

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET MEMBER FOR CORPORATE SERVICES

Decision Made: 12 May 2011

DISPOSAL OF RAIGERSFELD HOUSE AND LODGE

Issue for Decision

To consider a proposal to dispose, by way of a freehold auction sale, the combined, or separate interests, of Raigersfeld House and Raigersfeld Lodge ("the premises").

Decision Made

1. That the freehold disposal of both Raigersfeld House and Raigersfeld Lodge, by way of auction at the reserve price set out within the Exempt Appendix of the Report of the Assistant Director of Environment and Regulatory Services, be agreed.
2. That the Corporate Property Manager be given delegated authority to engage the services of a local auctioneer to market the premises for the next available auction.
3. That the Head of Legal Services prepare the auction contract(s) for the premises based upon the terms agreed by the Assistant Director of Environment and Regulatory Services in consultation with the Director of Regeneration and Communities, and the auction contract(s) contain covenants restricting the premises to residential use only.
4. That should the premises fail to reach reserve, the properties be marketed by private treaty through a local Royal Institution of Chartered Surveyors (RICS) accredited Commercial Agency practice who shall be obliged to provide to the Council a valuation of Best Consideration to demonstrate that any offer received matches or exceeds this valuation.

Reasons for Decision

Mote Park, and the dwellings therein, was acquired from the Earl of Romney upon payment of £50,000 by the Council in 1929. It was originally a country estate in private ownership, and was created as a landscaped park at the end of the 18th-century. It is now one of the largest public parks in Kent.

The park is currently undergoing a £2.6 million regeneration project which is jointly funded by Maidstone Borough Council and the Heritage Lottery Fund -Parks for People programme. One of the aims of the regeneration project is to restore the historic grade II listed landscape to how it was originally designed and laid out in the late 18th and early 19th Century by the Earls of Romney, who owned the Mote Park Estate. The park was originally designed to provide extensive views across the estate, showing off the most important features such as Mote House, the Lake, the Volunteers Pavilion and the historic waterfall, work is currently being carried out to restore these views.

Raigersfeld House and Raigersfeld Lodge are located in the north of the Park and comprise a Kent Hall House and smaller gate Lodge

Raigersfeld Lodge has been vacant since 2006.

The property remained unsold because a right of way needed to be negotiated across land leased to the occupier of Raigersfeld House. The grant of the right of way was successfully completed during 2009.

Subsequently, the Council considered a number of options for Raigersfeld Lodge which included the conversion of the property to a Ranger office or a short term residential lease.

The option of a Ranger's office was primarily discounted due to the property not being in a location which makes it readily accessible for members of the public. Due to Housing legislation the Council is unable to lease out premises for residential purposes for a period of less than 22 years without creating a statutory tenancy giving 'right to buy' rights to a tenant, and therefore it was considered that such a period of lease was not an option to be taken further.

In January 2011 the tenant of Raigersfeld House issued the Council with a notice to quit, citing ill health, and the Council accepted the tenant's offer of surrender. The property became vacant on 7th January 2011, giving the Council an opportunity to dispose of both Raigersfeld House and Raigersfeld Lodge together.

An initial assessment of the remedial costs involved to bring both properties up to a standard suitable for use or leasing, balanced against the likely rental income to be generated is not considered a prudent use of public money.

Both buildings have also become a target for vandalism, theft and other anti-social behaviour, thus exposing the Council to significant on-costs the longer they remain vacant and owned by the Council and therefore the properties should be sold as quickly as possible through auction, on the terms set out in the exempt appendix of the report of the Assistant Director of Environment and Regulatory Services, so as to reduce the risk to which the Council is exposed.

Alternatives considered and why rejected

Consideration could be given to disposing of the properties by Private Treaty (Estate Agency sale) and if the reserve price is not achieved this remains the next best option, however the property is vulnerable and has already fallen victim to theft and criminal damage, and retention of the properties by the Council is considered to be too high a risk and should therefore be sold as soon as possible.

Both buildings could be refurbished with a view to council use or re-letting for a term of not less than 22 years. An assessment of the likely rents receivable once the works had been undertaken are not considered adequate to produce a sufficient return upon the capital expenditure required to refurbish the properties.

The premises could be sold by way of a long lease agreement, however this approach would reduce the likely sale value of the property.

The premises could be retained and considered for alternative uses but due to the general condition of the premises, the likely refurbishment costs, vulnerability of the premises and no immediate opportunities, such a proposal is considered to be too high a risk to consider. In view of these on-going issues it is considered appropriate that the properties are disposed of by auction.

Background Papers

None

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: 19 May 2011
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