

From: Rebecca Spore, Director of Infrastructure

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

Subject: Freehold disposal of Former Aylesford CTS Workshops, Landscape Services Depot and Rear of Danepack located at Forstal Road, Maidstone. (Herein referred to as Aylesford Depot)

Decision no: 25/00013

Key Decision: Yes, the decision involves expenditure or savings of maximum £1m

Classification: *Unrestricted report with exempt appendix A, not for publication under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 - Information relating to the financial or business affairs of any particular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

Future Pathway of report: Cabinet Member Decision

Electoral Division:

Local Member Malling North East – Local Member, Andrew Kennedy
Adjoining/Adjacent to Maidstone Rural North - Local Member, Sir Paul Carter

Is the decision eligible for call-in? Yes

Summary: This report considers the proposed disposal of Former Aylesford CTS Workshops, Landscape Services Depot and Rear of Danepack located at Forstal Road, Maidstone.

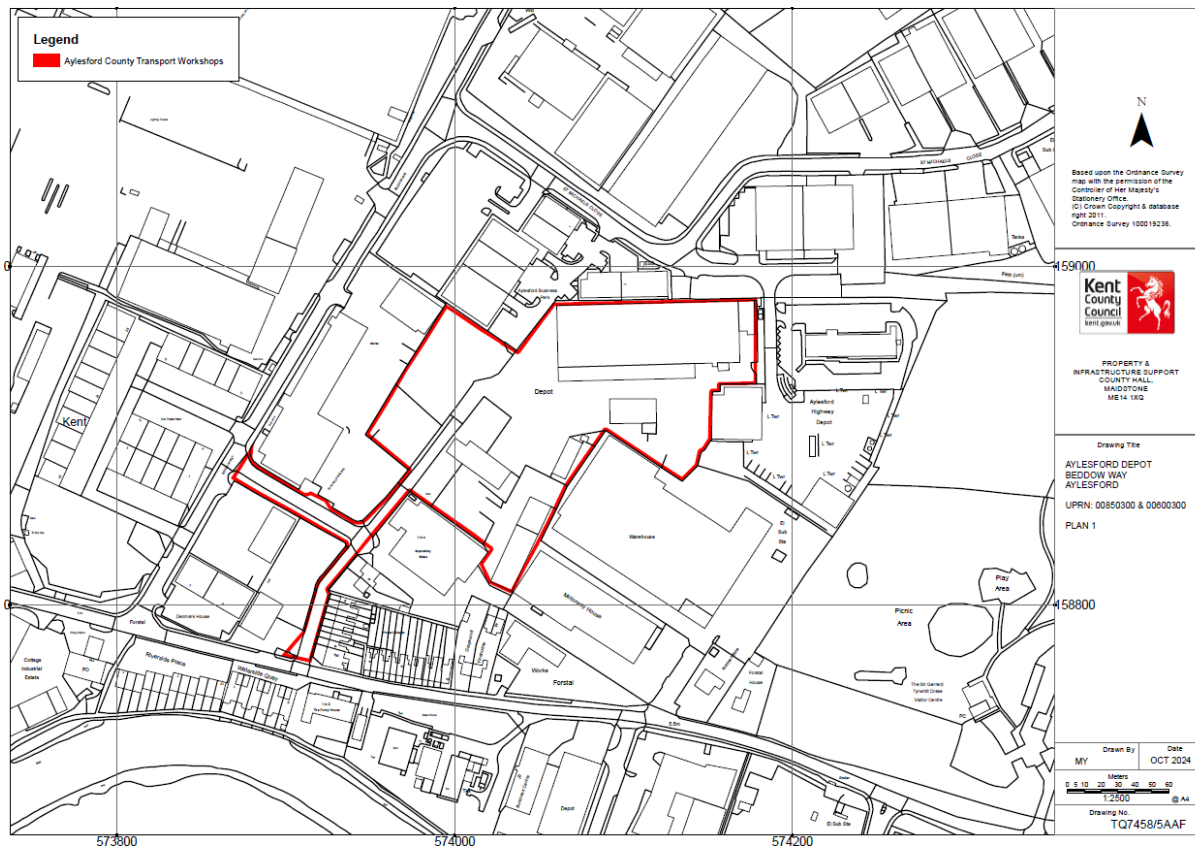
Recommendations:

