DECISION REPORT TO CABINET MEMBER

From: Rebecca Spore, Director of Infrastructure

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

Corporate and Traded Services

Subject: Disposal of the Former Rosemary Centre, 189 High Road, Wilmington

DA2 7DP

Decision no: 24/00050

Key Decision: involves expenditure or savings of maximum £1m.

Classification: Unrestricted report with Exempt Appendix A, which is 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: None

Future Pathway of report: Cabinet Member Decision

Electoral Division: Wilmington, Mr Sandhu, MBE

Is the decision eligible for call-in? *No – Urgent Decision*

Summary: The report outlines the disposal of the Former Rosemary Centre in Wilmington.

The property was formerly used as a Pupil Referral Unit (PRU) which closed in 2019 following the reprovision of the service to a new facility in Gravesend. It was declared surplus in 2021 and has progressed as a property disposal in-line with the Council's adopted policy.

The Constitution's Property Management Protocol provides delegated authority to the Director of Infrastructure to agree freehold disposals up to a value of £1m, with disposals more than this figure to be determined as a key decision by the Cabinet Member. In this case a valuation was obtained along with advice from the auctioneer and local agents which indicated that the expected sale price was likely to be well under the £1m threshold.

The property was entered into the 1 May 2024 auction, with a reserve agreed by the Director of Infrastructure under delegated powers set out in the Property Management Protocol.

The final bid achieved was above expectations, exceeding the £1m limit of officer delegations. An urgent decision from the Cabinet Member is therefore required to confirm the appropriate approvals for the completion of this disposal.

Recommendation(s):

As Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, I agree to:

- 1. Approve the sale of the property for £1.274m under the auction terms and conditions;
- Confirm the Director of Infrastructure's decision under delegated authority to dispose of the property known as Rosemary Centre PRU, 189 High Road, Wilmington DA2 7DP, noting that the property's performance at auction exceeded the expectations underpinning the original disposal plan; and
- 3. Delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to finalise the sale and take other actions including but not limited to, entering into relevant contracts or other legal agreements, as necessary to implement this decision.

1. Introduction

- 1.1 The former Rosemary Centre, 189 High Road, Wilmington DA2 7DP had been approved for sale via delegated management of property portfolio, in accordance with the Asset Disposal Policy. Authority was in place to support the sale via auction of the property as the price was expected to fall well within the normal delegated limits under the Property Management Protocol.
- 1.2 The property went to auction on the 1 May 2024. The hammer price achieved was £1,274,000, exceeding the limits of the £1m officer delegation; Authority is therefore now sought to confirm and proceed with the sale under auction terms.
- 1.3 Due to the timescales involved in the property transaction with completion scheduled for 30 May 2024, the decision is following the urgent decision pathway.

2. Key Considerations

- 2.1 This is sale of a property for more than £1million. The property was guided at £500,000 based on advice from auctioneers and local agents who were fully sighted on the property's particulars and planning status.
- 2.2 The Council sets a reserve price as part of any auction disposal, this sets a level below which the property will not be sold, to ensure compliance with statutory duties.

- 2.3 The Council cannot, due to the nature of auction sales, define the exact sale price which will be achieved on the day.
- 2.4 Due to a very high level of competition during the bidding process the property has sold for £274k above the limit of officer delegations.
- 2.5 It was not anticipated that a figure would be achieved exceeding the limits of officer delegations. If this had been anticipated, a key decision would have been sought in advance of the auction date.
- 2.6 The initial decision to market this property at auction was made at officer level in accordance with the Property Management Protocol and the Asset Disposal Policy.

3. Background

- 3.1 The property is the former Rosemary Centre Pupil Referral Unit (PRU), with a site plan is included at Appendix B. It is situated in Wilmington, a small village just under two miles to the southwest of Dartford town centre. The Property fronts the B258 High Road with vehicle access from the west of the site boundary from Barn End Lane to the rear of the existing buildings. The property is adjacent The Retreat, a Grade II Listed terrace of alms houses and the property has a tree preservation order (TPO), affecting two trees on the Western end of the site. The surrounding area is predominantly terraced/semi-detached two storey housing.
- 3.2 The Property measures approximately 0.939 acres (0.38 ha) and comprises of several inter-connected former educational buildings of brick construction with pitched roofs, dating from the late 19th/early 20th century. The majority of the buildings extend across a single storey, with the Cottage part of the buildings to the west arranged over the ground and first floors. The buildings are in a poor condition with multi pitched roofs requiring repair, cracks to buildings and internally, damp is evident in some areas. There is a former playground to the rear and separate car parking area. The gross internal area of the buildings according to our records is approximately 614 sqm (6,609 sq ft). The Council has two car parking licence agreements in place, which are assignable to the new owners.
- 3.3 There is a War Memorial to the front of the property and an additional green National School plaque was added after World War II on the perimeter wall off the High Road. Authority is already in place to transfer a small, grassed area of approx. 30 sqm around and including the War Memorials to the Parish Council for a nominal sum. This will enable the Parish Council to observe remembrance services at the site and relieve KCC of a maintenance burden. Please refer to Appendix C Site Plan of War Memorial Land.

