



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
5 June 2018
Agenda Item 7

Key Decision [No]

Ward(s) Affected:

Sussex Yacht Club

Report by the Director for the Economy

Executive Summary

1. Purpose

- 1.1 To update members on progress of the project to develop a new flood defence wall to protect Shoreham Town Centre and the A259 from future flooding.
- 1.2 To inform members of the contents of the Heads of Terms that have been agreed with Sussex Yacht Club for the purchase of land and to note the timetable for the project.

2. Recommendations

- 2.1 Members note the contents of the agreed Heads of Terms attached at Appendix 1.
- 2.2 That members should note the proposed next steps set out in Section 5.1

3. Background

- 3.1 Shoreham Town Centre has experienced a number of flooding events in recent years which is affecting investment and growth, and delaying progress on delivering development along the Western Harbour Arm regeneration area. The key weakness in flood defences is at the Sussex Yacht Club site.
- 3.2 The majority of flood defence along Western Harbour Arm will be provided by private sector investment in line with the Council's adopted Flood Risk Management Guide Supplementary Planning Document 2015. Sussex Yacht Club as a members club is unlikely to have a commercial incentive to develop flood defences.
- 3.3 Funding has been identified from the Coast to Capital Local Enterprise Partnership (£3.5 million) and the Environment Agency to fund flood defences at the Site, who have indicated that they would provide funding of up to £1.2 million pounds.
- 3.4 The Council are working in partnership with Sussex Yacht Club to deliver a new flood defence wall along the northern boundary of the site. At the meeting of the Joint Strategic Committee in January 2017 it was agreed for officer's to enter into negotiations for the purchase of the land required on which to build the flood defence, for them to appoint any necessary consultant and to submit a planning application for the flood defence, and to enter into contracts for the construction of the flood defence wall.

4. Progress since January 2017

- 4.1 Since the previous report, significant work has been undertaken in conjunctions with Sussex Yacht Club, the Environment Agency, and other partners to develop the project. This has included:
 - Detailed work to identify the compensation for Sussex Yacht Club for the sale of their land and replacement of their existing clubhouse.
 - The negotiation of Heads of Terms and Draft Contracts for the sale of the land has been successfully concluded with Sussex Yacht Club.
 - Sussex Yacht Club appointing a full team of consultants to develop proposals for a new clubhouse on the site. A planning application has been made to Adur District Council for this element of the scheme.
 - The preparation of detailed design and supporting information required for the flood defence wall, including detailed design of a flood gate to provide required protection. A planning application will be submitted shortly for the detailed design of this flood defence.
 - Mott MacDonald have been commissioned by Adur District Council to undertake a detailed flood study and economic impact assessment which will be used to justify the amount of financial support received from the Environment Agency from the scheme.

4.2 The Heads of Terms for the purchase of the land are contained below at Appendix 1.

5. Next Steps

5.1 The next steps for the project are set out at section 6 of the Head of Terms. The next steps and the estimated timescale for their completion is set out in the timetable below:

Step	Description	Estimated Completion Date
1	Exchange of contracts for the sale and purchase of the land from SYC.	July 2018
2	Obtain of all necessary consents to enable the Sussex Yacht Club scheme to be undertaken and completion of contract	October 2018
3	Commencement of the SYC construction Scheme	November/December 2018
4	ADC take possession of the Purchased Land by ADC following completion of the SYC Scheme	September 2020
5	Commencement by ADC of the demolition of the existing clubhouse; development of the new flood defence wall, footpath, and cycleway; relocation the site entrance to the Yacht Club.	September 2020
6	Completion of ADC's flood prevention works including demolition of existing Clubhouse and for completion of any consequential works to be undertaken by ADC	March 2021
7	Work with WSCC and SYC to remove the public right of way at Stowes Gap.	September 2021

6. Financial Implications

- 6.1 The proposed scheme will be fully funded by grants from the Coast to Capital LEP and the Environment agency. It is expected that the spend will be incurred as follows:

	£
2018/19	3,500
2019/20	0,000
2020/21	1,200
Total Scheme cost	<u>4,700</u>

- 6.2 The proposed scheme is currently included in the Capital Programme for Adur District Council. While we have a clear picture of the costs of the purchase of the land from Sussex Yacht Club the cost of the demolition and construction of the new facilities will not be clear until a tender exercise has been undertaken.

