

From: **Robert Thomas, Cabinet Member for Environment**
Simon Jones, Corporate Director for Growth, Environment and Transport

To: **Environment and Transport Cabinet Committee**

Subject: **24/00068 - Heritage Conservation Strategy – Update on proposed change to Windmills Policy**

Key decision: **Yes**

- *It affects more than 2 Electoral Divisions*

Classification: **Unrestricted**

Past Pathway of report: **None**

Future Pathway of report: **None**

Electoral Division: **Cranbrook, Elham Valley, Gravesham Rural, Herne Village and Sturry, Gravesham Rural, Margate, Sandwich, Sevenoaks Rural, Tenterden.**

Summary: This report summarises the results of a public consultation on the proposed change to the approach to the maintenance and management of KCC's eight historic windmills. It outlines options considered, next steps and identifies the key objectives within the Heritage Conservation Strategy that would be affected by any subsequent changes.

Recommendation(s): The Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Environment regarding the proposed decision that:

1. KCC should seek to divest itself of the windmills it currently owns by a method that ensures that the windmills have a sustainable future in which they are appropriately cared for and maintained as community assets, and that
2. The Heritage Conservation Strategy is updated to this effect.

As shown at appendix A.

1. Introduction

1.1 KCC currently owns the freehold of eight historic windmills, located in eight different districts and boroughs across the county. The windmill properties, all of which are designated (listed) buildings of high grade, were acquired by KCC as 'owner of last resort' between the late 1950s and the mid-1980s. Some of the properties include small parcels of land and accompanying buildings; others include only the footprint on which the windmill structures stand.

- 1.2 Whilst in the Council's ownership, KCC has a statutory responsibility to maintain the windmills in good condition in order to protect the historic fabric of the buildings and their machinery. As the windmills are all publicly accessible and, in most cases, surrounded by residential properties, the Council has an additional responsibility to ensure that the buildings remain safe, and 'utilities compliant', for visitors and site users to enter.
- 1.3 Financial responsibility for the maintenance and management of these eight windmill properties rests solely with KCC, apart from small-scale investment by the mill groups. The annual cost to the Council of maintaining the windmills portfolio in a safe structural and mechanical condition is considerable. Management of the windmills is only possible, however, through the work of the Friends volunteer groups who carry out small scale maintenance tasks, operate the windmills and open them to the public.
- 1.4 KCC's approach to the management and maintenance of the windmills is set out in the adopted KCC Heritage Conservation Strategy (Appendix 1). Any changes to this approach would be considered a change of policy. In addition, as each windmill is located in a different district or borough, any proposed change of policy would constitute a key decision.
- 1.5 A strategic review of KCC's windmill assets was undertaken in 2023 by a task and finish group comprising officers from Infrastructure, Environment and Circular Economy and Finance. Five key considerations were evaluated:
 - A) The heritage value of the windmills,
 - B) Current arrangements for managing the windmills,
 - C) The potential for divestment of the windmills,
 - D) The potential for alternative uses for the windmills,
 - E) KCC's current financial situation.
- 1.6 Divestment of each of the eight sites was identified as the most financially advantageous option for KCC. By identifying alternative ownership arrangements for each of the sites, KCC would save the annual costs associated with maintaining the buildings in a safe and accessible condition.
- 1.7 Divestment of the windmills would be a change to the policy set out in the adopted Heritage Conservation Strategy. As the Heritage Conservation Strategy was adopted following a public consultation, a public consultation is required in advance of a final decision on the change in policy. This was discussed at a meeting of the Environment and Transport Cabinet Committee on 15th November 2023.
- 1.8 This report provides an update on the public consultation that was subsequently undertaken. The consultation ran for nine weeks ([Windmills owned by KCC | Let's talk Kent](#)) from 28 November 2023 until 29 January 2024. The consultation invited residents, windmill and heritage volunteer groups and any other interested parties to provide views on the proposal to seek alternative arrangements for the ownership of these windmills.
- 1.9 To raise awareness of the consultation and encourage participation, the following actions were undertaken:

