To approve in principle the development of the two sites (or either one of them if the other cannot be acquired) for Council housing within the Housing Revenue Account (HRA), funded through the annual Council budget. 4 To authorise the Director of Regeneration and Planning, in consultation with the Lead Member for Housing, to finalise the terms of the building contract and any related appointments and contracts..The approval to sign or execute as appropriate the building contract, the appointments and all related documentation and to start works on site will be subject to a subsequent Cabinet report 5 To approve the acceptance of a grant from Homes England to part finance the development. To authorise the Director of Regeneration and Planning,

in consultation with the Lead Member for Housing, to finalise the terms of and sign the Grant Agreement.

Reasons for recommendations:	The overarching reason for the recommendations is to maximise the Council's ability to provide affordable housing within the District, partly through the full utilisation of receipts received from Council homes sold under the Right to Buy.
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1 Introduction

- 1.1 In January 2016 Lewes District Council (LDC), Sussex Police and East Sussex Fire and Rescue Service (ESFRS) joined together to move into a shared office at Saxon House and vacate their Newhaven facilities. The Police Station site has since been vacant and the Fire Station Site has only had a temporary uses and both organisations are now willing to sell their sites to LDC to develop new Council homes.

2 Proposals

2.1 *Acquisition of Police and Fire Station Sites*

LDC has had red-book market valuations carried out and has now commenced negotiations with Sussex Police and ESFRS to agree to purchase their sites. Provisional price structures have been agree with each authority, but are dependent upon scale of development and planning permission. The purchases of the two sites are not contractually linked and the sites are not adjacent and may come forward independently of each other.

2.2 *Police Station*

The former police station is in a prominent location at the junction of South Way and South Road in the centre of the town. It currently has a 3-storey office building taking up approximately a third of the site, with the remaining land having been used as a car park for the building, with access from Chapel Street. The site is in a highly sustainable location being very close to the Town Centre retail area and on bus routes to Brighton, Lewes and Eastbourne and within 500 metres of the railway station, meaning that a scheme could be designed to be car light or car free.

The site was identified in the Newhaven Neighbourhood Plan as having potential for a minimum for 15 homes, on a site of approximately 0.15 hectares.

2.3 *Fire Station*

The ESFRS site is located mid-way along Fort Road at the junction with Lorraine Road and West Quay Road. The site is cut into the hill that slopes steeply up to the West and the surrounding properties are mainly residential. It currently has the former fire station building and training tower on the site.

The site has a lapsed planning consent for 7 x 3-bedroomed town houses on an area of approximately 0.16 hectares.

2.4 *Development Proposal*

Following the acquisition of the sites, the development will be progressed as one project to design, achieve planning consent and seek costed tenders for the development of new Council housing. The project will return to Cabinet for a final approval to proceed with construction.

Detailed scheme designs are yet to be commenced, but the aspirational project objectives will include the following:

- Police Station site to deliver 15-25 flats
- Fire Station site to deliver 7 x 3-bedroom houses
- Fabric first approach to sustainable homes
- Low carbon energy usage, including no gas heating
- Water saving/collection features
- Accelerated delivery through Modern Methods of construction

3 **Outcome expected and performance management**

- 3.1 The expected outcome of this report's recommendations will be that LDC will be able to design, gain planning consent and present a fully costed development plan back to Cabinet. There are not currently any fixed timescales for delivery of this outcome, however it is expected that this work will be completed within 9 months.

LDC are currently applying to Homes England for Infrastructure Funding to support the development of these two sites and any granted monies must be spent before March 31st 2021.

4 **Consultation**

- 4.1 No formal consultation has taken place on developing these sites by LDC. However the previous planning consent achieved on the Fire Station site and the inclusion of the Police Station site in the Neighbourhood Plan mean that local consultation has already taken place on the principles of residential development.

5 **Corporate plan and council policies**

- 5.1 The overall outcomes of these projects support the Cabinet's Corporate Policies to address:

- “Sustainability and Climate Change” The new Council housing will have significant sustainability features design in the fabric and procurement of low carbon energy.
- “Affordable Housing” – The projects highlighted in the report are to bring forward affordable rented homes that will be directly managed by the Council for local people in need.
- “Community Wealth Building” – The selection process for construction tender ensure that companies meeting our local employment and training requirements will be delivering the new homes.

6 Business case and alternative option(s) considered

- 6.1 Full feasibility appraisals have been undertaken prior to discussions with Sussex Police and ESFRS, and full details will be included in the subsequent report that is presented to Cabinet following tendering exercise.

Alternative options considered:

- Allow private developers to purchase the sites, which would likely involve limited or no affordable housing provision.
- Select a 3rd party developer to purchase the sites in a joint venture agreement with LDC to reduce development risk. This option would likely have either increased the overall cost of LDC delivering affordable housing or reduced the sustainability benefits that the new homes would provide to the area and the new residents.

7 Financial appraisal

- 7.1 The reason for the recommendations is to maximise the Council’s ability to provide affordable housing within the District, partly through the full utilisation of receipts received from Council homes sold under the Right to Buy and LDC are currently applying to Homes England for Infrastructure Funding to support the development of these two sites.
- 7.2 Any additional capital proposals affecting either the General Fund or the Housing Revenue Account capital programme over and above the existing approved budget will need to be considered on a case by case basis as part of the business case process for any new schemes.
- 7.3 There may be some period of business rates liability for the Council to cover prior to demolition, but there are no other immediate direct revenue consequences arising from this report. As when any new schemes are brought forward the detailed revenue consequences will need to be considered to ensure that the scheme is affordable and that the implications on the Housing Revenue Account and General Fund are considered as part of the decision making process. Staffing and any other costs associated with the report’s recommendation are to be contained within existing department revenue budgets

8 Legal implications

- 8.1 Both of the sites will be the subject of investigations of title and reports on title will be prepared for both of them which will highlight any potential legal risks associated with the properties. Any such risks will need to be properly managed with the benefit of legal advice at the time.
- 8.2 The Council has the power to purchase the properties using funds from the Housing Revenue Account but any properties purchased in this way will be subject to the normal limitations of housing stock held within the HRA.
- 8.3 The Council will be required to enter into a grant agreement in respect of any grant from Homes England and the terms of this agreement will need to be subject to legal advice at the time.

9 Risk management implications

- 9.1 The following risks associated with these projects have been identified:
- Standard development risks
Mitigation: A new feasibility assessment will be carried out prior to schemes coming to Cabinet for construction approval and standard JCT contract will be used to fix the construction cost

10 Equality analysis

- 10.1 An equality impact assessment has been undertaken and has not identified any equality impacts.

11 Environmental sustainability implications

- 11.1 The two site designs will undergo a full review of sustainability features, both for the construction and usage of future residents.

12 Appendices

- Appendix 1 – Site plan of Former Newhaven Police Station Site
- Appendix 2 – Site plan of Former Newhaven Fire Station Site
- Appendix 3 – Details of Police Station and Fire Station Acquisition – EXEMPT

13 Background papers

N/A

