

**From:** Rebeca Spore, Director of Infrastructure

**To:** Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services - July 2022

**Subject:** Disposal of former Conningbrook Depot, Kennington Road, Ashford, TN24 0LS

**Classification:** *Unrestricted report with exempt appendix, not for publication under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).*

**Past pathway of report:** N/A

**Future Pathway of report:** Member decision.

**Electoral Division:** Ashford Rural East, Clair Bell

**Summary:** This report considers the proposed disposal of the former Conningbrook Depot, Kennington Road, Ashford TN24 0LS.

**Recommendation(s):**

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services is asked to consider and endorse or make recommendations on the proposed decision to authorise the disposal of the property, the former Conningbrook Depot, Kennington Road, Ashford TN24 0LS 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 terms of the disposal.
2. The Director of Infrastructure to authorise the execution of all necessary or desirable documentation required to implement the above.

**1. Introduction**

- 1.1 This paper addresses the Council's intention to sell the former Conningbrook Depot site, which comprises approx. 1.4 acres (0.58 hectares).
- 1.2 Located north of Ashford town centre, on the north-eastern side of the A2070, as illustrated on the aerial photograph below:



- 1.3 To the south-west of the site is a pair of semi-detached cottages. Land to the north-east was formerly used for gravel and sand extraction; this is now managed by Kent Wildlife Trust on behalf of Ashford Borough Council, as Conningbrook Lakes Country Park.
- 1.4 To the south-west is a mixture of light industrial and commercial premises.
- 1.5 It is a level site, mainly laid to hard surfacing and part being compacted material. There are 2 dilapidated buildings: a garage and workshop with mezzanine amounting to c7,400sqft. A further single-storey prefabricated building is on site, in poor condition and unusable: this requires demolition.
- 1.6 A site plan is shown in Appendix B.

## 2. History

- 2.1 The Council acquired the freehold interest of the land in 1934.
- 2.2 The site was originally used as a local authority works/highways depot, then used by the Landscape Services Team from the 1980s until it became vacant in December 2018.
- 2.3 Following internal consideration, no operational use for the site could be established and it has subsequently been declared surplus and suitable for disposal.

## 3. Financial Implications

- 3.1 The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital Programme. Further financial information is set out in the exempt appendix A.

3.2 The disposal of the property will remove holding costs associated with the property easing pressure on revenue budgets.

#### **4. Marketing**

4.1 Subject to the necessary approvals being forthcoming, Kent County Council will appoint a suitably qualified agent to openly market the site in Q3 2022 on an “all enquiries” basis to allow any interested parties to submit a bid for the site.

4.2 A marketing campaign to advertise the site through various media channels will be undertaken to ensure a wide potential audience is reached; appropriate due diligence will be undertaken on any bidders.

4.3 Bids will be appraised in line with the Council’s legislative and fiduciary duties, and in compliance with any relevant Council policy.

4.4 Following the formal submission of bids, the bids will be assessed taking into account the following:

- Overall price, any pricing caveats or exclusions
- Any conditionality on the proposals and the deliverability of these
- Compliance with the Local Plan affordable housing requirements if appropriate
- Deliverability of the proposals submitted if they are reliant on the planning process
- Funding security
- Any factors of opportunity cost that KCC may wish to consider other than those described above delivering operational or policy returns.

4.5. Due diligence will be undertaken as appropriate which may include valuation, planning or other specialist advice.

4.6. Following the consideration of initial bids best and final offers may be requested. It is proposed to appoint the best proposal that enables KCC to deliver the maximum capital receipt for the Council, taking into account all the factors described in 4.4 will be selected.

#### **5. Options**

5.1. Following internal consideration, no operational requirement for the site has been established, therefore other options to be considered were limited to holding the property for investment return or disposal.

5.2. Continuing to hold the site would leave the Council exposed to ongoing costs during void periods, or if an occupier could not be found, and the buildings on site remain an inherent risk due to their current condition. The site would also require significant investment either by the Council or by an incoming tenant as a precursor to occupation and use.

5.3. The exempt appendix A sets out the approaches which have been received by the Council since the site was declared surplus.

- 5.4. A freehold disposal will allow a capital receipt to be generated for reinvestment back into the Council's stated capital priorities.
- 5.5. A freehold disposal is the preferred option for the site, seeking offers on an "all enquiries" basis to ensure all market interest is explored in line with the Council's statutory duties.

## 6. Governance and Legal implications

- 6.1. A Key Decision is being sought in line with the constitution and the Council's governance processes. The views of the local Member in accordance with the property management protocol have been sought and will be reported to the Cabinet Member before a Key Decision is taken.
- 6.2. The Council has a duty under s123 of the 1972 Local Government Act to obtain not less than best consideration in the disposal of property assets.
- 6.3. External legal advisors will be appointed in consultation with General Counsel.

## 7. Equalities implications (EQUIA)

- 7.1. The Key Decision to be taken by the Cabinet Member does not relate to a service delivery or change.
- 7.2. The site has been vacant since 2018 and has already been declared surplus to the Council's operational requirements.
- 7.3. No direct impact on any groups with protected characteristics have been identified in relation to the proposed decision to authorise disposal.

## 8. Next Steps and Conclusions

- 8.1. An indicative timetable for the planned disposal is set out below:

<b>Stage</b>	<b>Timescale</b>
Marketing	Q3 2022
Bid appraisal	Q4 2022
Exchange	Q4 2022 / Q1 2023
Completion assuming unconditional sale	Q1 2023
Completion assuming conditional sale	Q4 2023 / Q1 2024

- 8.2. The site has been declared surplus to the Council's operational requirements. In accordance with the Council's strategy of recycling assets to produce capital receipts for reinvestment into capital project priorities, a decision to authorise the disposal of the site is sought from the Cabinet Member, and the Committee's views are sought on the proposed decision.

## 9. Recommendation(s)

### Recommendation(s):

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services is asked to consider and endorse or make recommendations on the proposed decision to authorise the disposal of the property, the former Conningbrook Depot, Kennington Road, Ashford TN24 0LS 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 terms of the disposal.
2. The Director of Infrastructure to authorise the execution of all necessary or desirable documentation required to implement the above.

## 10. Background Documents

Appendix A – Exempt Appendix  
Appendix B – Site Plan  
Appendix C – Proposed record of Decision

## 11. Contact details

Lead Officer:	Relevant Director:
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