7. Legal Implications

- 7.1 Sections 120 and 123 of the Local Government Act 1972 empowers the Council to acquire land by agreement, for the purposes of any of its functions, or the benefit, improvement or development of the area. This power would enable the Council to purchase the land in question, whilst complying with best value considerations.
- 7.2 The Council has no statutory obligation to undertake this work but has general powers of competence under Section 1 of the Localism Act 2011 to undertake any activity which an individual with full capacity may undertake. This includes improving service provision and the quality of life in identified areas by developing the Council's own land.
- 7.3 In selecting a successful contractor to complete the Flood Defence wall, the Council will need to go through a full procurement process and comply with legislation as well as its own internal Contract Standing Orders.

Background Papers

- Joint Strategic Committee 10th January 2017 Agenda Item 11 - Flood Defences at Sussex yacht Club.
- Joint Strategic Committee 7th July 2015 Agenda Item 12 - Shoreham Harbour - Flood Defence Project for Sussex Yacht Club and Kingston Beach, Western Harbour Arm.

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Sustainability & Risk Assessment

1. Economic

The project will deliver significant economic benefits through the protection of Shoreham Town Centre and the A259 from flooding incidents and will create a number of direct and indirect economic benefits through the construction process. A full economic impact assessment is being undertaken as part of the work being undertaken by Mott MacDonald at present.

2. Social

2.1 Social Value

The project outlined in the above report will have a positive impact on our local communities by improving local flood, cycle and pedestrian infrastructure

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

The development would protect homes and businesses and therefore would not impinge on anyone's human rights. The proposals, in any event, would require planning permission and due consideration will be given to all the consultation responses received.

3. Environmental

It is not anticipated that any aspect of the scheme will have a deleterious effect on Adur District's environment or habitats. The environmental and ecological effects of the scheme will be fully considered through the planning application.

4. Governance

The developments outlined within this report are aligned to the Council's priorities contained within the Our Financial Economies platform

Heads of Terms

To be agreed between Adur District Council (ADC) and Sussex Yacht Club (SYC)

For the proposed sale of land fronting Brighton Road, Shoreham by Sea for the purposes of constructing flood defences and the funding of the construction of a replacement clubhouse and other facilities.

Subject to Contract

TL Revision 23.01.18

<p>1. <u>The Proposal</u></p>	<ol style="list-style-type: none"> 1. Subject to Contract, ADC will acquire a strip of land, of up to 3.5m wide and shown on the plan referred to at 2.1 below, along the Brighton Road frontage of the SYC premises for the purposes of constructing flood defences (the Purchased Land). It is acknowledged that in order to construct the flood defences it will be necessary to demolish the existing clubhouse, stores and other accommodation (“the Accommodation”) located on or near the northern boundary of SYC’s land and to make alterations to other facilities. 2. SYC will select the location, style, size and detail of the replacements on its retained land (‘Retained land’) for the Accommodation and of any other alteration or reconfiguration work required including reconfiguration of facilities such as parking (cars and boats), equipment and slipways (referred to together with replacement of the Accommodation as “the SYC Scheme”). 3. On the fulfilment of all the conditions set out below, SYC will undertake to construct the SYC Scheme and ADC will pay to SYC a contribution to the costs of the work. The total amount of such contribution to be made by ADC will be an agreed capital amount (“the Lump Sum”) and payment will be made as provided for in Section 4 of these Heads of Terms. 4. The amount of the Lump Sum is agreed as <u>£3,300,000</u> which is in addition to any sums reimbursed by ADC to SYC prior to exchange of contracts 5. ADC/SYC will agree/have agreed (pre-exchange of contracts) upon the extent and specification of the work required and to be undertaken by ADC by way of replacement of certain facilities which will be lost and consequent additional work required, as summarised in <u>Appendix A</u> to these Heads of Terms (“the ADC Works”). ADC will undertake the ADC Works at its own cost. 6. It is accepted that SYC will not give vacant possession of the land on which the Accommodation stands until the SYC Scheme is ready for occupation and the relocation from the Accommodation has been completed. 7. It is agreed that the carrying out of the ADC Works and the building of the SYC Scheme may need to take place in phases as provided for in section 3 below to include the construction of the ancillary buildings to the east of The Retained Land
<p>2. <u>Land subject to this agreement</u></p>	<ol style="list-style-type: none"> 1. <u>Land to be acquired (see attached plan for identification purposes only):</u> A further plan will be prepared pre-exchange, once a measured survey has been undertaken which will show the exact area of land to be acquired by ADC on the Brighton Road frontage for the construction of the proposed flood defences to a maximum width of 3.5m. 2. <u>Land required temporarily for accommodation works:</u> An additional area of land in a location to be agreed will also be made available for the use by ADC’s contractors during

