

From: Rebecca Spore Director of Infrastructure

To: Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

Subject: Disposal of land South of Steele Avenue, Greenhithe, Dartford DA9 9AE

Key decision: Yes - Expenditure or savings (capital receipt) of over £1m

Classification: UNRESTRICTED Report

EXEMPT Appendix 2 – not for publication. Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, refers.

Past Pathway of report: N/A

Future Pathway of report: Cabinet Member decision

Electoral Division: Dartford East, Penny Cole

Summary: This paper relates to the intention to dispose of land (approximately 1.29 acres) bounded by Steele Avenue, King Edward Road and the A206 / St Clements Way at Greenhithe. This paper sets out the 3 options considered and the decision to progress with the disposal of the site.

Recommendation(s)

The **Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services** is asked to agree to the disposal of the land at South Steele Avenue, King Edward Road, Dartford and delegate authority to:

1. The **Director of Infrastructure** in consultation with **the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services**, to finalise the contractual terms of the disposal.
2. The **Director of Infrastructure** to authorise the execution of necessary contractual and land agreements required to implement the above.

1. Site Context

1.1. The immediate area around the site is predominantly residential and some retail:

- To the west, a mix of two-storey terraced and detached houses.
- The A206 St Clements Way forms the east site boundary and the border with Swanscombe. Beyond the main road is more residential.
- To the north lies road and rail infrastructure and Greenhithe Station and a 24-hour supermarket.

- South of the site has seen recent residential development, including three and four-storey apartments. Approximately 1.5km south is the Bluewater shopping centre.

1.2 The mostly vacant site attracts minimal holding costs (car park rates and minor maintenance).

1.3 The 1.29-acre site was acquired by Kent County Council in 1973 for the purposes of future road infrastructure works.

1.4 The site has an Easement in favour of Thames Water Utilities and surface water drainage rights granted in relation to the King Edward Road frontage. These rights will be investigated as part of the Title Report in due course.

1.5 There is an unused underground tram tunnel running under the east boundary of the site. Further investigation of this tunnel will be necessary as part of detailed development proposals.

2. Occupational History

2.1 In 2016, the site was let under a short-term lease to a hand car wash and parking business. This lease was terminated to enable use of the land as a depot for major road works by KCC Highways in 2018. Those road works required some of the original site to be incorporated into the highway to allow for the A206 to be widened.

2.2 The creation of the works unit depot site included, at the North end of the site, the creation of a 30-space car park accessed from Steele Avenue for use by highway workers.

2.3 This small part of the overall site therefore remains in use as a free car park for residents and commuters from nearby Greenhithe station. The car parking use will need to be brought to an end to facilitate the disposal. There is a c.60 space, pay and display car park in Eagles Road to the North of Greenhithe Station, approximately 5 minutes' walk from the station, a similar distance to Steele Avenue car park.

2.4 Aside from the existing car park, the remainder (and majority) of the overall site is currently vacant hardstanding and gravelled areas.

3. History – Planning

3.1 In planning terms, the site is within the defined urban area of the Borough and is non-allocated 'white land' on the proposals map of the development plan. White land is land with no specific proposal for allocation in a development plan, where it is intended that existing uses shall remain.

3.2 While the site was not identified in the 2010 Strategic Housing Land Availability Assessment 2020/2021 (SHLAA 2020) as deliverable or developable for residential use, the site is identified for potential mixed-use development including a community facility in the SHLAA 2020. The Infrastructure Delivery Plan 2020

(IDP 2020) identifies it as the potential site for a new primary care facility. Both these documents support the Pre-Submission Draft Dartford Local Plan Feb 2021, but this only carries limited weight in decision making at the current time.

- 3.3. Dartford Borough Council (DBC) has also identified this land in the Borough Council's Brownfield Land Register and the Infrastructure Delivery Plan (IDP) refers to plans being developed by the Clinical Commissioning Group (CCG), GP practices and Kent County Council for a new primary care facility on this site. However, these documents form part of the evidence base of the emerging Local Plan and therefore carry only limited weight in decision making given the draft status of the Plan.
- 3.4. The site is proposed for allocation as a green buffer within the draft Stone Neighbourhood Plan (Policy GS4). However, at the meeting of its Cabinet on 27 May 2021, DBC resolved to formally object to Policy GS4.
- 3.5. Separately, KCC has made representations against the draft neighbourhood plan and has also submitted representations to the reissued draft DBC Local Plan.
- 3.6. Architects were appointed by KCC to work with a planning consultant and a broadly positive pre-application response was received on 15 June 2021. DBC accepted the principle of development of the site to provide a medical centre and residential development.
- 3.7. Given that the CCG have indicated that they have a requirement for a medical facility in the locality to accommodate three GP surgeries in the area, KCC have been in discussions with the CCG as to the use of Part 1 of the site for this purpose. Dartford Borough Council are also holding Community Infrastructure Levy ("CIL") funding to contribute towards the provision of any healthcare development.