- Meeting held with windmill managers ahead of the consultation launch to provide information on the proposal and ask for their support in promoting the consultation.
- Email sent to stakeholder database and those registered with Let's talk Kent who had expressed an interest in being kept informed of consultations regarding 'Arts and culture' and 'Environment and countryside' (8,559 people) and to those who participated in the 2021 Heritage Conservation Strategy consultation and asked to be kept informed (258 people).
- Voluntary groups managing the windmills asked to promote the consultation locally.
- Media release issued – <https://news.kent.gov.uk/articles/views-wanted-on-proposals-for-kents-windmills>.
- Promotion through the Kent Association of Local Councils (KALC).
- Banners added to relevant pages on Kent.gov.
- Promotion via social media including, KCC's corporate channels (X, Facebook, Instagram, Nextdoor and LinkedIn), the Heritage Conservation Facebook page and information shared on dedicated windmills forum on Facebook.
- Articles in KCC's residents e-newsletter.
- Briefing email to all KCC Members and promotion on staff communication channels.

2. Public consultation results

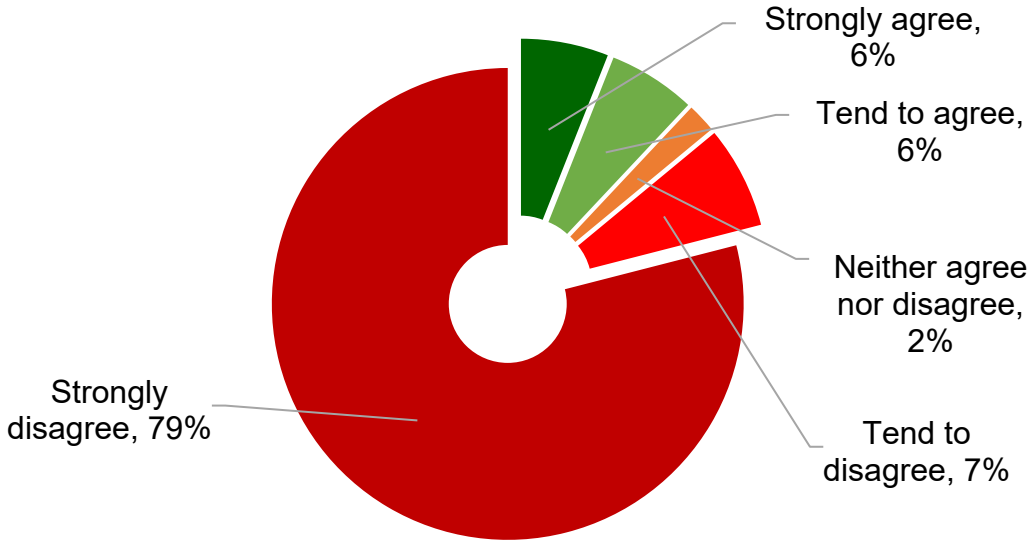
2.1 The consultation results were analysed, and a written report prepared by Lake Market Research (see Appendix 2). A summary of the results is provided below.

