

## REPORTS FOR DECISION BY THE CABINET MEMBER FOR CORPORATE SERVICES

Date Issued: 22 December 2011

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A Record of Decision will be issued following the conclusion of 5 clear working days from the date of issue of the Report

The Reports listed above can be made available in alternative formats for the visually impaired. For further information about this service, or if you have any queries regarding the above items please contact Karen Luck on 01622 602743

### MAIDSTONE BOROUGH COUNCIL

### CABINET MEMBER FOR CORPORATE SERVICES

### REPORT OF ASSISTANT DIRECTOR OF ENVIRONMENT AND REGULATORY SERVICES

Report prepared by: David Tibbit Date Issued: 22 December 2011

- 1. <u>Disposal of Former Tennis Courts site -Church Street,</u>
  <u>Maidstone</u>
- 1.1 Issue for Decision
- 1.1.1 To consider the freehold disposal of the former tennis courts site at Church St, Maidstone, Kent.
- 1.2 <u>Recommendation of Assistant Director of Environment and Regulatory</u> Services
- 1.2.1 That the Cabinet Member agrees to the freehold disposal of the former tennis courts site, identified as the land outlined in red on the plan attached as appendix 1;
- 1.2.2 That delegated authority is given to the Assistant Director of Envioronment 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 St in accordance with the draft Heads of Terms as the attached exempt appendix; and
- 1.2.3 That the Head of Legal Services is authorized to enter into a contract for the freehold disposal of the site in accordance with the agreed Heads of Terms.
- 1.3 Reasons for Recommendation
- 1.3.1 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 24<sup>th</sup> June 2005 that the former Tennis Courts site at Church Street, Maidstone be disposed of for social housing.
- 1.3.2 In the Memo of Understanding between the Council and Maidstone Housing Trust (now Golding Homes) dated 7 June 2006, it was agreed that the 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.
- 1.3.3 An outline application was made by the Borough Council for residential development under planning reference MA/06/1285. On 6<sup>th</sup> July 2006 outline consent was granted.
- 1.3.4 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.
- 1.3.5 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.
- 1.3.6 The proposed development provides a good opportunity to help meet housing need in the borough as identified in the Strategic Housing Market Assessment.
- 1.3.7 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.
- 1.3.8 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.
- 1.4 <u>Alternative Action and why not Recommended</u>
- 1.4.1 The site could be retained by the 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.
- 1.4.2 Consideration could be given to the site being sold for private sector development, but this would not assist the Borough Council in the

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achievement of the Council's priority of providing quality decent homes that people can afford.

#### 1.5 Impact on Corporate Objectives

1.5.1 Agreeing the sale of this land to Golding Homes supports the Council's objective of providing decent, affordable housing in the right places across a range of tenures.

#### 1.6 Risk Management

1.6.1 There is a risk of failing to complete the sale. However, the agreed Heads of Terms require Golding Homes to forfeit the deposit if that is the case.

