

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

9 February 2017

Report of the Management Team

Part 1 - Public

Executive Key Decisions

1 TONBRIDGE TOWN CENTRE – STRATEGIC ASSET REVIEW

Summary

This report updates Members on a strategic review of the Council's principal property assets to the west of Tonbridge High Street and seeks the approval of Members to proceed with proposals to regenerate this area through (1) the sale of land and buildings within the River Lawn area for the purposes of creating a new medical centre and residential accommodation (2) the sale of vacant offices/ land at River Walk.

1.1 Introduction

1.1.1 Members will be aware that Officers have been conducting a review of Council owned assets within Tonbridge Town Centre with the intention of identifying a range of potential redevelopment opportunities. The aim of the review was to utilise these assets to help add vitality to the town centre as well as optimising their use in terms of service delivery, community benefit and financial return.

1.1.2 At a previous meeting of Cabinet on 24 March 2015, Members approved a proposal to progress negotiations for disposal of land within Tonbridge Town Centre following an approach by the Tonbridge Medical Group and developers acting on their behalf to purchase the land for the purposes of constructing a new medical centre.

1.1.3 This report updates Members on the progress of these negotiations and seeks approval to complete an agreement for sale of land at River Lawn Road for the development of a new medical centre.

1.1.4 The proposed sale of land for the purposes of a medical centre provides an opportunity to use this for community benefit in terms of new healthcare facilities for the town. It will also bring about an improvement to the visual and environmental quality and act as a catalyst for redevelopment of other areas of land within the ownership of the Borough Council in the immediate vicinity. The report also therefore outlines further proposals to dispose of land adjacent to the proposed medical centre and also vacant office land at River Walk, both for the purposes of facilitating the construction of new residential accommodation.

1.1.5 Taken together, the proposals within this report represent an important regeneration opportunity by making beneficial use of land in the heart of Tonbridge Town Centre that can contribute to the economic and community well-being of an area very close to the High Street. They also serve to deliver the following core values within the Council's Corporate Strategy for 2017-2019 –

Embracing Effective Partnership Working – achieving more by working and engaging effectively with a wide range of local partners from the private, public, voluntary and community sectors.

Valuing our environment and encouraging sustainable growth – keeping our towns, villages and countryside clean and well maintained, planning for our future homes and jobs and seeking investment in economic regeneration and infrastructure.

1.1.6 Due to the commercial nature of the proposals set out in the report, details of the financial considerations and the terms of any proposed agreements are set out in private annexes under Sch 12A to the Local Government Act 1972.

1.2 River Lawn Road

1.2.1 A plan identifying the land owned by the Borough Council within this area is attached as **Annex 1**. The plan identifies 3 separate land holdings as follows –

River Lawn Car Park (Marked '1' on the plan)

The Teen and Twenty Club (Marked '2')

River Lawn Land (Marked '3')

The Council also owns the freehold to the Lamberts Yard Car Park (marked as '4'), although this is not the subject of the proposals within this report. Indeed, it is intended to retain this land for the purposes of car parking.

1.2.2 The River Lawn Car Park is operated by the Borough Council, and during the financial year 2015/16 provided an income of £35,000.

1.2.3 The Teen and Twenty Club is leased to the Trustees of the Tonbridge Teen and Twenty Club. The lease permits use of the premises as a headquarters for a youth club and youth centre and for social purposes organised for benefit of the members. The most recent lease was entered into on 24 March 2009 for a period expiring on 31 March 2013. The rent payable under the lease is £100 pa. The Club have leased the Site since 1966.

1.2.4 Whilst the lease has now expired, the Teen and Twenty Club continue to occupy the premises. The Club are 'holding over' under the terms of the lease under the provisions of the Landlord and Tenant Act 1954.

