

MAIDSTONE BOROUGH COUNCIL

Policy and Resources Committee

**MINUTES (PART II) OF THE MEETING HELD ON
WEDNESDAY 27 APRIL 2016**

204. **REPORT OF THE INTERIM DIRECTOR OF REGENERATION AND PLACE -
AMENDMENT TO BUSINESS PLAN FOR THE ACQUISITION OF LAND AND
PROPERTY**

The Committee considered the exempt report of the Interim Director of Regeneration and Place which set out an option to change the short term strategy for the site as detailed in the exempt report.

Members were reminded that in December 2015 the Committee approved the Business Plan for the acquisition and development of the Royal Mail Sorting Office which included a short term holding strategy.

Due to the additional months required to properly carry out due diligence investigations, other short term options have been assessed.

The most beneficial of these involved the retention of the existing buildings and converting part of the warehouse space into an indoor car park which would provide for a total of 250 parking spaces and would save demolition costs of approximately £375,000. The remaining part of the warehouse and office space could be let to a charity or charities and a hand car wash utilising the existing drainage infrastructure on site.

This option was recommended by Officers as it saved the cost of initial demolition and would accelerate parking income to provide an additional 57 spaces, it would preserve the inherent value of the warehouse buildings and would enable a positive community use by local charities whilst mitigating business rates and running costs. The presence of the charities would also enhance site security.

If a charity tenant could not be secured, there would be an option to convert the entire warehouse into indoor parking.

In response to a Member's question, it was noted that the Council was due to receive the results of the report on contamination by the end of the month but it was emphasised that this would not hold up any progress on this site.

It was also noted that the first meeting of the Joint Strategic Board was due to take place on 3rd May.

RESOLVED:

- 1) That the change to the short term holding strategy be approved;
- 2) That delegated authority be given to the Director of Regeneration and Place in consultation with the Chairman of Policy and Resources Committee to make changes to the Business Plan that result in the same or better outcomes i.e. more cost effective, for Maidstone Borough Council and to revert to the original holding strategy if the preferred option as set out in paragraph 2.5 of the exempt report of the Interim Director of Regeneration and Place is not deliverable;
- 3) That delegated authority be given to the Head of Legal Services to negotiate and sign a lease(s) (together with any other associated documents) with a charity(s) or commercial organisation(s) for the short term use of the site.

Voting: For: 15 Against: 0 Abstentions: 0

205. **REPORT OF THE HEAD OF FINANCE AND RESOURCES - RIVERS MEDWAY, TEISE AND BEULT FLOOD ALLEVIATION - OPTION APPRAISAL**

The Committee considered the exempt report of the Head of Finance and Resources which set out the flood alleviation options assessed by the Environment Agency.

Members were advised that the Council had been working with the Environment Agency, Kent County Council and Tonbridge and Malling Borough Council to consider a range of actions to protect communities prone to flooding along the River Medway and the Rivers Teise and Beult that flow into the Medway near to the point of major flooding.

Kent County Council (KCC) had indicated that they would continue to support flood prevention works by completing the Leigh Barrier and Hildenborough flood prevention works. However, they would not support the remaining elements of the original project. In emphasising this point, the Head of Finance and Resources drew Members' attention to Appendix A of the report and stated that KCC would only support the first three options.

It was noted that those schemes were extremely viable and were based on a one in seventy five year flood.

Members were advised that:

- the Environment Agency would be putting forward a number of alternative options and these have been promised for the end of June.
- there were various other options detailed in the report which included de-silting, building a wall around Yalding but these would

take longer to investigate in terms of feasibility.

- there would be a significant impact on the Council's revenue to 'go it alone' which would cost in the region of £750,000. This was not considered affordable.
- the Environment Agency were intending to make public their proposals but had deferred them until after the elections.
- the Council is looking at interim measures, such as dreading the River
- the new gyratory scheme would help to protect the High Street from flooding

RESOLVED:

- 1) That the Council continues to engage with its flood alleviation partners to identify routes to deliver funding for all flood alleviation options currently modelled by the Environment Agency as well as proposed methods of protection as set out in Section 2.22 of the exempt report of the Head of Finance and Resources; and

Voting: For: 14 Against: 0 Abstentions: 1

- 2) That the Council requests that the Environment Agency does not commence public consultation on flood alleviation measures for the Rivers Medway, Teise and Beult until all the relevant information is available for the measures as set out in paragraph 2.22 and Appendix A to the exempt report of the Head of Finance and Resources and that before consultation commences, Maidstone Borough Council Members and Parish Councils are briefed.

Voting: For: 14 Against: 0 Abstentions: 1

206. **JOINT REPORT OF THE INTERIM DIRECTOR OF REGENERATION AND PLACE AND THE HEAD OF FINANCE AND RESOURCES - TO CONSIDER A PROPERTY ACQUISITION**

The Committee considered the joint exempt report of the Interim Director of Regeneration and Place and the Head of Finance and Resources which outlined the wider economic benefits of the property acquisition and sought authority to conclude negotiations with the owners.

Members also considered an urgent update to the report.

Members noted that the results of a recent building survey had revealed that the building was structurally sound and there were no areas of immediate concern. However, it was recommended within the report that there should be some repointing of external brickwork and that the external windows would need to be replaced within the next five years.

By virtue of Paragraph 3 of Part I of Schedule 12A
to the Local Government Act 1972

It was also noted that the economic impact of the full refurbishment and redevelopment of the Mall, including the bus station, would be based upon a number of assumptions about additional construction spending and the value of the development once completed.

However, given there would be an additional 15,000 square metres of floor space, with 11,000 sq m given to retail and 4,000 sq m to leisure, this would create in excess of 800 jobs.

In response to questions from Members, it was noted that:-

- Capital and Regional are in good shape as a Company, they are expanding elsewhere nationally and it would seem prudent to do business with them.
- Some of the units under Granada House had been relet recently and it appeared that they continued to be attractive to businesses.

RESOLVED:

- 1) That the Committee considers the wider economic benefits of the acquisition;
- 2) That the Head of Finance and Resources be granted delegated authority to conclude the negotiations with the owner; and
- 3) That the Head of Mid Kent Legal Services be authorised to complete the purchase on the terms as agreed by the Head of Finance and Resources.

Voting: For: 15 Against: 0 Abstentions: 0