#### 1.7 Other Implications

1.7.1

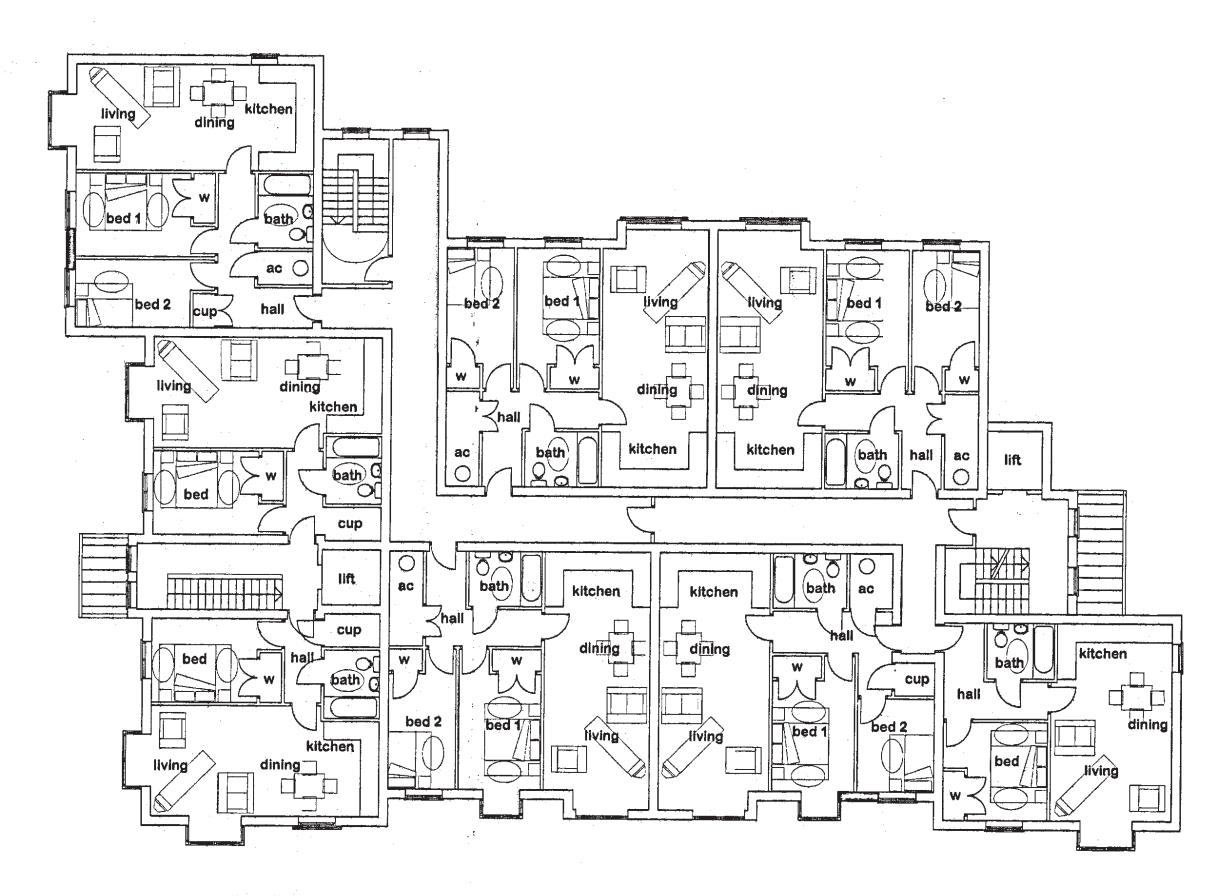
1.7.1			
1.7.1	1.	Financial	х
	2.	Staffing	^
	3.	Legal	
	4.	Equality Impact Needs Assessment	
	5.	Environmental/Sustainable Development	
	6.	Community Safety	
	7.	Human Rights Act	
	8.	Procurement	
	9.	Asset Management	х

- 1.7.1 The capital receipt for this disposal is not currently accounted for but its receipt will assist with funding of the council's capital programme in the short to medium term. Revenue costs will be contained within existing budgets.
- 1.7.2 The proposal finds a beneficial use for a disused/non income generating site in the Town centre that meets one of the Council's corporate objectives.

