

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

Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee – 19th January 2022

Subject: Disposal of 50 Gibson Drive, Kings Hill, ME19 4AF

Key decision: *It involves expenditure or savings of maximum £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EXEMPT Appendix 2 – not for publication.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: N/A

Electoral Division: Malling Rural East, Sarah Hudson

Summary: This paper relates to the intention to dispose of the building and land at 50 Gibson Drive approximately 18,000 sq ft of offices and laboratory premises on a 1.8 acre site.

Recommendation(s)

The Policy and Resources Cabinet Committee is asked to **consider and endorse or make recommendations** to the **Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services** on the proposed decision to agree to authorise the disposal of the building and land at 50 Gibson Drive, Kings Hill, Maidstone, ME19 4AF 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. The Property

- 1.1 The site is located on the Kings Hill Business Park around 2 miles south of West Malling and 10 miles west of Maidstone. Kings Hill Business Park is a mixed-use business park providing commercial accommodation as well as an expanding residential element. There are a range of amenities on site to support both the residents and commercial occupiers including two supermarkets, David Lloyd Gym, Primary Schools, Nurseries, a public house and several other retail outlets.

- 1.2 The site is a short distance from the retail centre and leisure facilities of Kings Hill and the immediate area around the site is a mix of residential, offices/ business space and childcare premises.
- 1.3 50 Gibson Drive is an office/ laboratory building that was built as an Officer's Mess when the whole site was an RAF Air Station. The building has been substantially modified over the years, including the installation of a pitched tiled roof.
- 1.4 The property is not listed but is close to a number of former RAF accommodation blocks which are listed.
- 1.5 The property extends over two floors (c.18,000 sq ft net area) and fronts Gibson Drive. It has block paved parking to the rear and a site area of c. 0.72 ha (c. 1.8 acres). A site Plan is at Appendix A.
- 1.6 The site is within the defined urban area of Tonbridge & Malling Borough Council.
- 1.7 The property has Class E planning use (commercial, business and service) and parties interested in residential development will likely rely on the ability to change use to residential under the recently extended permitted development rights. Further planning context is set out in the Exempt Appendix B.

2. Disposal options and marketing

- 2.1 The property, held as an investment asset and vacant for some time, has been declared surplus to the Council's requirements. Options for disposal were considered as set out in the Exempt Appendix B and given the financial and operational risk associated with retaining the property as an investment, the disposal of the property via an open market tender for both conditional and unconditional bids is being progressed.
- 2.2 Christie & Co were appointed as agents to support with the disposal of the site. Comprehensive marketing began in November 2021 with final bids due to be submitted in January 2022. Further detail as to how bids will be assessed is set out in the Exempt Appendix B.

3. Financial Considerations

- 3.1 The site 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.
- 3.2 Once the sale completes (estimated to be in June 2022 for an unconditional offer or October 2022 or beyond for an offer conditional on planning change of use), KCC will no longer have the holding liabilities associated with the property, such as rates, service charges, utilities and maintenance.
- 3.3 Further financial information is set out in Exempt Appendix B.

4. Governance

- 4.1 Appropriate processes have been followed to ensure best value through the targeted marketing of the property. Solicitors will be appointed to act in respect of the structure and execution of the sale, in consultation with the Office of General Counsel.
- 4.2 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.
- 4.3 Equalities Impact Assessment (EQIA). There are no equalities impacts as a result of this decision.

5. Consultations

- 5.1 The local member has been informed and will be kept updated on the progress of the proposals for this site.

6. Next Steps and Timing

- 6.1 The Key Milestones are:

Jan 2022	Offers due to be received and marketing exercise closed.
Jan 2022	Policy and Resources Cabinet Committee.
Feb 2022	Cabinet Member Decision.
Feb 2022	Agent to report on offers following 2 stage bidding process.
Apr 2022	Assessment of Bids and delegated decision taken.
Jun 2022	Estimated completion for an unconditional sale OR
Oct 2022	Estimated completion for a conditional sale

7. Conclusion

- 7.1 The property is surplus to the Council's requirements and is being progressed for a conditional or unconditional open market sale with bids expected in January 2022. Following the assessment of bids as set out in the Exempt Appendix B, a decision will be taken by the Director of Infrastructure in accordance with the delegations as recommended in this report.

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9. Background documents

Appendix A – Site plan
Appendix B – Exempt report

10. Contact Details

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