2.2 There were 2,330 responses to the consultation:

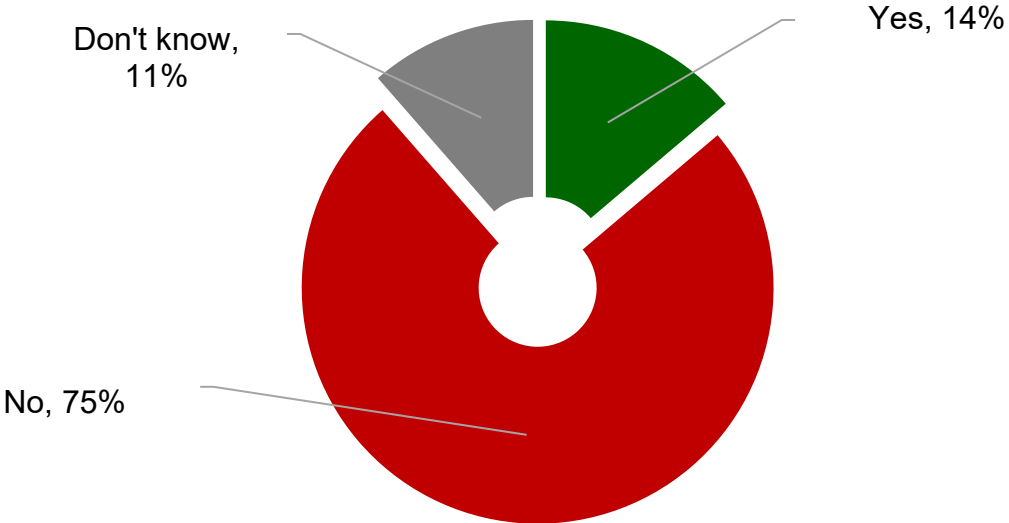
- 2,245 consultation questionnaire responses were received - 1,759 were submitted online and 486 questionnaires were submitted in hard copy or by email.
- An edited version of the consultation questionnaire was used by consultees to collect feedback regarding Herne Mill. 63 responses were received via this questionnaire. The responses have been combined with the data collected from the official consultation questionnaire and have been included in the analysis.
- A second edited version of the consultation questionnaire was used and submitted by 2 consultees, entitled Save our Windmills. Open feedback from these questionnaires has been considered in the analysis.
- An additional 20 emails were received by the KCC project team. Their open feedback has been combined with that collected from the official consultation questionnaire and they have been included in the analysis.
- The majority of consultees who responded are residents of Kent (89%); 4% of consultees are residents that live outside of Kent, including Medway. 44 questionnaire submissions were received on behalf of windmill and heritage volunteer groups (2%). Responses were also received from community / resident associations, professional organisations working in the heritage sector, local councils and councillors and VCS organisations.

2.3 Feedback from all the sources has been combined in a summary in the consultation report (Appendix 2).

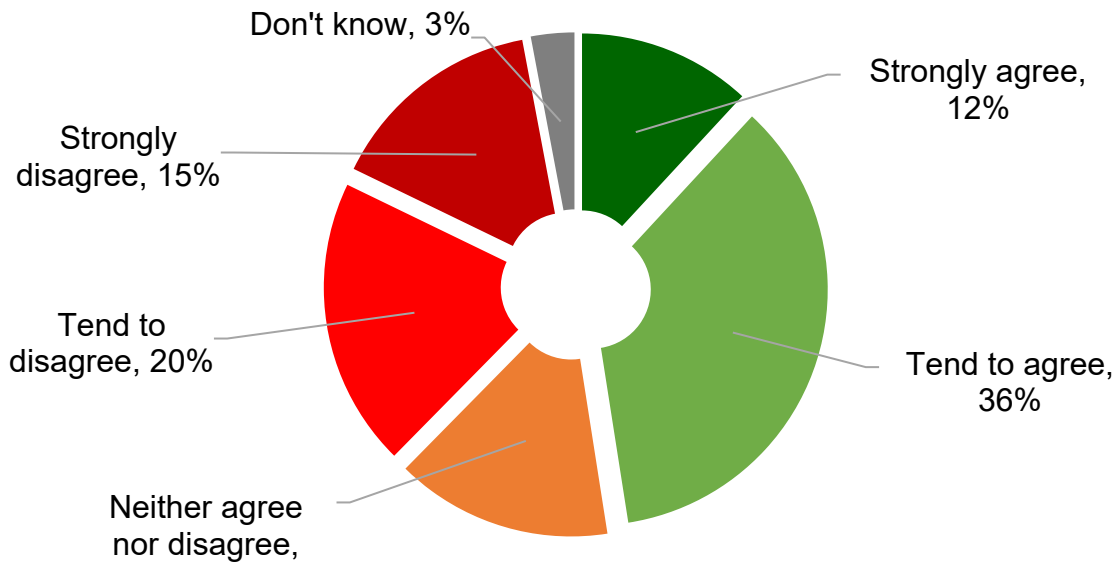
- 83% of consultees have visited at least one of the eight KCC Windmills
- 11% of respondents agree in principle with KCC's proposal to find alternative arrangements for the ownership and/or financial responsibility for KCC owned windmills and 87% of respondents disagree (79% strongly disagree).



