

# KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

## DECISION TO BE TAKEN BY:

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

## DECISION NO:

24/00083

## For publication

Key decision: YES

## Subject Matter / Title of Decision: Old Rectory Business Centre Management Contract

### Decision:

As Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

- (i) APPROVE and DELEGATE to the Director of Growth and Communities to extend the current contract period for a period of nine months to allow time to undertake the disposal.
- (ii) AGREE that the necessary steps can be taken to dispose of the Old Rectory Business Centre in Northfleet as a going concern.
- (iii) 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 terms of the disposal and execution of all necessary or desirable documentation required to implement the above.

### Reason(s) for decision:

The Old Rectory Business Centre in Northfleet is a KCC-owned facility that has been offering high quality office space to local businesses since 2009. The current contractual arrangements with the company that manages the day-to-day operation of the centre will expire on 30 November 2024. Kent County Council is seeking to determine next steps for the facility and five options for the future of the site are outlined in this report. In the light of 'Securing Kent's Future' which requires a review of all discretionary expenditure, KCC is proposing to dispose of the asset as a going concern. This would provide a one-off capital receipt for KCC while ensuring the continued availability of in-demand workspace premises in Gravesham, the lack of which is a recognised constraint on the expansion of local small and medium sized enterprises.

### Cabinet Committee recommendations and other consultation:

The proposed decision will be considered by members of the Growth, Economic Development and Communities Cabinet Committee at their meeting on 11 September.

### Any alternatives considered and rejected:

- **Initiate a full Public Contracts Regulations compliant procurement exercise to provide management services to run the facility on behalf of KCC.** This option would not fully support the objectives of Securing Kent's Future to review all discretionary spend despite the potential for long-term income generation.
- **Dispose of the asset.** This option would pose a significant risk to the tenant businesses on the site which employ over 100 people and may also lead to redundancies for the site management team were the site to no longer operate as a business centre.
- **Extend the current contract for a duration of 2-years.** This option would not permit KCC to

test the market to ensure both price and best value and would not fully support Securing Kent's Future.

- **KCC to take over the management of the facility.** This option would require KCC to cover all operational costs as well as procuring and managing the core property management services and providing centre staff and is therefore not recommended at a time where all discretionary activities are under review.

**Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:**

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signed

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date