

# Agenda

## Economy and Property Committee Meeting

Date: Tuesday, 8 July 2025

Time 7.00 pm

Venue: Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT

Membership:

Councillors Monique Bonney (Chair), Hayden Brawn, Ann Cavanagh, Shelley Cheesman, Simon Clark, Alex Eyre, Peter Marchington, Kieran Mishchuk, Lee-Anne Moore, Richard Palmer, Carrie Pollard, Sarah Stephen, Terry Thompson, Mark Tucker and Ashley Wise (Vice-Chair).

Quorum = 5

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**Pages**

### Recording and Privacy Notice

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- (a) The fire alarm is a continuous loud ringing. In the event that a fire drill is planned during the meeting, the Chair will advise of this.
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nearest safe exit and gather at the assembly point on the far side of the car park. Do not leave the assembly point or re-enter the building until advised to do so. Do not use the lifts.

- (d) Anyone unable to use the stairs should make themselves known during this agenda item.

2. Apologies for Absence

3. Minutes

To approve the [Minutes](#) of the Meeting held on 9 April 2025 (Minute Nos. 797 – 805) and the [Meeting](#) held on 14 May 2025 (Minute Nos. 22 – 23) as correct records.

4. Declarations of Interest

Councillors should not act or take decisions in order to gain financial or other material benefits for themselves, their families or friends.

The Chair will ask Members if they have any disclosable pecuniary interests (DPIs) or disclosable non-pecuniary interests (DNPIs) to declare in respect of items on the agenda. Members with a DPI in an item must leave the room for that item and may not participate in the debate or vote.

Aside from disclosable interests, where a fair-minded and informed observer would think there was a real possibility that a Member might be biased or predetermined on an item, the Member should declare this and leave the room while that item is considered.

Members who are in any doubt about interests, bias or predetermination should contact the monitoring officer for advice prior to the meeting.

5. Forward Decisions Plan 5 - 6

6. 34 High Street, Sittingbourne - Disposal 7 - 14

7. Exclusion of the Press and Public

To decide whether to pass the resolution set out below in respect of the following item: That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3:

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

8. Appendix 2 - 34 High Street, Sittingbourne 15 - 16

9. Beach Hut Phase 1 Tender Award Update 17 - 22

10. Exclusion of the Press and Public

To decide whether to pass the resolution set out below in respect of the following item: That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3:

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

11. Appendix I - Beach Hut Phase 1 Tender Award

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**Issued on Friday, 27 June 2025**

The reports included in Part I of this agenda can be made available in alternative formats. For further information about this service, or to arrange for special facilities to be provided at the meeting, please contact [democraticservices@swale.gov.uk](mailto:democraticservices@swale.gov.uk). To find out more about the work of this meeting, please visit [www.swale.gov.uk](http://www.swale.gov.uk)

**Chief Executive, Swale Borough Council,  
Swale House, East Street, Sittingbourne, Kent, ME10 3HT**

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## Economy and Property Committee Forward Decisions Plan – July 2025

Report title, background information and recommendation(s)	Date of meeting	Open or exempt	Lead Officer and report author
VCS Lettings Policy - Refresh	8 October 2025	Open	Head of Service: Joanne Johnson Report Author:
Bourne Place / Princes Street – contract award	TBC	Part Exempt	Head of Service: Joanne Johnson Report Author: Kieren Mansfield
Great East Hall – future of land	TBC (not before January 2026)	Part Exempt	Head of Service: Joanne Johnson Report Author: Kieren Mansfield
Old Library – review of disposal decision (was previously named as 44 Trinity Road – future of property)	TBC (not before August 2026)	Part Exempt	Head of Service: Joanne Johnson Report Author: Kieren Mansfield
Shared Prosperity Funds – 2026/27	January/March 2026	Open	Head of Service: Joanne Johnson Report Author:

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<b>Economy and Property Committee</b>	
<b>Meeting Date</b>	8 <sup>th</sup> July 2025
<b>Report Title</b>	34 High Street, Sittingbourne - Disposal
<b>EMT Lead</b>	Emma Wiggins, Director of Regeneration and Neighbourhoods
<b>Head of Service</b>	Joanne Johnson, Head of Place
<b>Lead Officer</b>	David Johnson, Property Consultant
<b>Classification</b>	<b>Part Exempt</b>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That the Council in its role as shareholder in Opportunities for Sittingbourne Limited agree with its partner U+I Ltd to dispose the freehold interest in 34 High Street, Sittingbourne.</li> <li>2. That the property be declared surplus and placed on the open market to affect a freehold disposal.</li> <li>3. That authority is delegated to the Head of Place, in consultation with the Head of Mid Kent Legal Services, to negotiate a freehold sale of the property and implement any subsequent winding up of Opportunities for Sittingbourne Limited and to complete the necessary legal formalities.</li> <li>4. That Policy and Resources Committee endorse the winding up of Opportunities for Sittingbourne Limited on a successful disposal of 34 High Street,</li> </ol>

