

**Corporate Property Acquisition**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Climate Transition, Corporate and Environmental Services Policy Advisory Committee	3 September 2024
Cabinet	18 September 2024

<b>Will this be a Key Decision?</b>	Yes
<b>Urgency</b>	Urgent  Exchange of contracts must take place no later than 22 September 2024
<b>Final Decision-Maker</b>	Cabinet
<b>Lead Head of Service</b>	Mark Green, Director of Finance, Resources and Business Improvement
<b>Lead Officer and Report Author</b>	Victoria Kellett, Interim Estates Manager
<b>Classification</b>	Public Report with Exempt Private Appendices  The information contained within the Appendices has been considered exempt under the following paragraph of part I of schedule 12A to the Local Government Act 1972:-  3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)  <u>Public Interest Test</u>  It is in the public interest that this report be taken in private because it contains commercially sensitive information that would jeopardise the Council's investment position if it were to be publicly available.
<b>Wards affected</b>	All

## **Executive Summary**

The Council's Capital Strategy, agreed in February 2024, includes a programme of corporate property acquisitions which will serve the twin objectives of supporting the Council's strategic priorities and generating a financial return.

An opportunity has arisen for an acquisition which meets these criteria.

## **This report makes the following recommendations to the Cabinet:** That

1. The purchase is agreed, for the amount specified in Exempt Appendix 1, the site shown outlined in red on the attached plan, Exempt Appendix 2.
2. The Director of Finance, Resources and Business Improvement is delegated authority to conclude negotiations with the leaseholder.
3. The Director of Finance & Business Improvement is delegated authority to instruct solicitors to negotiate and complete all necessary agreements and deeds arising from or ancillary to the purchase.

# Property Acquisition

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	The proposal supports the Strategic Plan objectives by helping to support the local economy and providing jobs locally.	Director of Finance, Resources and Business Improvement
<b>Cross Cutting Objectives</b>	N/A	Director of Finance, Resources and Business Improvement
<b>Risk Management</b>	This has been addressed in section 3 of exempt appendix 1.	Director of Finance, Resources and Business Improvement
<b>Financial</b>	The financial implications are set out in the report and the proposals meet the criteria of the medium term financial strategy.	Director of Finance, Resources and Business Improvement
<b>Staffing</b>	No impact.	Director of Finance, Resources and Business Improvement
<b>Legal</b>	<p>The Local Government Act 1972 (the 1972 Act) , section 111(1) empowers a local authority to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.</p> <p>Pursuant to section 120(1)(2) of the 1972 Act the Council has the power to acquire land to be used for the benefit, improvement or development of their area; or for the purpose of discharging the Council’s functions.</p> <p>Acting on the recommendations is within the Council’s powers as set out in the above statutory provisions.</p>	Director of Finance, Resources and Business Improvement

<b>Information Governance</b>	There is no specific impact of the acquisition.	Director of Finance, Resources and Business Improvement
<b>Equalities</b>	There is no specific impact of the acquisition.	Director of Finance, Resources and Business Improvement
<b>Public Health</b>	There is no specific impact of the acquisition.	Director of Finance, Resources and Business Improvement
<b>Crime and Disorder</b>	There is no specific impact of the acquisition.	Director of Finance, Resources and Business Improvement
<b>Procurement</b>	There is no specific impact of the acquisition.	Director of Finance, Resources and Business Improvement
<b>Biodiversity and Climate Change</b>	Paragraph 1.7 of exempt appendix 1 addresses how this acquisition can support the Council's biodiversity and climate change agenda.	Director of Finance, Resources and Business Improvement

## **2. INTRODUCTION AND BACKGROUND**

### *Strategic Context*

- 2.1 The Council's current strategic plan includes supporting the local economy and providing jobs locally. It is likely that these will continue to be key objectives for the Council.
  - 2.2 The Council's Capital Strategy, agreed when setting the budget for 2024/25 on 21 February 2024, includes a programme of corporate property acquisitions which will serve the twin objectives of supporting the Council's strategic priorities and generating a financial return. This programme of property acquisitions forms part of the overall capital programme and funding is available for this purpose.
  - 2.3 An opportunity has arisen which meets the criteria for corporate property acquisitions and is described in exempt Appendix 1.
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### **3. AVAILABLE OPTIONS**

#### 3.1 Option 1 - Do nothing

Maidstone Borough Council could decide not to proceed with the opportunity described in this report.

#### 3.2 Option 2 – Acquire the property

Acquiring the property described in this report supports the Council's strategic priorities and generates a financial return in excess of our minimum required rate of return.

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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

#### 4.1 This report recommends that Maidstone Borough Council approves the recommendations in this report and acquires the property described.

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### **5. RISK**

#### 5.1 Please see exempt appendix 1.

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### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

#### 6.1 The strategic context to this acquisition and the role of the capital programme in supporting this strategy has been discussed extensively with Members over the past few years.

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### **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

#### 7.1 Should Cabinet approve the recommendations of this report, the purchase will be completed in the terms described in the report.

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### **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Exempt Appendix 1: Proposed Acquisition
  - Exempt Appendix 2: Site Plan
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### **9. BACKGROUND PAPERS**

None.