- 14% of respondents indicated that they would change their mind if a local interest, voluntary or community group(s) were to take on ownership of the windmills; 75% indicated they would not change their mind and 11% indicated they are not sure. The main reasons cited by those who would change their mind are that windmills will be locally owned / funded / managed, windmills will be preserved / not developed / demolished and local groups might have more interest / have a vested interest in operating them.



- The consultees who indicated they would change their agreement rating were then asked to indicate their level of agreement with the proposal to seek alternative arrangements for KCC owned windmills for the second time. 48% indicated they agree in principle with KCC's proposal to find alternative arrangements for the ownership and/or financial responsibility for KCC owned windmills 35% indicated they disagree in principle with KCC's proposal to find alternative arrangements.



2.4 Consultees were asked to detail their reasons for their level of agreement with the proposal to find alternative arrangements for ownership and/or financial responsibility for KCC owned windmills in their own words. 86% of consultees provided a comment at this question. The comments have been reviewed and grouped into themes in the consultation report and are summarised below. A selection of verbatim quotes is included in the consultation report.

2.5 The majority of comments referred to reasons why consultees disagree with the proposal.

- The most common theme noted is that the windmills are part of the County's heritage / culture / history / community assets and should remain so moving forward (50%).
- There is concern for the protection / longevity of windmills with 32% commenting that windmills must be preserved / safeguarded for the future / concerned they could be at risk of demolition / development, 24% commented that proposals won't guarantee funding / there is a lack of funding and 17% commented they are concerned the windmills won't be maintained / fall into disrepair.
- 27% commented that the windmills must remain in public ownership / be the responsibility of KCC and 15% commented they should not be privately owned / they are at risk if sold to private owners.
- 9% commented that the suggested savings made from the proposal are small in comparison to the funding required by KCC.

2.6 Respondents were asked if they had suggestions for alternative arrangements. The most common alternative suggestions put forward included income generation through donations / fundraising / charging entrance fees (10%),

raising awareness of the windmills (9%), offer tours / open museums / shops selling merchandise / cafes (8%). The majority of remaining suggestions involve collaboration / working with others such as lottery funding (5%), English Heritage / National Trust (5%), communities / volunteer groups (4%), local businesses (4%). Suggestions also include applying to Historic England for more funding and setting up a Trust.