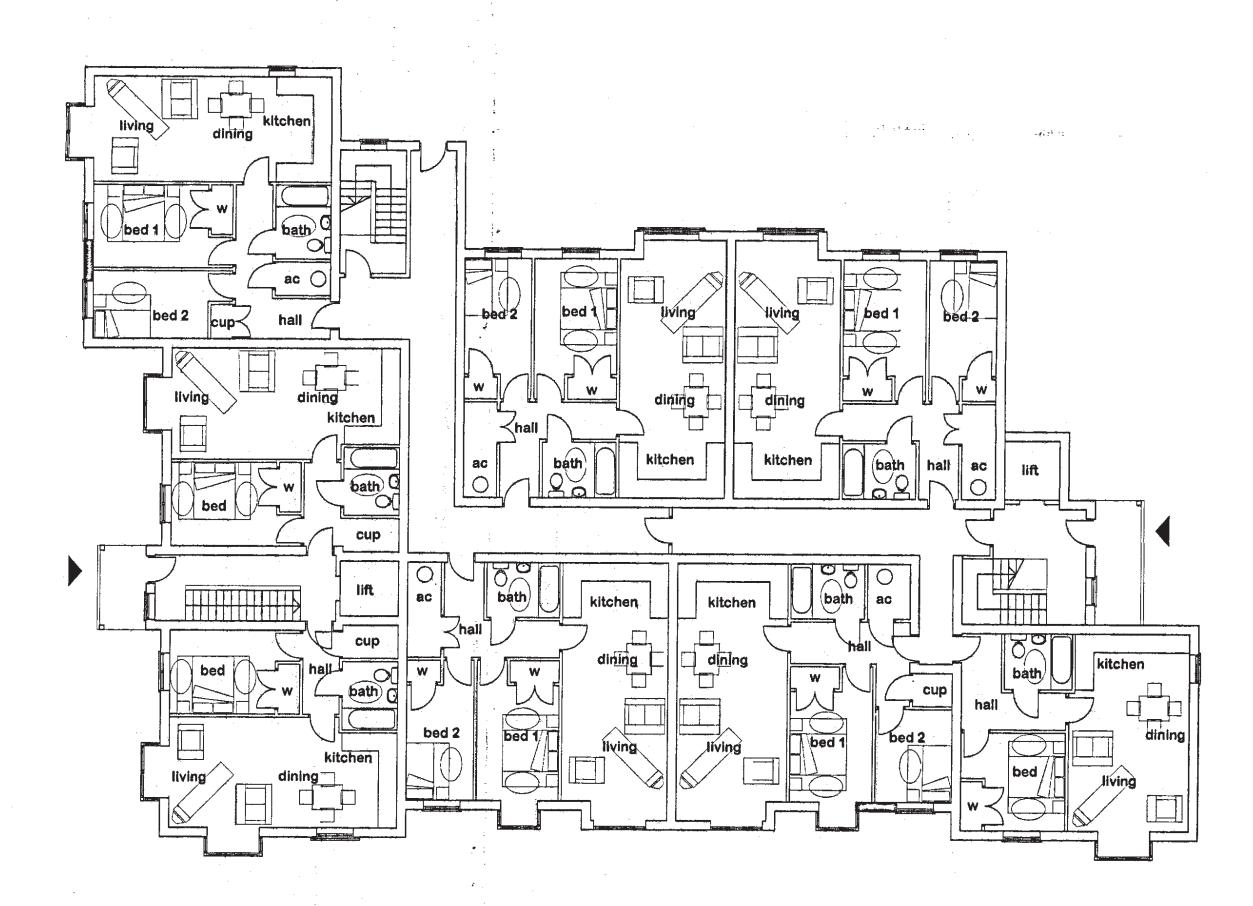
- 1.8 Relevant Documents
- 1.8.1 Appendices
- 1.8.2 Appendix 1 Site location plan1.8.3 Appendix 2 Development Layout
- 1.8.4 Background Documents
- 1.8.5 Cabinet Report Cabinet Member for Corporate Services dated 24 June 2005

IS THIS A KEY DECISION REPORT?				
Yes No X				
If yes, when did it first appear in the Forward Plan?				
This is a Key Decision because:				
Wards/Parishes affected:				
How to Comment				
Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.				
Cllr Eric Hotson	Cabinet Member for Corporate Services Telephone: 01580 892312 E-mail: <a href="mailto:erichotson@maidstone.gov.uk">erichotson@maidstone.gov.uk</a>			
David Tibbit	Property & Procurement Manager Telephone: 01622 602361 E-mail: davidtibbit@maidstone.gov.uk			

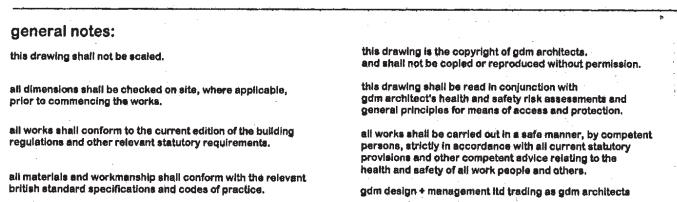
# THE MAIDSTONE BOROUGH COUNCIL Cente Army Centre Tritity Park B Sub Sk The Trinity Foyer Tennis Court Bank Milittle forey Car Park 18.0m Land at Church Street Reproduced from the Ordnance Survey mapping with the permission of the Maidstone Controller of Her Majesty's Stationery Office @ Crown copyright. Unauthorised Kent reproduction infringes Crown copyright and may lead to prosecution or civil proceedings. The Maidstone Borough Council, Licence No. 100019636, 2009. Scale: 1:1250