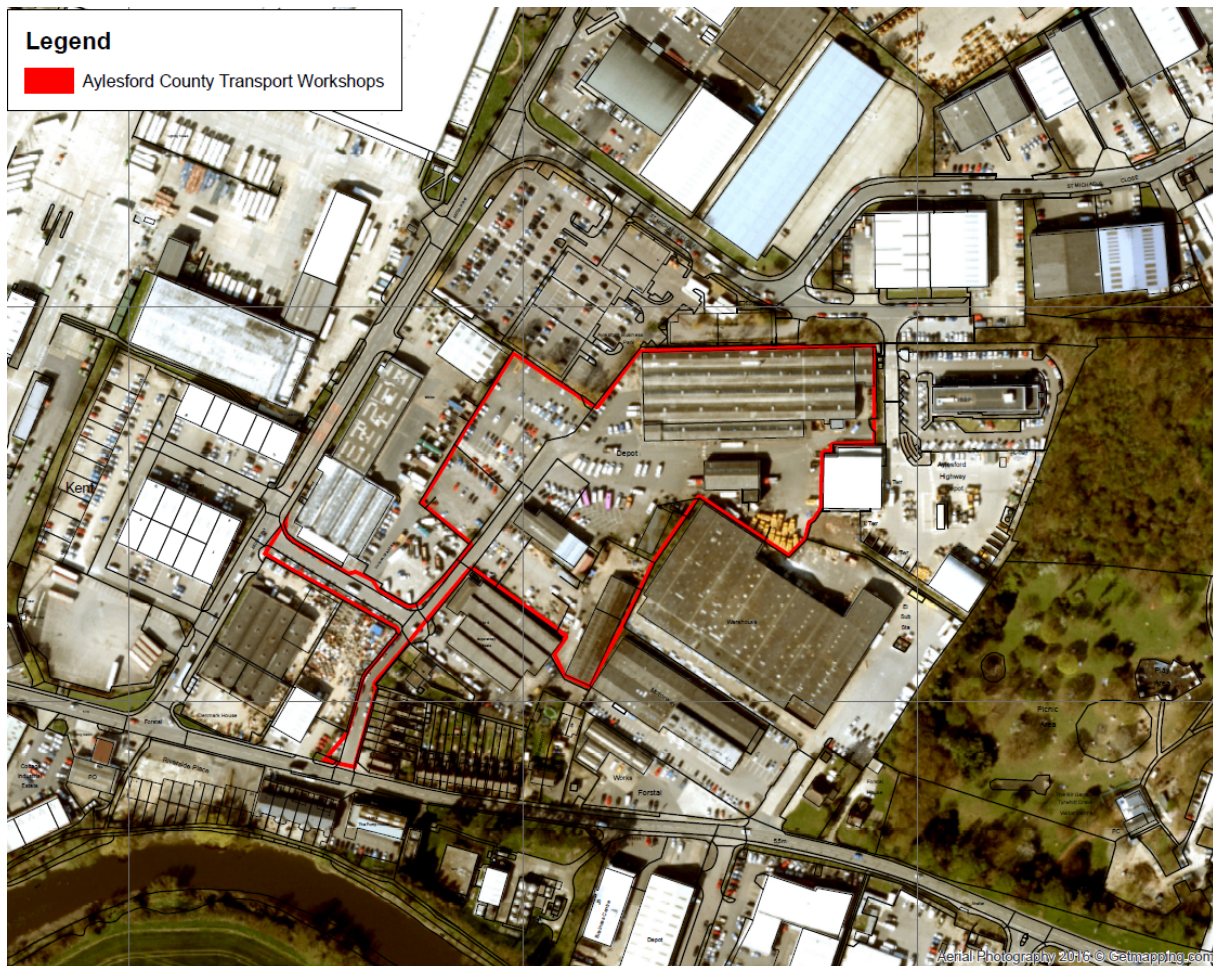
The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services is asked to consider and endorse or make recommendations on the proposed decision to agree to:

1. the disposal of Former Aylesford CTS Workshops, Landscape Services Depot and Rear of Danepack located at Forstal Road, Maidstone;
 2. 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; and
 3. note that the implementation of this decision is subject to any additional approvals or consents (such as Asset of Community Value, open space consultation, etc) as required by law.
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1. Introduction

- 1.1 This report considers the Council's intention to sell the Former Aylesford CTS Workshops, Landscape Services Depot and Rear of Danepack located at Forstal Road, Maidstone.
- 1.2 The property is located within a well-established industrial location approximately 1.5 miles from Junction 5 of the M20 Motorway. Maidstone town centre is approximately 3 miles to the South East.
- 1.3 Site plan below shows redline boundary for the proposed disposal. Attached at Appendix B. It should be noted that the final red line may be adjusted slightly to ensure that there is sufficient space retained to support the Aylesford Highways depot and any expansion requirement.





- 1.4 Exempt Appendix A includes a full analysis of options with financials included. This information is commercially sensitive.

2. Background

- 2.1 The property extends to approximately 5.2 acres and comprises a combination of cleared concrete/hardstanding areas and various obsolete buildings, previously used as Highways Depot and Landscape Workshops. The property and buildings have been declared surplus by the Council as they are no longer required for operational purposes.
- 2.2 KCC first acquired the site in late 1950s with the CTS Workshops operating as part of the Highways Division from at least 1968 until closure in recent years.
- 2.3 There was a large amount of demolition completed on both sites in 2021, and most of what remains is now just open hardstanding. There are no buildings left on the Former Landscape Services site and only two buildings remaining on the Former CTS Workshop site. These are known as B Block, which is a sizeable garage/workshop, and H Block, which is a two-storey office block with some further storage capacity.
- 2.4 The 'Land at Rear of Danepack' is essentially an unadopted access road that serves the sites and has some parking on the north side.
- 2.5 There are currently four active lease agreements within the proposed disposal site.

