Strategy and Resources Committee
17 March 2026

EEBC 2025-2027 STRATEGIC PRIORITY 3: 70 EAST STREET

Head of Service:	Mark Shephard, Head of Property and Regeneration
Report Author	Mark Shephard
Wards affected:	(All Wards);
Urgent Decision? (yes/no)	Yes
If yes, reason urgent decision required:	To facilitate an early exchange of sale contracts
Appendices (attached):	Exempt Appendix 1: Offer Report

Summary

This report outlines the progress made on the Council's 2025-2027 property related Strategic Priority 3 and recommends the sale of 70 East Street.

Recommendation (s)

The Committee is asked to:

(1) Agree the sale of 70 East Street to the highest unconditional offer as recommended in the attached Exempt Appendix 1.

(2) Nominate and authorise the Director of Environment, Housing and Regeneration, Director of Corporate Services and the Head of Property & Regeneration to take all necessary actions further to the above decision being made, as is necessary and appropriate, to progress the sale to completion.

1 Reason for Recommendations

1.1 The Council has a statutory obligation under s123 Local Government Act 1972 to seek Best Value from its land and property assets.

1.2 The recommendations represent the outcome of the work undertaken to date (and reported below) demonstrating the Council's commitment to its s123 statutory obligation.

1.3 This report is considered Urgent to facilitate an early exchange of sale contracts taking place shortly after the Committee date. If Committee agrees with the recommendations above (and to proceed with the sale of the property to completion), then it is in the interests of both parties to exchange sale contracts as soon as possible. This provides certainty that the transaction is progressing to completion and commits the purchaser to the payment of a deposit. Completion of the sale would then typically occur 6 weeks after the contracts were exchanged.

2 Background

2.1 At its 6 May 2025 meeting, Full Council approved seven Strategic Priorities to be delivered in 2025-2027. The revised Priorities replaced the Council's Four-Year Plan and focused its strategic delivery in the context of Local Government Reorganisation (LGR) timescales.

2.2 Full Council, as part of its approval of the 2025-2027 Strategic Priorities, further agreed that in light of LGR, the proposed office move to 70 East Street would no longer be proceeding.

2.3 70 East Street had previously formed part of the Council's income generating commercial property portfolio and now remains vacant, with no income stream being generated and vacant costs being incurred.

2.4 This Committee received an update on Strategic Priorities 3 & 4 at its 11 November 2025 meeting and (in relation to 70 East Street) agreed to:

- Declare 70 East Street surplus to operational requirements.
- Place 70 East Street on the market for sale.
- Report back to committee in January 2026 with an Exempt marketing progress report.

2.5 The above actions ensured the Council could continue to meet its s123 Best Value obligation by demonstrating that every opportunity was being taken to mitigate the revenue pressure caused by the vacant site.

2.6 At the time of the November 2025 S&R Committee, considerable uncertainty had been caused in the commercial property market by the late delivery of the UK Autumn Budget. For this reason, expectations for a swift sale of the property were reduced and replaced by the likelihood of regular marketing progress updates.

2.7 There has been no adverse impact on the marketing of 70 East Street and the building generated a high level of interest. Consequently, interim marketing updates were not required, and this report (supported by Exempt Appendix 1) concludes the sale marketing and proposes a sale outcome.

2.8 The Council's external commercial property agent concluded the sale marketing on 17 February 2026 with the submission of interested party written offers.

2.9 Encouragingly, 40 parties viewed 70 East Street at least once and of these, 13 submitted written offers. Conditional (for example, subject to planning) and non-conditional offers were received covering both a mixture of residential and owner-occupier uses.

2.10 The externally prepared Exempt Offer Report is attached at Appendix 1.

2.11 Please note the Exempt Offer Report is commercially sensitive as it contains the identity of third-party bidders, their respective offers and external offer analysis advice to the Council. To disclose the Exempt Offer Report pre-sale completion would potentially jeopardise a successful sale.

2.12 The externally prepared Exempt Offer Report is only available to Councillors attending this Committee as voting members of the Committee, to inform their decision making.

3 Risk Assessment

Legal or other duties

3.1 Equality Impact Assessment

3.1.1 Not applicable

3.2 Crime & Disorder

3.2.1 Not applicable

3.3 Safeguarding

3.3.1 Not applicable

3.4 Dependencies

3.4.1 None

3.5 Other

3.5.1 None

4 Financial Implications

4.1 70 East Street remains vacant with no income stream being generated and vacant costs being incurred. This includes cost of business rates, interest / debt payment and other maintenance costs of the building.

4.2 **Section 151 Officer's comments**: The disposal of 70 East Street will remove an ongoing financial liability for the Council and generate a capital receipt that can support future priorities.

5 Legal Implications

5.1 The Local Government Act 1972 ("the 1972 Act") provides the Council with powers to dispose of land, including the ability to sell or lease land. However, under the 1972 Act, the Council must ensure that any disposal is for the best consideration reasonably obtainable unless specific exemptions apply.

5.2 The Council has a statutory obligation under s123 Local Government Act 1972 to seek Best Value from its land and property assets.

5.3 The property has been fully marketed by an external commercial property agent and Best Value is evidenced by the submission of offer bids as analysed in the Exempt Offer Report.

5.4 Legal services are being provided by external solicitors instructed by the Head of Property & Regeneration further to the agreement of the Head of Legal and Monitoring Officer.

5.5 For the reasons noted in paragraph 2.11 and 2.12, it is the decision of the Council's 'proper officer' for access to information to limit access to Exempt Appendix 1 to those voting members of this committee that shall be in attendance at the meeting this report shall be brought to. That decision relies upon the provisions of Annex 4.4 of the Council's Operating Framework; the grounds for limiting access shall be published within the agenda to this meeting in the usual manner.

5.6 **Legal Officer's comments**: Any relevant comments are included within the body of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities**: The following Key Strategic Priorities are engaged:

- *Priority 3: Investigate future options for the existing Town Hall, East Street*

6.2 **Service Plans**: The matter is included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations**: None

6.4 **Sustainability Policy & Community Safety Implications**: None

6.5 **Partnerships**: None

6.6 **Local Government Reorganisation Implications**: In the event a sale does not proceed, 70 East Street will transfer to the new East Surrey Unitary Authority.

7 Background papers

7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- EEBC 2025-2027 Strategic Priorities 3 & 4, Strategy & Resources Committee 11 November 2025

https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CId=146&MId=1627

- EEBC Strategic Priorities 2025-2027, Full Council 6 May 2025

https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CId=146&MId=1627

Other papers:

- None