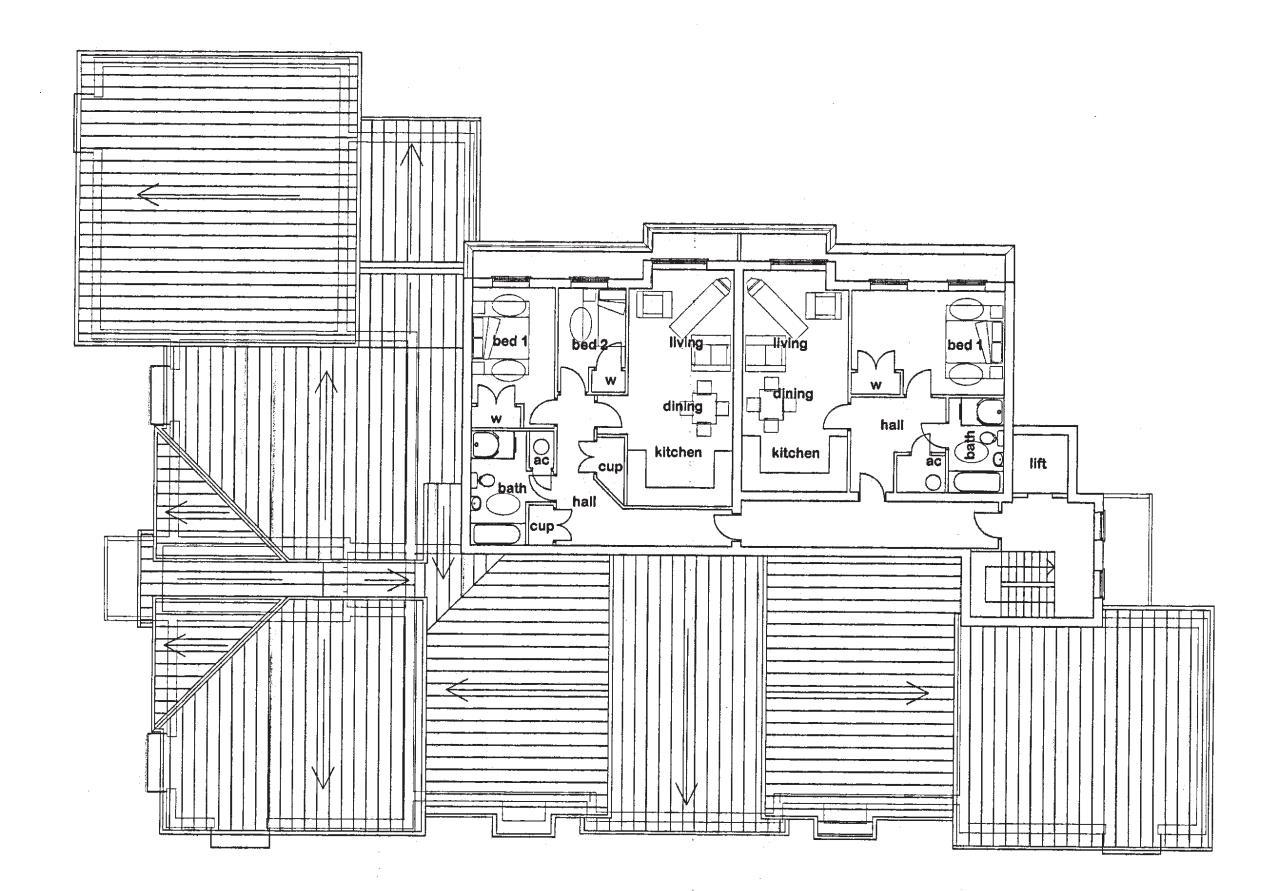


### FIRST FLOOR PLAN

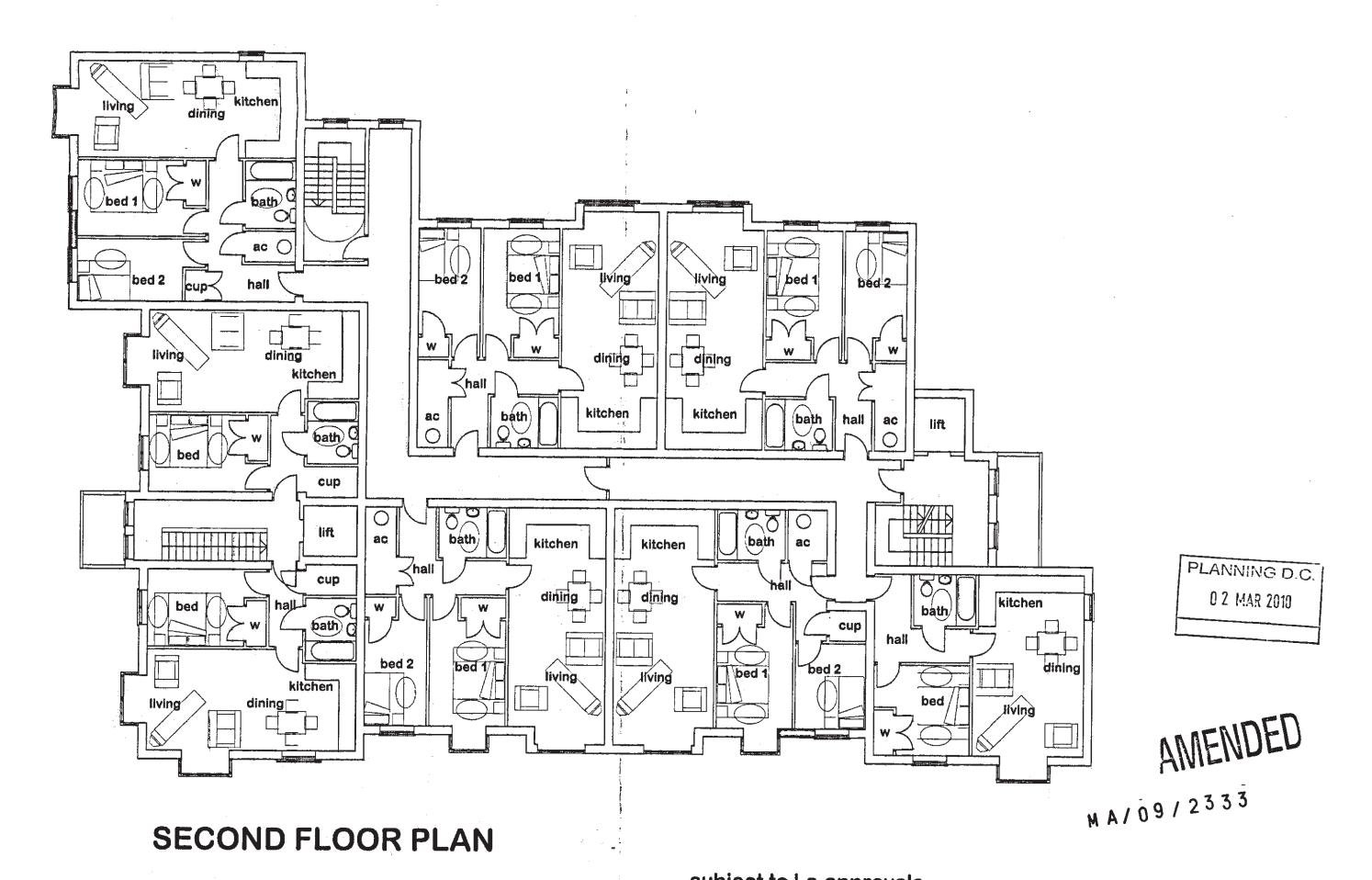


### **GROUND FLOOR PLAN**





THIRD FLOOR PLAN



subject to I.a.approvals project: church street, Maidstone client: Maidstone Housing Trust

drawing: floor plans date: feb.'10

gdm architects the master's house, college road, maidstone, kent. ME15 6YQ tel: 01622 760670 fax: 01622 760671 email: info@gdmarchitects.co.uk

chartered architects

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### **MAIDSTONE BOROUGH COUNCIL**

### **CABINET MEMBER FOR CORPORATE SERVICES**

### REPORT OF THE ASSISTANT DIRECTOR OF ENVIRONMENT AND REGULATORY SERVICES

Report prepared by: David Tibbit Date Issued: 22 December 2011

### 1. <u>Disposal of 26 Tonbridge Road Maidstone Kent</u>

- 1.1 Issue for Decision
- 1.1.1 To consider the freehold disposal of 26 Tonbridge Road, Maidstone, Kent.
- 1.2 <u>Recommendation of the Assistant Director of Environment and</u> Regulatory Services
- 1.2.1 That the Cabinet Member agrees to the freehold disposal of 26
  Tonbridge Road, identified as the land outlined in red on the plan
  attached as appendix, in accordance with the agreed Heads of Terms,
  attached as exempt appendix; and
- 1.2.2 That the Head of Legal Services is authorised 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.
- 1.3 Reasons for Recommendation
- 1.3.1 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.
- 1.3.2 In March this year, 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.
- 1.3.3 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.
- 1.3.4 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.
- 1.3.5 Harrisons have confirmed that the offer is best consideration reasonably obtainable for the land.
- 1.4 Alternative Action and why not Recommended
- 1.4.1 The Cabinet Member could consider accepting the higher bid, 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.
- 1.4.2 The Cabinet Member could also decide 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.
- 1.5 Impact on Corporate Objectives
- 1.5.1 The proposed development supports the Council's objective of a 'Decent Place to Live' by providing a new care home.
- 1.5.2 A capital receipt for the disposal of this site is anticipated for 2012/13 in order to support the Council's capital programme.
- 1.6 Risk Management
- 1.6.1 The offer received from Charing Healthcare Ltd is conditional on the grant of an acceptable planning consent and there is a risk that such a consent may not be granted. However initial advice from the Development Control Manager is favourable. Should consent not be granted the site will need to be re-marketed for disposal.

