

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. Disposal of Former Tennis Courts site –Church Street, Maidstone**
 - 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 Recommendation of Assistant Director of Environment and Regulatory 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 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 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 24th 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 6th 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 Alternative Action and why not Recommended
- 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

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.	Financial	X
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	X

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 plan

1.8.3 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?

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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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