



CABINET

Tuesday 5 November 2019

WELLINGTON ESPLANADE LAWN LOWESTOFT

EXECUTIVE SUMMARY

1. East Suffolk Council is the tenant of the Wellington Esplanade Lawn on Lowestoft south seafront. The Lawn is managed as a public garden. The lease expires in 2021.
2. The landlord has asked if the Council would be prepared to enter a lease for a further 21 year period. This is in support of a bid for funding to allow a re-modelling of the Lawn.
3. The terms of the proposed new lease would largely be as the existing lease. As the details of the proposed re-modelling are not yet known the new lease would provide the Council with some control over any re-modelling works.

Is the report Open or Exempt?	Open
Wards Affected:	Kirkley and Pakefield
Cabinet Member:	Councillor Craig Rivett Deputy Leader and Cabinet Member for Economic Development
Supporting Officer:	Name Tony Rudd Job Title Valuer Telephone Number 01502 523356 Email address tony.rudd@eastssuffolk.gov.uk

1 INTRODUCTION

- 1.1 Wellington Esplanade Lawn is a well known and popular public garden on Lowestoft south seafront. It has been managed for many years by the Council as a tenant under a lease from the owners
- 1.2 In support of an anticipated application for external funding by the owners the Council has been requested to enter into a further lease period.

2 BACKGROUND

- 2.1 The Lawn is an area owned by the freeholders of the properties forming 1 -24 Wellington Esplanade which lay to the west of the Lawn. Records indicate that the Lawn has been leased to the Council or its predecessors for use as a public garden possibly since 1919 and certainly since 1988.
- 2.2 The ownership detail of the Lawn is rather complex. The beneficial interest in the Lawn is owned in undivided shares by the freeholders of 1 - 24 Wellington Esplanade. The legal title to the Lawn is held by 4 trustees, who hold the land in trust for the 24 freeholders. The trustees are appointed by a management committee elected by the freeholders of 1 - 24 Wellington Esplanade. The management committee manages the freehold interests in the Lawn and looks after its management. The trustees do not play an active role in its management. The next management committee election is due in late 2020. It is conceivable that any resultant changes in the committee may have a delaying impact upon actions taken in respect of the current lease expiry in 2021. It therefore seems sensible to try to address the issue of lease renewal now.
- 2.3 The current lease is for a term of 21 years expiring 16 September 2021. The initial rent paid by the Council was £50 pa, subject to five yearly inflationary adjustments. The current rent being invoiced is still approximately £50 pa. The extent of the lease demise is shown by red outline on the Plan at Appendix A. The extent of the landlord's freehold title is shown by blue outline on the Plan at Appendix A.
- 2.4 In approximately 2006 the Council arranged for the preparation of drawings for a project to re-model the Lawn into a format similar to that when established during the Victorian/Edwardian period – see Appendix C. This project was not progressed at that time. The management committee is now in the process of seeking external funding to enable a similar project to be progressed. Funding is likely to be sought through the Heritage Lottery Fund and the trustees have engaged with the Council's Coastal Communities Team. Discussions with the Council's Economic Regeneration team have suggested it is likely to be a funding requirement that the lease is renewed. The trustees have therefore requested that the Council enter a new lease for a term of 21 years from expiry of the current lease in 2021.
- 2.5 The Council's Funding Manager has suggested that any potential external funding is likely to require a minimum of a 20 year lease term remaining after the completion of any works. It is therefore foreseeable that the 21 year term proposed may need to be extended to a limited extent.
- 2.6 Some initial discussions between the management committee and the Council have taken place and arrived at the attached Heads of Terms (Appendix B). These are yet to be formally agreed but discussion suggest they should generally be acceptable. The intention is, as far as possible, to reflect the existing lease terms subject to reasonable legal updating.

