

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Paul King
Cabinet Member for Economic Development & Coastal
Regeneration

DECISION NO:

25/00043

For publication**Key decision: YES****Subject Matter / Title of Decision** Old Rectory Business Centre Management Contract**Decision:**

The Cabinet Member for Economic Development & Coastal Regeneration is asked to:

1. APPROVE the extension of current contractual arrangements for three months from (1 September 2025) to (30 November 2025) and undertake a procurement process to secure management services for a further 12 months with extension clauses to 30 November 2026 to allow time to undertake the disposal and ensure that any new owner has the option of an existing management company in place.
2. CONFIRM the decision to dispose of the Old Rectory Business Centre in Northfleet as a going concern as detailed in decision 24/00083.
3. DELEGATE authority to the Director of Growth and Communities, working with the Director for Infrastructure in consultation with the Cabinet Member for Economic Regeneration and Coastal Communities to exercise relevant contract extensions and oversight of a procurement process and enter into relevant contracts or legal agreements.
4. DELEGATE authority to the Director of Growth and Communities to take other relevant actions, including but not limited to finalising the terms of and entering into required contracts or other legal agreements, as necessary to implement the decision to extend and reprocur management services.

Reason(s) for decision:

The Old Rectory Business Centre in Northfleet is a KCC-owned facility that has offered high quality office space to local businesses since 2009. In September 2024 the Growth, Economic Development and Communities Cabinet Committee agreed that the necessary steps be taken to dispose of the property as a going concern. The Committee also approved an extension to the current management contract for a period of nine months (expires at end of August 2025) to allow time to undertake disposal. Whilst good progress has been made in preparation for the disposal, further extension of 15 months to contractual arrangements is now required to continue the process.

Cabinet Committee recommendations and other consultation:

The proposed decision is being considered by Members of the Growth, Economic Development and Communities Cabinet Committee at their meeting on 1 July 2025.

Any alternatives considered and rejected:

- **Extend the current management contract for a duration of 15 months to the end of November 2026** to complete the property disposal process and ensure smooth handover of control. The Director of Growth and Communities will have delegated authority to enter into the contract extension. The contract will continue as per the current terms and conditions for three months but would not enable KCC to test the market to ensure best value or to seek the views of current tenants regarding the current service provision and any enhancements that

could be made. The service provider has indicated that they would agree to a contract extension. The proposed contract extension is permissible in line with Clause 2.2 of the current contract document.

- **Do nothing** and allow the management contract to end on 31st August 2025. This is not a preferred option, as this could lead to the closure of the centre which would be highly detrimental to businesses located at the centre and damaging to the local economy and local residents employed at the centre. Gravesham borough has a shortage of office space for SMEs, as detailed in the previous GEDCCC report.

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