## 1 Purpose of Report and Executive Summary

- 1.1 It is government policy that local authorities should dispose of surplus and under-used land and property wherever possible. This report recommends that the Council in its role as shareholder in Opportunities for Sittingbourne Limited agree with its partner U+I Ltd to dispose the freehold interest in 34 High Street, Sittingbourne.
- 1.2. The property was purchased by Opportunities for Sittingbourne Limited, which is a partnership between Swale Borough Council (the Council) and U+I Ltd, in 2015 for £220,000. Both the Council and its partner U+I Limited loaned Opportunities for Sittingbourne Limited £118,000 to enable this transaction, costs associated to it and company administration costs.

## 2 Background

- 2.1 34 High Street, Sittingbourne comprises an end of terrace building, the original structure being of two storeys with part of the first floor sitting over an undercroft, which provides access to the rear. To the rear is a two storey and also a single storey extension. The front elevation includes a double, timber framed shop front with a recessed door and with signage over.
- 2.2 Internally the ground floor retail area is mostly open plan with office space kitchen and toilet. The first floor provides for 4 offices and concrete steps from the ground floor lead down to the basement used for storage. At the back of the building is a tarmac yard which is accessed via the undercroft, and which provides parking for six to seven cars.
- 2.3 Having a frontage of approximately 8.00m the total area of the site extends to approximately 0.027 hectare (0.067 acre) with the net internal space measuring approximately 170sq m (1829.9 sq ft).
- 2.4 The property has most recently been used for community, engagement and exhibition space within planning use class F1. However, the property has also been used for retail and has a shop front which falls within planning use class E.
- 2.5 When purchased, the intention was for the building to act as a focal point and incubator space to encourage arts, cultural, creative or digital enrichment of the town centre. It has been let to organisations reflecting this. Most recently Swale Media Arts Centre (CIC) had a five-year lease on the property from 1st June 2021 at a concessionary annual rent of £6000. The tenant served notice to terminate their lease on 11th February 2025 and vacated the premises on 4th April 2025. The property remains vacant.
- 2.6 While vacant, Opportunities for Sittingbourne Limited is liable for the Non-Domestic Rates from July 2025, with an annual liability of approximately £10,725.
- 2.7 U+I Limited is now Landsec U+I (having been acquired) and as the Council's partner in Opportunities for Sittingbourne Limited it has expressed its desire to dispose of the freehold interest in the property. The Council is bound by a shareholder agreement relating to Opportunities for Sittingbourne Limited which enables either shareholder to force the winding up of the company should an agreement on any matter not be achievable.
- 2.8 Restricted Item, Appendix 2
- 2.9 Restricted Item, Appendix 2
- 2.10 Should a freehold disposal of the property be concluded, the Council, as 50% shareholders of Opportunities for Sittingbourne Limited, would benefit from 50% of the capital receipt minus any expenses or losses that the company has made. It should be noted that this valuation would need to be tested in the

open market. This has recently seen pressure on capital values and there is always a risk that the achievable price may prove to be less than the above valuation. Such a freehold disposal of the property would also likely lead to the winding up of Opportunities for Sittingbourne as a company.

### **3 Proposal**

- 3.1 That the Council in its role as shareholder in Opportunities for Sittingbourne Limited agree with its partner U+I Ltd to dispose the freehold interest in 34 High Street, Sittingbourne.
- 3.2 That the property be declared surplus and placed on the open market to affect a freehold disposal.
- 3.3 That authority is delegated to the Head of Place, in consultation with the Head of Mid Kent Legal Services, negotiate a freehold sale of the property and implement any subsequent winding up of Opportunities for Sittingbourne Limited and to complete the necessary legal formalities.
- 3.4 That the Policy and Resources Committee endorse the winding up of Opportunities for Sittingbourne Limited on a successful disposal of 34 High Street.

### **4 Alternative Options**

- 4.1 Should the Council decide to refuse U+I Limited's request to dispose of the property, Swale Borough Council would risk being forced to wind up the company via the shareholder agreement. In this instance the assets of the company, including the property would need to be disposed of in any event.
- 4.2 The council could decide to offer to purchase the property from Opportunities for Sittingbourne Limited which would be at a capital cost based on the figure included in 2.9 of this report. The Council would then take the property into its property portfolio and would be liable for the ongoing maintenance and non-domestic rates liability, currently £10,725 pa, whilst vacant.
- 4.3 In this scenario there may be the opportunity to lease the property on the open market and benefit from a rental income moving forward. It should be noted that due to the age and condition of the property it is likely that any incoming tenant would resist a full repairing and insuring lease, and the maintenance liability could remain with the Council. This is not recommended as the council would need to find the capital sum to buy the 50% share which is currently not identified in the budget framework. The property would also come with the attendant risks and ongoing costs associated with acquiring the property, especially whilst not let.