4. Disposal options and marketing

- 4.1 The following options were considered for the disposal of the site
 - 4.1.1 Open market sale of the whole site (Parts 1 and 2), on conditional and unconditional bases.
 - 4.1.2 Split the site and KCC deliver the medical centre (Part 1) and either hold or dispose of the investment. Disposal of the remainder of the site (Part 2) on the open market.
 - 4.1.3 Split the site with a conditional sale to a specialist developer via an open market process for a medical centre (Part 1) and conditional disposal of the remainder of the site (Part 2) on the open market.
- 4.2 Following consideration of the options and the risk profile (see Exempt Appendix for more details) it is recommended to proceed with the option at 4.1.3 above as this presents the best opportunity to maximise the value of the site and limit KCC's exposure to risk. It also enables the CCG to progress with its GP surgery relocation plans.

5. Marketing

- 5.1 The whole site was marketed by the specialist healthcare team within Avison Young with offers only invited for Part 1 of the site.
- 5.2 Offers for Part 1 of the site were received from 6 parties in August 2021. The agents reverted to the 4 highest bidders seeking clarification on the more detailed terms.
- 5.3 Following the initial bid appraisal and due diligence, a summary of the 4 final bids is set out in the exempt appendix which shows the current lead bidder.
- 5.4 The heads of terms are currently being developed.

6. Financial Considerations

- 6.1 The Exempt Appendix sets out the financial considerations in more detail. The sites will be disposed of in accordance with the Council's statutory and fiduciary obligations. The site is surplus to KCC requirements and will generate a capital receipt to support the Medium-Term Financial Plan (MTFP) and the delivery of KCC's capital programme.
- 6.2 Once the land sale transaction completes (estimated to be in July 2022 subject to securing planning and CCG / DV approval), KCC will no longer have the holding liabilities associated with a vacant property. These include rates and any required maintenance.

7. Governance

- 7.1 Appropriate processes have been followed to ensure best value through the targeted marketing of the Part 1 site. Solicitors will be appointed to act in respect of the structure and execution of the sale, in consultation with KCC's own Head of Law and the Office of General Counsel.
- 7.2. Data Protection Impact Assessment (DPIA). KCC will not be handling any personal data. The appointed agent is sighted of the personal data for any interested parties and the agent does not pass personal data to KCC.
- 7.3. Equalities Impact Assessment (EQUIA). There are no equalities impacts as a result of this decision.

8. Consultations

- 8.1 The local member has been kept informed and updated on the progress of this site.
- 8.2 A meeting was also held with the Chairman and Councillors from Stone Parish Council. The Parish Council would prefer the medical facility to be located at Atlas

Park (a new development proposed at Stone Cross, identified on the location map at Appendix 1) for which a planning consent has been granted. However, the Parish Councillors are aware of the urgent need for a new medical centre to serve not only Stone but also Greenhithe and Swanscombe.

8.3 The CCG continue to express a preference for a new medical facility at Steele Avenue which is central to the areas it would serve, as can be seen on the location map at Appendix 1.

8.4 The Parish Councillors fear the loss of the medical centre from Atlas Park to Steele Avenue will prevent the additional facilities being provided at Atlas Park.

9. Next Steps and Timing

9.1 The Key Milestones are:

Nov/Dec	Decision making governance.
Feb 2022	Developer finalises designs for the medical centre with tenants.
Apr 2022	GPs Outline Business Case agreed with the CCG. Planning Application submitted to Dartford Borough Council.
Jun 2022	Planning consent granted (assume no objections / appeal).
Jul 2022	If outline planning consent is granted for residential development on the Part 2 site, KCC can tender and appoint agents to consider marketing Part 2.
Aug 2022	Approval of NHS Value for Money Report from the District Valuer. KCC completes land sale to developer. Developer starts work on site.
Sep 2023	Practical completion.

10. Recommendation(s)

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11. Background documents

- Appendix 1 – Site plan
- Appendix 2 – Exempt report

12. Author Details

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