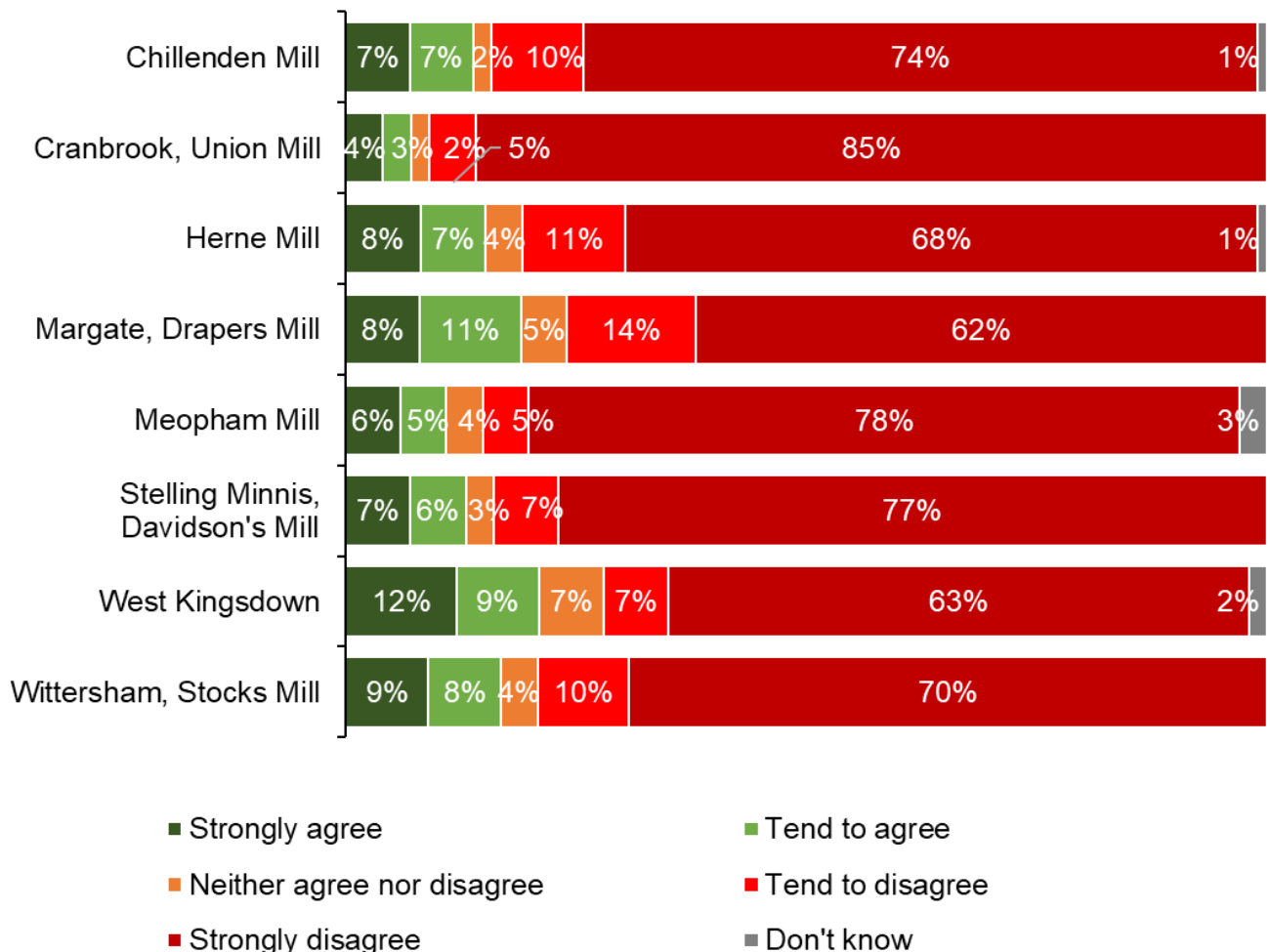
2.7 Detailed responses were also provided as letters from professional bodies such as Historic England, Kent Conservation Officer’s Group, and the Society for the Protection of Ancient Buildings. Comments from professional bodies included:

- Managing the windmills requires an appropriate level of specialist knowledge (such as that held by KCC Heritage Conservation),
- Transfer of ownership into private hands would be against public interest as privately owned windmills are less likely to be open to the public, and
- A decision to transfer ownership of the windmills was premature and required further consideration of the circumstances of each windmill and an analysis of options.

2.8 The consultation questionnaire provided the opportunity to provide feedback on each of the windmills individually; the following chart can be found in the Consultation written report (page 32).

Figure 1 – Summary of individual windmill feedback.

To what extent do you agree or disagree with our proposal to find alternative arrangements for the ownership and/or financial responsibility for...? Base: all answering (varies for each windmill)



3. Options

- 3.1 Following consideration of the feedback from the consultation, a number of options have been identified as to how KCC proceeds:
- 3.2 **Option 1: Do nothing** and retain ownership of the windmills. This option does not reduce the cost to KCC of maintaining the windmills and was therefore rejected.
- 3.3 **Option 2: Retain the windmills but look to reduce the financial input from KCC.** Whilst income generation ideas were suggested through the consultation, the scalability and deliverability of these are unclear. Community based owners would also be eligible for a wider range of grants than currently available to KCC. It is therefore not just in KCC's interests that the mills find new owners but potentially in the best interest of the mills themselves. This option was therefore rejected.
- 3.4 **Option 3: Recommended Option - KCC divests itself of the windmills.** Officers are proposing to explore the most effective way to divest, based on the local circumstances of each windmill. Considering the unique character of each windmill, as detailed in Table 1 below, one option is to explore the establishment of charitable trust models. These models could be tailored to accommodate the distinct features and requirements of each windmill, developed in collaboration with interested parties. This approach could provide a bespoke solution that aligns with the specific needs and potential of each site. The consideration of charitable trust models would be subject to feasibility and alignment with KCC's objectives, KCC's Property Assets Disposal Policy where applicable and KCC's Heritage Conservation Strategy. However, the explorative work to enable recommendations on the most appropriate divestment option for each windmill has not been concluded and therefore a range of options are still open for consideration. Any individual divestment option would be subject to consideration before final agreement to proceed was undertaken.