### **5 Consultation Undertaken or Proposed Considered and Rejected**

- 5.1 There have been no external consultations on this proposal. The Ward Councillor for Chalkwell has been consulted, as per the Councils Disposal Policy, and has raised no issues.

## 6 Implications

Issue	Implications
Corporate Plan	Disposal of the site on the open market would facilitate the repayment of the loan made to Opportunities for Sittingbourne Limited along with a potential additional capital receipt that would support the Council's wider financial position.
Financial, Resource and Property	If the Council agrees to dispose of the property on the open market this would lead to a repayment towards its initial £118,000 loan made to Opportunities for Sittingbourne Limited. There may an additional sum, subject to the sale price achieved and costs associated with Opportunities for Sittingbourne Limited.
Legal, Statutory and Procurement	Legal instruction from Opportunities for Sittingbourne Limited will be required to draft relevant contracts, supported by Property Services. Any proposed disposal will be for the best consideration reasonably obtainable in accordance with section 123 of the Local Government Act 1972.
Crime and Disorder	The property remaining vacant and unused will possibly be a target for antisocial behaviour and criminal damage.
Environment and Climate/Ecological Emergency	None Identified at this stage
Health and Wellbeing	None identified at this stage.
Safeguarding of Children, Young People and Vulnerable Adults	None identified at this stage.
Risk Management and Health and Safety	The Proposal reduces the Council's risk in terms of holding a vacant property.
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage.

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Plans
- Appendix 2 Exempt Items

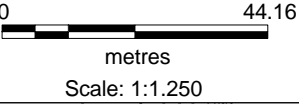
## **8 Background Papers**

None

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# 34 High Street, Sittingbourne

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<b>Economy and Property Committee Meeting</b>	
<b>Meeting Date</b>	8 July 2025
<b>Report Title</b>	Beach Hut Phase 1 Tender Award
<b>EMT Lead</b>	Emma Wiggins, Director of Regeneration and Neighbourhoods
<b>Head of Service</b>	Martyn Cassell, Head of Environment and Leisure
<b>Lead Officer</b>	Jay Jenkins, Leisure and Technical Services Manager
<b>Classification</b>	<b>Open plus Exempt Appendix</b>
<b>Recommendations</b>	1. That the Committee approves the appointment of Company D for completion of Lot 1 at a sum of £223,588

## 1 Purpose of Report and Executive Summary

- 1.1 The Economy & Property Committee approved the contract award for Lot 1 in December 2024. Despite numerous attempts to contact the successful company the company has not responded.
- 1.2 As a result, a decision was taken to go back to tender in Feb 2025 as the previous tender process had not provided a suitable alternative.
- 1.3 This report explains the tender process and recommends the appointment of a new contractor.

## 2 Background

- 2.1 The Council currently has 55 beach huts either directly owned and managed by Swale Borough Council (SBC) or privately owned and sited on land under Borough Council control.
- 2.2 Minster has 29 huts privately owned and 6 are rented. Leysdown has 12 huts privately owned with 8 being rented. The Council's waiting list has recently been updated but currently still has 189 people remaining that wish to purchase or rent a beach hut.
- 2.3 The previous public consultation set out a proposal to install 12 additional huts at Minster Leas and 14 at Leysdown Coastal Park. (26 huts – Lot 1). At the July Committee meeting, Members agreed for officers to proceed with the tender process for the construction of these 26 huts.

- 2.4 The opportunity was advertised in accordance with current contract standing orders, with interested parties asked to complete an Invitation to Tender. 4 submissions were received.
- 2.5 The 4 company scores were allocated according to the criteria explained in the tender document. The Leisure team carried out a one stage tender process based on the most economically advantageous tender (MEAT) which was evaluated on 40% price and 60% quality.
- 2.6 The scores were as follows:

Lot 1. (26 huts)

Company	Price Score	Quality Score	Total
A	9.06	51.00	60.06
B	22.48	41.00	63.48
C	17.35	48.00	65.35
D	18.78	47.00	65.78

- 2.6 The Lot 1 winning tender exceeds the agreed budget by £20,868. the additional costs will be contained within the budget framework.
- 2.7 Since undertaking the original estimates for the project that formed the capital bid, prices have increased in the construction cost per hut. However, in the same period, the market value for the sale of huts has also increased and so the project plan has been adjusted.
- 2.8 The project would see a percentage of the huts sold and some retained for annual and weekly rentals in line with the Beach Hut Policy, previously agreed at this committee. There will also be one hut at each location for the subsidised use (recommended in the Beach Hut Policy) by the voluntary and community sector via an anchor organisation who will take responsibility for the hut and usage. This approach would still deliver the original project aims, recouping the capital spend through sales and adding further capital receipts to the Council's capital programme.