- 2.7 Proposed changes from the current arrangements include a change to annual payment of rent, limitation that any events or exhibitions should be of no more than 2 days duration, and the Council making reasonable endeavours to address issues of unauthorised camping or the like on the property in a timely fashion
- 2.8 The freehold title is registered with the Land Registry as SK272895. The Council's leasehold title is registered with the Land Registry as SK264463. It will be seen from the plans at Appendix that the extent of SK272895 (blue outline) is slightly larger than SK264463 (red outline). There are small areas to the north west, south west and south east corners not included within SK264463. It is proposed that the opportunity of the lease renewal if approved will be taken to match the leasehold extent with the freehold extent if appropriate.
- 2.9 The plans for the re-modelling are at a very early stage and initial funding is being sought for scoping/feasibility work and the like. It is likely that any funding bid will need to be supported by a new lease being in place. Although the Council may be supportive of a new lease, the new lease would only allow the re-modelling to take place with the Council's approval as the tenant.

3 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

- 3.1 The proposed new lease will help to ensure the continuing provision of Wellington Lawn as a garden area accessible to the public, and the proposed re-modelling should enhance visitor experience of the garden. It is therefore directly in line with the Leisure Critical Success Factor of "Increased access to quality leisure, cultural facilities and activities that support and promote healthier lifestyles". In respect of Planned Actions for the whole of East Suffolk it should also assist to "Increase physical activity, participation in sport and recreation across all age groups." as well as helping to "Increase visitor numbers to East Suffolk outside of the main tourist seasons" by maintaining and improving the appearance and facilities of Lowestoft south seafront.
- 3.2 The continuing provision of a public garden and opportunity for informal exercise should help to improve mental and physical health and wellbeing in the community.

4 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 4.1 The financial implications in respect of the rent payment are very limited given the small annual amount involved. Norse manage the site for the Council in respect of grounds maintenance etc. They have indicated that the current combined Grounds Maintenance and Refuse costs, including provision of bedding plants and litter picking, is in the region of £20,000 per annum. This does not include any repair costs which are difficult to anticipate and estimate. It therefore seems likely that the cost to the Council over the proposed 21 year lease term may be in the order of £400,000.
- 4.2 It is not clear at this stage if the proposed re-modelling of the gardens would significantly impact upon the Council's future costs in managing the gardens. The outline proposals include new boundary railings, decorative stone urns, and benches in addition to improved planting. It seems likely that some of these elements may require ongoing maintenance and could be more susceptible to vandalism etc. It is therefore proposed that the new lease would only allow the re-modelling to take place with the Council's approval as the tenant
- 4.3 The main risk in not renewing the lease would seem to be that Wellington Lawn could cease to be a garden available to the public.

- 4.4 As noted in section 2 above the ownership and governance of the Lawn is a complex arrangement involving all of the owners of 1 – 24 Wellington Esplanade acting through their management committee and the trustees. The situation for the Council however is relatively simple in that any lease would be completed between the Council as tenant and the registered owners of the freehold title at that time.
- 4.5 The change in legal implications of the proposed new lease should be limited in that the new lease should largely reflect the existing lease. The new lease would be drafted by the Council's legal team who would be fully consulted in the matter if approved.

5 OTHER KEY ISSUES

- 5.1 As the proposed new lease would in effect be a continuation of the current arrangements no Equality Impact Assessment has been undertaken in respect of the matter.

6 CONSULTATION

- 6.1 The Lawn management committee has been consulted with in respect of the proposed terms of the new lease.

7 OTHER OPTIONS CONSIDERED

- 7.1 The main alternative option would seem to be not renewing the lease after expiry in 2021. This may mean that Wellington Lawn would cease to be a garden available to the public after that date.

8 REASON FOR RECOMMENDATION

- 8.1 The proposed renewal represents a continuation of current arrangements and would be in line with the East Suffolk Business Plan
- 8.2 The exact detail of the lease may need to change during drafting as details of the proposed re-modelling project become clearer. Factors including the success or otherwise of any external funding bids and any time-related aspects of these would need to be taken in to account.

RECOMMENDATIONS

1. That the proposal to renew the lease of the Wellington Lawn Lowestoft made by the landlord is accepted
2. That delegated authority is given to the relevant Strategic Director, in consultation with the Deputy Leader and Cabinet Member with responsibility for Economic Development, to agree the final terms for the lease and timeframe for completion of the lease that best protect the interests of the Council together with the provision of any confirmation of the decision

APPENDICES (List the title of each separate Appendix below)

Appendix A	Plan
Appendix B	Proposed Heads of Terms for new lease
Appendix C	Remodelling Plan c 2006

BACKGROUND PAPERS None