Table 1 – Characteristics of the windmills

Windmill	999-year lease/ restrictive covenant	Within another property or surrounded by another property	Mill building only in freehold	Vehicle access [*restricted]	Mill volunteer group
Chillenden	No	Yes	No	Yes	Yes
Davison's, Stelling Minnis	No	No	No	Yes	Yes
Drapers, Margate	No	No	No	Yes	Yes
Herne	No	No	No	Yes*	Yes
Meopham	Yes	Yes	Yes	Yes*	Yes

Stocks, Wittersham	Yes	Yes	Yes	No	Yes
Union Mill, Cranbrook	No	Yes	Yes	Yes*	Yes
West Kingsdown	Yes	Yes	Yes	Yes*	No

4. Relevance to the KCC Heritage Conservation Strategy

4.1 KCC's Heritage Conservation Strategy was adopted in 2022. It includes specific objectives relating to the eight windmill sites:

Objective 6: Follow a management approach to KCC-owned windmills, so that:

- i) Mills capable of milling flour (Drapers Mill, Margate, and Cranbrook Mill) remain able to do so.
- ii) The weatherproofing programme will be undertaken as needed on a rolling cycle.
- iii) Static mills will be returned to visual completeness subject to funding.
- iv) Static mills will be made active wherever possible [also Strategic Aim 3].

Objective 7: KCC's relationship with the windmill volunteer groups will be strengthened [Also Strategic Aim 3]. and

Objective 8: Explore alternative funding mechanisms for the windmills, including setting up a charitable Trust to oversee management, and develop a funding strategy [also Strategic Aim 3].

4.2 If KCC is to divest itself of any or all of the windmills Objectives 6, 7 and 8 would need to be amended to reflect this change. If it is not possible to transfer ownership of any of the windmills, Objectives 6 and 7 would need to remain in place.

5. Financial Implications

5.1 The most significant budgetary impact which could be delivered from the divestment of these heritage assets, is the reduction of future capital expenditure which is currently funded through a revenue contribution to capital outlay.

5.2 Revenue costs – The total annual revenue budget within the service and Corporate Landlord amounted to £236,800 in 2022/23 which was inclusive of a £200,000 annual revenue contribution to capital outlay (RCCO) (see Tables 2 and 3); this RCCO reduces to £150,000 in 2024/25. There is a small revenue budget in Heritage Conservation for essential items such as fire alarms, fire extinguishers and millwright inspections, and a slightly larger budget in Infrastructure to cover other compliance matters such as fixed wiring and water inspections. Additionally, the current salary costs associated with the Windmill service is approximately £35,000 based on apportionment of officers' time. This is unlikely to be a cashable saving as the officer's time would be reallocated to other critical tasks.

Table 2 - Revenue position in 2022/23 by Windmill

Site	Budget			Outturn			Variance		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Chillenden	£4,100	£0	£4,100	£9,911		£9,911	£5,811	£0	£5,811
Cranbrook	£3,800	£0	£3,800	£7,126		£7,126	£3,326	£0	£3,326
Herne	£7,000	£0	£7,000	£7,585		£7,585	£585	£0	£585
Drapers	£6,100	£0	£6,100	£11,858		£11,858	£5,758	£0	£5,758
Meopham	£4,200	£0	£4,200	£7,400		£7,400	£3,200	£0	£3,200
Stelling Minnis	£5,000	£0	£5,000	£9,462		£9,462	£4,462	£0	£4,462
West Kingsdown	£1,300	£0	£1,300	£4,612		£4,612	£3,312	£0	£3,312
Stocks (Wittersham)	£1,800	£0	£1,800	£4,768		£4,768	£2,968	£0	£2,968
Windmills General	£203,500	£0	£203,500	£202,870		£202,870	£-630	£0	£-630
Totals	£236,800	£0	£236,800	£265,591	£0	£265,591	£28,791	£0	£28,791

5.3 Capital costs – as noted, expenditure is currently funded by an annual revenue contribution to capital outlay (RCCO) which for 2024/25 is £150,000. Each windmill requires cyclical capital investment to maintain weatherproofing and undertake essential repairs. The amount varies considerably per windmill depending on size of mill and complexity of the repair. Table 3 shows the capital spend per windmill since 2019/20.