### **3 Proposals**

- 3.1 That the Committee approves the appointment of Company D for Lot 1 for a sum of £223,588

### **4 Alternative Options Considered and Rejected**

- 4.1 To not proceed with the award of contract. This is not recommended because it removes the opportunity to generate the capital receipts and ongoing revenue that would be achieved and would not provide the recommended facilities and associated benefits for residents and visitors.

## 5 Consultation Undertaken or Proposed

- 5.1 The Beach Hut Policy which was approved by the Regeneration and Property Committee on 12 March 2024 included public consultation, but no further consultation has been needed for the tender process.

## 6 Implications

Issue	Implications
Corporate Plan	<p>The policy relates to two priorities.</p> <p>Community: To enable our residents to live, work and enjoy their leisure time safely in our borough and to support community resilience.</p> <p>Economy: Working with our businesses and community organisations to work towards a sustainable economy which delivers for local people.</p>
Financial, Resource and Property	<p>The current 2025-26 revenue budget assumes increased income from beach hut rental. This will need to be reduced as part of the budget setting process as it assumed phase 2 would also progress. However, building these phase 1 huts will reduce the amount lost in revenue.</p> <p>Funding of £203,000 is already allocated in the capital programme. The additional sum of £20,868 will be contained within the budget framework. Projected Capital Receipts return can be seen in Appendix I.</p> <p>The project business plan and Beach Hut Policy set out the percentage of huts that will be sold and rented, ensuring there is a balance of availability and income.</p>
Legal, Statutory and Procurement	<p>Beach huts are a discretionary service and therefore fall under the Local Govt Miscellaneous Act where Councils are able to levy fees.</p> <p>The beach huts have been confirmed as under permitted development due to their size and nature.</p>

	<p>The contract will be drawn up using the Council's current standard Terms and Conditions (JTB Contract) which have been approved by Mid Kent Legal Services and Finance</p>
Crime and Disorder	<p>The Beach Hut Policy has a section relating to security and anti-social behaviour. We are confident our policies and terms and conditions allow us to control behaviour at the huts.</p> <p>Due to the remote location of the huts, they will always be susceptible to vandalism and theft. Our terms and conditions encourage owners and renters to secure their asset robustly and to not leave items of value in overnight.</p>
Environment and Climate/Ecological Emergency	<p>The huts are made from sustainable wood sources as detailed in the specification for construction. They do not require mains utilities and we often find owners/renters use sustainable power sources such as solar panels to assist them.</p> <p>The locations of the huts are considered carefully to ensure they do not have a detrimental impact to the environment. Relevant surveys (Preliminary Ecological Appraisal) have been undertaken in both areas and have concluded that there would be minimal impact in either location.</p> <p>In addition, a Flood Risk Activity Permit Application (FRAPA) has been submitted to the Environmental Agency for the Minster Leas Location.</p>
Health and Wellbeing	<p>As detailed in the Corporate Plan we encourage active recreation and beach huts encourage users to enjoy the coastal environment.</p>
Safeguarding of Children, Young People and Vulnerable Adults	<p>There are no safeguarding concerns considered in relation to the contract award.</p>
Risk Management and Health and Safety	<p>The licence requires all owners and the Council (in relation to rental huts) to maintain the asset to a good standard. This reduces the risk of injury. Furthermore, there are strict rules on what can and can't be done in or stored in the huts to reduce fire risks.</p> <p>Part of the procurement process ensures that contractors are fully competent, particularly in the area of health and safety. Company B's competence is evidenced through their tender submission.</p>
Equality and Diversity	<p>The current hut design means steps are required for access. The policy however sets out how the Council will consider adaptations</p>

	<p>in order to provide for disabled access should the interested party request it.</p> <p>The pricing structure has been revised recently to provide more accessible weekly rents for those that cannot afford to purchase or annually rent the hut.</p>
Privacy and Data Protection	The waiting lists and licences are held in accordance with data protection principles.

## 7 Appendices

- 7.1 The following documents are to be published with this report and form part of the report:
- Exempt Appendix I – Beach hut financial projections – October 2024

## 8 Background Papers

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