	<p>construction of the flood defences, to be occupied on the basis of a licence for a period of up to twelve months from the date of completion of the SYC Scheme</p> <p>3. SYC to provide, in a location and for a period to be agreed, a temporary Works Area for ADC contractors for storage of materials and access to enable safe demolition of existing structures and construction of flood defences in such a way as to mitigate the interruption to SYC's activities.</p>
<p>3. <u>Contract</u></p>	<p>1. It is proposed that the Contract to acquire the land will be conditional; exchange and legal completion will take place after the grant of acceptable planning permission and the obtaining of all other necessary consents for all works proposed or required by ADC and SYC, including the demolition of the Accommodation, construction of the SYC Scheme, the ADC Works and the carrying out of all additional works and the carrying out of ADC's proposed works of construction of the flood defences.</p> <p>2. Following the date of legal completion, ADC to grant a licence to SYC for two calendar years to continue to occupy the Purchased Land until the SYC Scheme is completed and SYC vacate the Purchased Land. The licence may be terminated earlier by the licensee giving three months notice in writing to the licensor.</p> <p>3. Following SYC vacating the Purchased Land, SYC will grant a licence to ADC for one calendar year to occupy so much of the SYC Retained Land as may be necessary for the purposes of demolition of the existing clubhouse and other buildings, construction of the flood wall, resurfacing works to the demolition site and site clearance. The licence may be terminated earlier by the licensee giving three months notice in writing to the licensor.</p> <p>4. The licences referred to in "2" & "3" above will be for the sum of £1.00 per annum for the period of the licence. If ADC or SYC continue to occupy the land respectively licensed to them following the expiration date of the licence, the occupying party will pay to the other party, the sum of £1,265 (incl) per week for every week (full or part) that the site is occupied.</p> <p>5. <u>Access and boundary issues</u></p> <p>i. In the event that the ADC work requires interference with or relocation of the main access to the Retained Land ADC will at its own expense:</p> <ul style="list-style-type: none"> • before interfering with the existing access, construct a suitable temporary and/or permanent alternative means of access acceptable to SYC and will obtain all consents necessary for its construction and use; and

	<ul style="list-style-type: none"> • undertake all boundary and other work necessary to close off the original access and ensure that the security of the Retained Land is not adversely affected. <ol style="list-style-type: none"> ii. ADC to give a right in perpetuity to SYC and at no cost to SYC to pass and repass, at all times and for all purposes in connection with the present and any future use of the Retained Land including an area of at least 12m in width suitable for vehicular access, over any land in ADC's ownership between the boundary of the Retained Land and the public highway. iii. ADC to ensure that pedestrian access to the Retained Land from the western end by the footbridge is maintained during and after completion of ADC's works. iv. The parties will enter into obligations that will allow for the construction of a flood gate in a location to be agreed with a width of no less than 12 metres, proper maintenance of the wall and flood gates by ADC and the closing of the flood gates. SYC will not be liable for loss or damage suffered by any third party arising from failure to close the gates or failure of the equipment. v. ADC to use reasonable endeavours to secure the closing of the public right of way across the site by way of Stowes Gap. vi. SYC and ADC will enter into a remediation agreement in respect of any contaminants, ordnance or items requiring decontamination or removal from their respective parts of the site. SYC propose that ADC will be responsible for the area comprising the Purchased Land and material resulting from the demolition of the buildings on the Purchased Land. SYC will be responsible for the subsurface area it retains as owner to the depth below surface necessary for the works to provide the agreed surface finish and the construction site of the SYC Scheme.
<p>4. <u>Payment of the Lump Sum</u></p>	<ol style="list-style-type: none"> 1. ADC will pay in full the Lump Sum as provided for in this section. 2. In respect of the sale to ADC of the Site (relating to the land value): <ol style="list-style-type: none"> i. £330,000 on exchange of contracts (in addition to the £67,656.50 paid already), this sum to be refundable less SYC expenditure incurred to that date in relation to the contract should SYC become and remain in breach of its obligations. Should ADC become and remain in breach of its obligations, the deposit is non-refundable ii. £2,970,000 on completion of the sale 3. In the event of a dispute in relation to matters other than the Lump Sum, between the parties this may be referred by either party to arbitration by an independent expert, such expert who shall be appointed by the President of RICS, who will be asked to determine the same on the basis of the terms of the contract