- 2.6 The Council reviewed its options for the site and considered that it had no use for the asset and consequently, as required by the Local Government Act, a disposal would be the best course of action.
- 2.7 It is now considered preferable to dispose of the site on the open market, on an 'all enquiries' basis and any bids will be assessed against KCC's policies and financial requirements.
- 2.8 The disposal value is in excess of £1m and therefore a Key Decision will be required. Therefore, to avoid unexpected delays in the disposal process, a Key Decision is being sought in advance of marketing.

3. Options considered and dismissed, and associated risk

- 3.1 **Reuse the site:** KCC has no operational requirement for the site.
- 3.2 **Continue to hold the site vacant in case of a future requirement:** Continuing to hold the site will leave the Council with significant ongoing costs for securing against unauthorised access and potential claims for injuries arising from any trespassing. Continuing deterioration of the remaining buildings remains an inherent risk for KCC. The buildings have deteriorated too far to bring them back into operable condition without substantial investment prior to any re-occupation and use.
- 3.3 **Disposal of the asset:** A freehold disposal will allow a capital receipt to be generated for reinvestment back into the Council's stated capital priorities and support the delivery of the Council's statutory obligations.
- 3.4 **Recommended option:** A freehold disposal is the preferred option for the site, seeking offers on an 'all enquiries' basis to ensure all potential interest is explored in line with the Council's statutory duties.

4. Marketing

- 4.1 Subject to the necessary approvals being forthcoming, KCC will appoint a suitably qualified agent to openly market the site in Q2 2025 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 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 KCC Freehold Asset Disposal Policy and any other relevant Council policies.
- 4.4 Following the formal submission of bids, these will be assessed considering:
- Ability for the purchaser to complete within the proposed timescales
 - Overall price, any pricing caveats or exclusions
 - Any conditionality on the proposals and the deliverability of those

- Deliverability of the proposals submitted, if they are reliant on the planning process.
- Funding security
- Any benefit cost that may be relevant

5. Financial Implications

- 5.1 The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital Programme.
- 5.2 The disposal of the property will remove holding costs associated with the site, easing pressure on revenue budgets.
- 5.3 Further financial information is set out in the exempt appendix A.

6. Legal implications

- 6.1 The Council has an overarching duty under Section 123 of the Local Government Act 1972 to secure not less than best consideration in respect of property disposals. It also has a fiduciary duty to the residents of Kent.
- 6.2 External legal advisors will be appointed in consultation with General Counsel.

7. Equalities implications

- 7.1 An Equalities Impact Assessment (EqIA) has been undertaken and identified no direct equalities implications arising from the disposal of the site.

8. Data Protection Implications

- 8.1 As part of this approval process and in the handling of marketing/conveyancing of the site Data Protection regulations will be observed. No data or records are stored on site.
- 8.2 A Data Protection Implication Assessment (DPIA) screener has confirmed that there are no DPIA implications and that a further DPIA assessment is not required in respect of this decision.
- 8.3 The site has been inspected and no sensitive material remains on site.

9. Other corporate implications

- 9.1 This decision will not have any impact on other areas of the Council's work, and it should be noted that as part of the final disposal area the redline may be changed slightly to ensure that the highway depot has the appropriate provision and expansion space.

10. Governance

- 10.1 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 will be sought and will be reported to the Cabinet Member taking the decision.

- 10.2 Delegated authority is to be given 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 extension, new promotion agreement and disposal and execution of all necessary or desirable documentation required to implement the decision.

11. Next Steps and Conclusions

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

Stage	Timescale
Marketing	Q2 2025
Bid Appraisal	Q2 2025
Exchange of contracts	Q3 2025
Completion of sale assuming unconditional sale	Q4 2025
Completion of sale assuming conditional sale	Q2 2027

- 11.2 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, it is recommended that this site is progressed for disposal.

12. Conclusions

- 12.1 The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital Programme.
- 12.2 The disposal of the property will remove holding costs associated with the property easing pressure on revenue budgets.

Recommendations:

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 agree to:

1. the disposal of Former Aylesford CTS Workshops, Landscape Services Depot and Rear of Danepack located at Forstal Road, Maidstone;
 2. 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; and
 3. note that the implementation of this decision is subject to any additional approvals or consents (such as Asset of Community Value, open space consultation, etc) as required by law.
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13. Appendices / Background Documents

- 13.1 Appendix A – Exempt Appendix A
- 13.2 Appendix B – Site Plan
- 13.3 Appendix C – Proposed Record of Decision
- 13.4 Appendix D – Equalities Impact Assessment

14. Contact details

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