1./	<u>Other Implications</u>			
1.7.1		1.	Financial	
				Χ
		2.	Staffing	
		3.	Legal	Χ
		4.	Equality Impact Needs Assessment	
		5.	Environmental/Sustainable Development	
		6.	Community Safety	
		7.	Human Rights Act	
		8.	Procurement	
		9.	Asset Management	
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1.7.2	The financial and legal implications have been addressed within the report and exempt appendix. The site does not currently produce an income			
1.8	Relevant Documents			
1.8.1	<u>Appendices</u>			
1.8.2	Appendix – Site Plan			
1.8.3	Exempt Appendix – Schedule of Offers and Heads of Terms.			
1.8.4	Background Documents			
1.8.5	Cabinet Member Decision dated 27 August 2009			

IS THIS A KEY DECISION REPORT?				
Yes	No X			
If yes, when did it first appear in the Forward Plan?				
This is a Key Decision because:  Wards/Parishes affected:				

### **How to Comment**

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

Councillor Eric Hotson Cabinet Member for Corporate Services

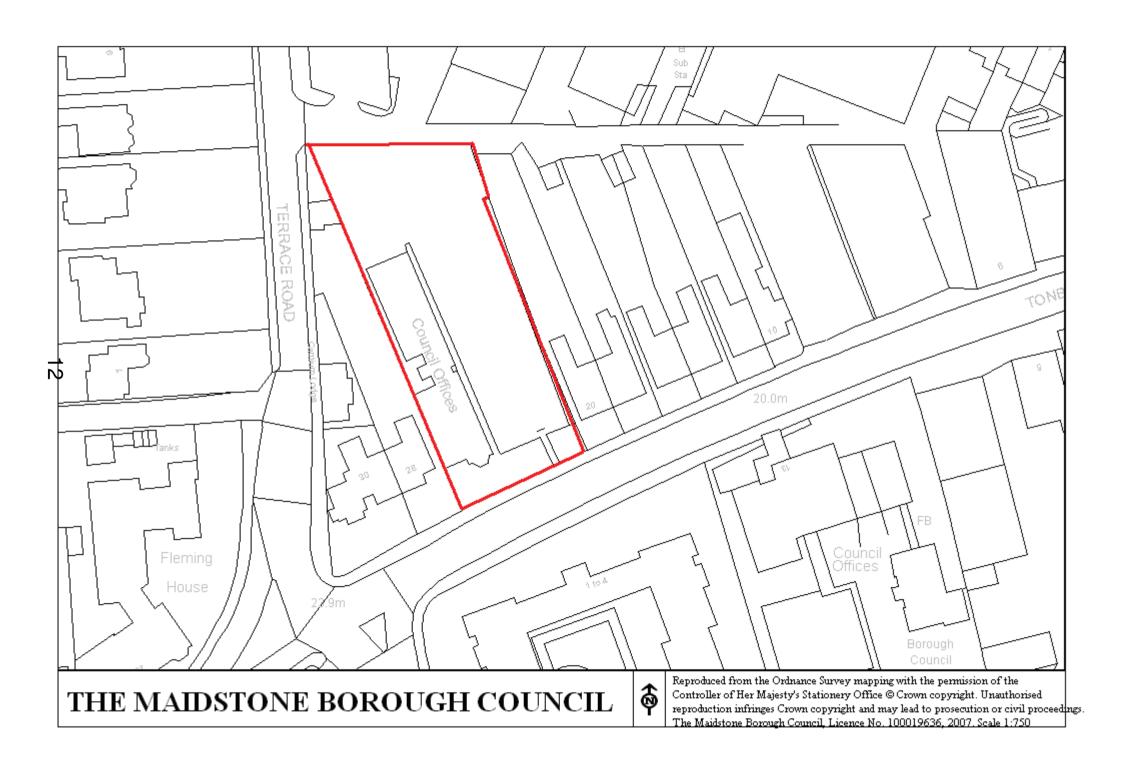
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### Agenda Item 3

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

### Agenda Item 4

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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