	<p>but otherwise as if the land acquired were the subject of Compulsory Purchase.</p>
<p>5. <u>The ADC Works</u></p>	<p>The ADC Works will be carried out in accordance with Appendix A. The ADC Works will include but not be exclusive to demolition of the existing clubhouse and ancillary buildings on or adjacent to Purchased Land, construction of the flood wall along the Purchased Land returning south along the site of Tarmount Hard at the east end of the Purchased Land and continuing to the stepped quay at Tarmount Hard, construction of an elevated plinth for the replacement ancillary buildings to the east of the Purchased Land and the reinstatement of surfaces as laid out in 1.3 of Appendix A</p>
<p>6. <u>Actions and timescales</u></p>	<p>ADC and SYC to agree a sequence of, and timescales for, actions and events, to include the following:</p> <ol style="list-style-type: none"> 1. Obtaining of all necessary consents to enable the SYC scheme to be undertaken. 2. The date for exchange of contracts for the sale and purchase of the Purchased Land. 3. Timing of commencement of the SYC Scheme 4. The date for possession of the Purchased Land by ADC following completion of the SYC Scheme. 5. Date and timescale for relocation by ADC of the main entrance to the Retained Land. 6. Date and timescale for completion of ADC's flood prevention works including demolition of existing Clubhouse and for completion of any consequential works to be undertaken by ADC 7. Extinguishment by ADC of the public right of way at Stowes Gap.

APPENDIX A

The ADC Works

1. Undertakings by ADC:
 - 1.1. To undertake demolition or removal of the Accommodation and facilities to the extent agreed with SYC.
 - 1.2. Not to carry out any works of demolition to the Accommodation in advance of the relevant SYC Scheme works being completed and available for occupation by SYC and a reasonable period having been allowed for relocation.
 - 1.3. To clear and provide a suitable finish to, areas exposed by the demolition of any structures and/or damaged as a result of the works, to include a clean level surface either laid to concrete or tarmac, as appropriate to the adjoining surface.
 - 1.4. In planning the works ADC will discuss the same with SYC and have full regard to SYC's representations. Subsequently, to provide SYC with a Programme, Specification of works and Method Statement in advance of commencement of works and to have regard to SYC's representations.
 - 1.5. To advise SYC of any material changes to the Programme and Specification as works proceed and obtain SYC's agreement to such changes (agreement not to be unreasonably withheld or delayed)
 - 1.6. Construction of flood defences including the provision of a 12 m wide flood gate on the Purchased Land
 - 1.7. To ensure suitable and uninterrupted access to the Retained Land at all times during and after the carrying out of the ADC works and provide permanent (and temporary if reasonably required) access from the public highway to SYC's Retained Land which is no less convenient and suitable than any existing access (including the provision of suitable clean level surfaces) and to undertake all work reasonably required as a result of the permanent and/or temporary relocation of the site access.
2. ADC will, through their Contractor:
 - 2.1. carry out works to high standard
 - 2.2. meet all statutory requirements
 - 2.3. ensure the works cause as little damage, disturbance, disruption and inconvenience to SYC as is practicable, all works which may cause disruption, damage, inconvenience or disturbance to be agreed in advance with SYC
 - 2.4. keep noise, dust and environmental impact to the SYC as low as reasonably practicable
 - 2.5. for the duration of the works maintain a suitable means of access, including disabled access, to the premises, facilities and the water during the hours the SYC is usually open to its members and other users

- 2.6. maintain the agreed reasonable arrangements for the servicing of and access to the premises and ensure the arrangements for access and servicing the premises are no less convenient than prior to the works
- 2.7. for the duration of the works minimise interruptions to services to and from the premises
- 2.8. maintain SYC's ability to continue operating as a yacht club with associated services with no or minimal disruption to the operation of the SYC full programme of events, on and off the water
- 2.9. maintain a suitable means of escape in case of emergency from the premises
- 2.10. ensure hoardings are as attractive as is reasonably practicable and do not obstruct access to the premises
- 2.11. ensure the safety of the users of the SYC facilities is not endangered as a result of the works and to engage a full-time banksman for the duration of the project in order to ensure the safety of users of the Club and the wider public.
- 2.12. maintain suitable hoarding or barriers between the site works and the SYC facilities
- 2.13. ensure the security of the premises, including the boat yard, is not compromised for the duration of the works