

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET MEMBER FOR CORPORATE SERVICES

Decision Made: 05 January 2012

DISPOSAL OF FORMER TENNIS COURTS, CHURCH ST, MAIDSTONE

Issue for Decision

To consider the freehold disposal of the former tennis courts site at Church St, Maidstone, Kent.

Decision Made

1. That the freehold disposal of the former tennis courts site at Church Street, Maidstone be agreed.
2. That delegated authority be given to the Assistant Director of Environment and Regulatory Services, to negotiate and agree with Golding Homes, final Heads of Terms for the freehold disposal of the former tennis courts site at Church Street in accordance with the draft Heads of Terms as set out in the exempt appendix to the report of the Assistant Director of Environment and Regulatory Services.
3. That the Head of Legal Services be given delegated authority to enter into a contract for the freehold disposal of the site in accordance with the agreed Heads of Terms.

Reasons for Decision

Following the publication of a Section 123 Notice to declare land surplus under the Local Government Act 1972 and no objections being received, the Cabinet Member for Corporate Services made a decision on 24th June 2005 that the former tennis courts site at Church Street, Maidstone be disposed of for social housing.

In the Memo of Understanding between the Council and Maidstone Housing Trust (now Golding Homes) dated 7 June 2006, it was agreed that Maidstone Borough Council would give Maidstone Housing Trust the opportunity to acquire any land within the borough which the council identifies as landowner as being suitable for social housing on terms which reflect its use as a site for social housing.

An outline application was made by the Borough Council for residential development under planning reference MA/06/1285. On 6th July 2006 outline consent was granted.

Subsequently, Maidstone Housing Trust (now Golding Homes) submitted a full plans application, MA/09/2333 registered 21 July 2010, for 10 one bedroom and 16 two bedroom flats to provide accommodation for the over '50s, for which consent has been granted subject to the prior completion of a "Section 106" agreement relating to the Site.

The Deed of Settlement of 4 February 2010 between the Council and Golding Homes does not specifically oblige the Council to dispose of the site to Golding Homes but it is implicit, through the clauses referring to how the proceeds of any sale should be distributed, that providing the offer is equal to or exceeds the value of the site for social housing that it should be sold to Golding Homes.

The proposed development provides a good opportunity to help meet housing need in the borough as identified in the Strategic Housing Market Assessment.

The Council has received advice that the offer from Golding Homes equals or exceeds the value for social housing. The advice received also confirms that the offer from Golding Homes is marginally less than the best price reasonably obtainable on the open market. However, the General Disposal Consent within the Local Government Act 1972 allows the Council to dispose of land at less than best consideration.

The reduction in price fits in with the requirements of the disposal consent by promoting wellbeing and helping to build resilient communities through the provision of affordable housing. It is also a key action of the Community Strategy to pursue the construction of more affordable homes in order to meet local need.

Alternatives considered and why rejected

The site could be retained by Maidstone Borough Council for recreational use. However, since declaring the land surplus in 2005, it continues not to provide a useful recreational use, and its retention would not release a capital receipt for a surplus site.

Consideration could be given to the site being sold for private sector development, but this would not assist the Borough Council in the achievement of the Council's priority of providing quality decent homes that people can afford.

Background Papers

Record of Decision of the Cabinet Member for Corporate Services dated 24 June 2005

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: 12 January 2012
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MAIDSTONE BOROUGH COUNCIL

**RECORD OF DECISION OF THE
CABINET MEMBER FOR CORPORATE SERVICES**

Decision Made: 05 January 2012

DISPOSAL OF 26 TONBRIDGE ROAD

Issue for Decision

To consider the freehold disposal of 26 Tonbridge Road, Maidstone, Kent.

Decision Made

1. That the freehold disposal of 26 Tonbridge Road, Maidstone, Kent, identified as the land outlined in red on the plan attached at appendix 1 to the report of the Assistant Director of Environment and Regulatory Services, be agreed.
2. That delegated authority be given to the Head of Legal Services to enter into a contract for the freehold disposal of 26 Tonbridge Road in accordance with the agreed Heads of Terms, and any other terms agreed by the Assistant Director of Environment & Regulatory Services.

Reasons for Decision

Following the Decision by the Cabinet Member for Corporate Services, dated 27 August 2009, the Council demolished the former Council offices at 26 Tonbridge Road. Subsequently, a number of parties expressed interest in developing the site but due to a variety of reasons none were able to bring forward a scheme that met with the Council's financial aspiration for the site.

In March 2011, the Council engaged Harrisons, a local firm of Chartered Surveyors, to market the site resulting in a number of offers as detailed in the exempt appendix to the report of the Assistant Director of Environment and Regulatory Services.

Although not the highest offer, the proposal from Charing Healthcare Limited to develop the site for a 60 bed care home was considered to be the preferred bidder and to offer the best consideration reasonably obtainable.

In considering the offers, the probability of the proposed development achieving planning approval were taken into account. Advice was received from the Development Control Manager that single storey developments, and those requiring access from and exit onto Tonbridge Road would not be likely to receive consent whilst a development that complemented the

existing townscape would be favourably received. Only the Charing Healthcare proposal met these criteria.

Harrisons have confirmed that the offer is best consideration reasonably obtainable for the land.

Alternatives considered and why rejected

Accepting the higher bid could be considered, however this would be unlikely to receive planning approval, and as the offer was conditional on obtaining planning consent the sale would not be completed.

It could be decided not to accept any of the offers, in the hope that the property market will improve resulting in a higher offer. The current prognosis is that there is not expected to be any improvement in the foreseeable future, with zero or even negative growth expected over the next two to three years.

Background Papers

Decision of the Cabinet Member for Corporate Services dated 27 August 2009

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