

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. Disposal of 26 Tonbridge Road Maidstone Kent

1.1 Issue for Decision

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

1.2 Recommendation of the Assistant Director of Environment and 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.

1.7 Other Implications

1.7.1

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

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 Appendices

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?

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This is a Key Decision because:

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Wards/Parishes affected:

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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.

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