- 3.4 The property was declared surplus to KCC requirements after the PRU Service relocated to its new facility in Gravesend.
- 3.5 As a former pupil referral unit, the property's disposal was impacted by Schedule 1 of the 2010 Academies Act. An application was submitted to the Secretary of State for consent to dispose under the legislation, the Department of Education confirmed their consent to disposal on the 15 December 2023.
- 3.6 KCC's Freehold Property Assets Disposals Policy states that assets declared surplus to requirements should be disposed of, enabling the recycling of receipts into the Council's Capital Programme and the modernisation of the retained estate.
- 3.7 In accordance with this Policy, the disposal was considered and, due to the nature of the asset and expected capital value, it was viewed that the most expedient method of sale was by auction. It brings certainty of a timely transaction being completed, as buyers' due diligence is undertaken in advance, whilst providing the opportunity to maximise receipts through competitive bidding. It provides an open and transparent method of disposal.
- 3.8 Following inspection and consideration by local agents and a local auctioneer, the pricing reflected the state of the market, the not inconsiderable planning risk associated with the site, and was set at a level to generate interest and bidding on the day.
- 3.9 Pre application advice had been obtained from Dartford Borough Council prior to the marketing which indicated that the Local Planning Authority would resist the loss of non-designated heritage buildings on the site. This advice was included in the marketing particulars.
- 3.10 Following the publication of the auction catalogue the local Parish Council submitted a nomination to Dartford Borough Council for the property to be listed as an Asset of Community Value. KCC has submitted a formal objection to this listing. The nomination was declared as part of the auction particulars. At the point of this report's drafting the nomination has not been determined. This consideration process does not impact the County Council's ability to complete the current transaction. If the building is listed as an Asset of Community value by Dartford Borough Council this will be binding on the future owner.
- 3.11 On the day of auction, over 150 bids were received from multiple parties.
- 3.12 Any future planning application submitted in respect of the site will be determined by the Local Planning Authority, Dartford Borough Council, and will be the subject of consultation which will include the Parish Council as a statutory consultee.

3.13 Depending on the timing of transfer of the war memorial to the Parish Council it is likely they would also be consulted in their capacity as a neighbouring landowner.

4. Financial Implications

- 4.1 The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital programme. The detail is considered in the Exempt Appendix A outlining KCC's options with financial implications.
- 4.2 The disposal of the property will remove associated holding costs of circa £10,475pa which will ease pressure on the revenue budget.

5 Legal implications

- 5.1 External solicitors have been appointed to handle the conveyancing process in liaison with the Council's office of general counsel.
- 5.2. Further legal commentary is included in the Exempt Appendix A to this report, which outlines KCC's options and legal implications.

6 Equalities implications

- 6.1 The property is currently vacant and has been declared surplus to KCC's operational requirements through the relevant governance processes. It has been vacant since 2019 when the PRU service relocated to a new purpose-built facility. As such the disposal of this vacant property is not considered to have any positive or negative impact on protected groups.
- 6.2 An Equalities Impact Assessment (EQUIA) has been undertaken and is included as Appendix D to this report.

7 Data Protection Implications

7.1 There are no Data Protection Implications associated with this decision.

8 Other corporate implications

8.1 The delivery of disposals in compliance with adopted policy and statutory duties is aligned with the Council's corporate objectives set out in the Medium-Term Financial Plan and Securing Kent's Future

8.2. Capital receipts will be reinvested back into service delivery and the modernisation of the Council's retained estate for the benefit of service users.

9 Governance

- 9.1 Authority is required to confirm final approval of the transaction to ensure compliance with Council's constitution. The total transaction value being in excess of £1m means that formal decision approval is required from the Cabinet Member responsible for the Property portfolio. Due to the timescales involved in the property transaction the decision is following the urgent decision pathway.
- 9.2 The Local Member was consulted as part of the initial disposal plan and Officer level decision process, as per the Council's constitutional requirements. No comments were made in respect of the proposal to dispose of the site.
- 9.3 The Director of Infrastructure will have delegated authority under this decision to take the necessary actions to finalise the sale and enter into relevant agreements to conclude the sale.

10 Conclusions

- 10.1 Sale of this property was previously approved through Officer level decision making in line with the Property Management Protocol and Asset Disposal Policy. The property proved extremely popular at auction with bids exceeding £1million. Approval is therefore sought to conclude the sale of the property under auction terms at £1,274,000 as detailed in this report.
- 10.2 The sale of the War Memorial to the local Parish Council referred to in this report is fully covered by existing authorities and will proceed as planned, subject to contract.

Recommendation(s):

As Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, I agree to:

- 1. Approve the sale of the property for £1.274m under the auction terms and conditions;
- 2. Confirm the Director of Infrastructure's decision under delegated authority to dispose of the property known as Rosemary Centre PRU, 189 High Road, Wilmington DA2 7DP, noting that the property's performance at auction exceeded the expectations underpinning the original disposal plan.
- 3. Delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to finalise the sale and take other actions including but not limited to, entering

into relevant contracts or other legal agreements, as necessary to implement this decision.

11. Appendices

- 11.1 Appendix A Exempt appendix to executive decision report.
- 11.2 Appendix B Site Plan Former Rosemary Centre.
- 11.3 Appendix C Site Plan War Memorial Land.
- 11.4 Appendix D Equality Impact Assessment EQiA.

12. Contact details

Report Author: Hugh D'Alton

Job title: Principal Surveyor, Disposals

Acquisitions, and Investment

Telephone number: 03000 41 88 35

Email address: Hugh.D'Alton@kent.gov.uk

Director: Rebecca Spore

Job title: Director of Infrastructure Telephone number: 03000 41 67 16

Email address:

rebecca.spore@kent.gov.uk