Table 3 - Actual Capital Spend by Windmill since 2019/20

Site	19/20 Spend	20/21 Spend	21/22 Spend	22/23 Spend	23/24 Spend	Total
Chillenden Windmill	18,515.00	18,230.00	0.00	900.00	0.00	37,645.00
Cranbrook Windmill	0.00	38,820.00	211,405.76	37,716.66	3,520.00	291,462.42
Meopham Windmill	0.00	9,590.00	56,793.50	123,164.50	80,825.00	270,373.00
Stelling Minnis Windmill	0.00	0.00	18,881.90	47,992.86	133,477.23	200,351.99
West Kingsdown Windmill	18,627.00	120,112.00	0.00	0.00	0.00	138,739.00
Wittersham Windmill	0.00	0.00	0.00	60,203.00	3,700.00	63,903.00
Drapers Mill Windmill	48,183.00	8,850.00	0.00	9,200.00	11,102.11	77,335.11
Herne Windmill	0.00	18,900.00	0.00	23,393.93	13,025.00	55,318.93
Totals	85,325.00	214,502.00	287,081.16	302,570.95	245,649.34	1,135,128.45

5.4 Major capital works and weatherproofing have been carried out at several of the windmills in the last five years (see Table 3). The need for such works is expected to reduce from this year onwards and from 2025 major investment is expected to be focussed primarily on Herne and Drapers Windmills, subject to funding. Regular minor repairs and checks by expert millwrights are essential to reducing the need for major works. Proposed capital expenditure over the next five years is set out in Table 4.

Table 4 – Service Proposed Future Capital Expenditure

	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Total	£150,400	£100,000	£185,700	£100,000	£121,600	£657,700

5.5 The capital and revenue requirements and obligations sit within the overall financial context and the need to limit spending to balance the Council’s overall budget position. The current MTFP for the capital programme is severely limited in respect of the Modernisation of Assets budget relating to all of the Council’s other asset estate. In light of this, keeping capital spending to a minimum is vital.

6. Equalities implications

6.1 An Equality Impact Assessment has been completed and negative implications have been identified for age along with mitigating actions.

The Equality Impact Assessment will be updated for each divestment option identified to ensure that the mitigating actions continue to respond to any negative implications for age.

7. Other Corporate Implications

7.1 Any divestment activity would need to take account of KCC’s Property Assets Disposal Policy and be co-ordinated with the KCC Infrastructure Team.

8. Conclusions

8.1 After consideration of all factors including the recommendations of the 2022-23 Strategic Review, the public consultation and the Council’s budget position, it is concluded that KCC should seek to divest itself of the windmills it currently owns whilst seeking to ensure that the windmills have a sustainable future in which they are appropriately cared for and maintained as community assets, subject to feasibility and alignment with KCC’s objectives and KCC’s Property Assets Disposal Policy where appropriate and KCC’s Heritage Conservation Strategy.

8.2 The next step to progress divestment would be to investigate the feasibility and legal implications of transfer of ownership to include, but not limited to, the establishment of a trust or series of trusts for this purpose. There will be small scale costs associated with obtaining the relevant legal and professional advice to progress this.

9. Recommendation

Recommendation:

The Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Environment regarding the proposed decision that:

1. KCC should seek to divest itself of the windmills it currently owns by a method that ensures that the windmills have a sustainable future in which they are appropriately cared for and maintained as community assets, and that
2. The Heritage Conservation Strategy is updated to this effect

As shown at Appendix A.

10. Appendices

10.1 Appendix A: Proposed Record of Decision

10.2 Appendix B: EqlA

10.3 Appendix 1: [Kent Heritage Conservation Strategy](#)

10.4 Appendix 2: Consultation Written Report

11. Contact details

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