- 1.2.5 The building occupied by the Teen and Twenty Club is generally regarded as being of poor appearance and amenity value, adding little to the character and appearance of the surrounding area. It is also not easily convertible to alternative uses. There are therefore aesthetic and practical benefits of demolishing the existing building to allow for a redevelopment of the area for a use that will itself bring an improvement to community health care provision. It is also important to note that the County Council has opened a Tonbridge Youth Hub in the Library facilities in Avebury Avenue. This means that there are now two facilities serving the same purpose in very close proximity to each other. Furthermore, the Tonbridge Central Area Action Plan (TCAAP) identifies this site as suitable for a mixed use development subject to the identification and provision of an alternative facility for the Teen and Twenty Club and other users of the building.
- 1.2.6 The River Walk Land is identified in the TCAAP as being underused and potentially threatening, particularly during the evening and at night. The TCAAP notes that it is important to improve this riverside location, providing opportunities for mixed infill to enhance the built form, making a clear distinction between the public front of buildings and the private backs and extend the time the area is used. The area is relatively poorly used and there is potential opportunity for a high quality development to include an attractive treatment and landscaping of the riverside path area. Most latterly the site has been used as a compound for the river related works by the Environment Agency.

1.3 Proposal from Assura Medical Group Ltd

- 1.3.1 Tonbridge Medical Group currently occupies premises in Pembury Road and Higham Lane, Tonbridge. With the continued expansion of the practice, the existing premises are no longer fit for purpose and NHS England has granted the practice approval to acquire the site of the Teen and Twenty Club at River Lawn and a small part of the adjoining River Lawn Land for the purposes of constructing a new medical centre.
- 1.3.2 The acquisition of suitable premises for a new practice is being taken forward by Assura, who are property developers specialising in acquiring and constructing sites for new medical centres. It is proposed that Assura will acquire the site and construct the medical practice, thereafter leasing the same to Tonbridge Medical Group.
- 1.3.3 The proposed medical centre would be arranged over 3 storeys –
- Ground Floor – car parking, main entrance foyer and pharmacy
 - First Floor – GP reception, waiting and clinical accommodation
 - Second Floor – staff meeting/ offices/ conference
- 1.3.4 The proposed gross floor area would be approximately 1400 sqm/ 15000 sqft.

- 1.3.5 It is not proposed to dispose of the River Lawn Car Park to Assura. This would be retained as a public car park, protecting the valuable income stream to the Council. However, Assura would be granted a lease of 5 spaces within the car park for use in connection with the medical practice. These 5 spaces would be delineated in order to ensure a clear separation from those spaces available for public use.
- 1.3.6 The agreement also provides for a contracted out lease to be granted of land at the River Lawn Road car park for a period of up to 2 years for use as a site compound. If a further period is required due to bona fide delays to the construction period then the parties agree to the grant of a further contracted out lease for a maximum period of 1 year.
- 1.3.7 Assura has confirmed that the proposal for a new practice at River Lawn has the full support of the partners of the existing practice.

1.4 Terms of the agreement

- 1.4.1 In consultation with the Council's appointed surveyors, Hartnell Taylor Cook (HTC), Heads of Term for the proposed disposal were agreed with Assura on 6 June 2016 (attached as **Annex 2**). These were agreed by the Director of Central Services and the Director of Planning, Housing and Environmental Health in consultation with the Leader and Deputy Leader (as delegated by Cabinet on 24 March 2015).
- 1.4.2 Both the Council and Assura have subsequently instructed Solicitors to negotiate the terms of the contract for sale of the property. These negotiations are now at an advanced stage and a copy of the draft agreement is attached at **Annex 3** together with the supporting Car Parking Lease, Compound Lease and Agreement for Lease between Assura and the Tonbridge Medical Group.
- 1.4.3 The key provisions of the agreement are set out in the private **Annex 4**.

1.5 Liaison with the Teen and Twenty Club

- 1.5.1 As Members would expect, we have been in close liaison with the Trustees of the Teen and Twenty Club about the redevelopment proposals.
- 1.5.2 The Director of Street Scene, Leisure and Technical Services and the Estates Service Manager have met regularly with the Committee and Trustees of the Teen and Twenty Club, appraising them of the proposed disposal to the Medical group. The Trustees and Committee have been understanding of the proposals and have agreed to surrender the lease of the Teen and Twenty Club on 31 March 2017, accordingly they have informed the hirers of the club that no further bookings will be available after this date.
- 1.5.3 The Council has offered support to community hirers to assist them in finding alternative and suitable facilities to relocate to in the town centre. New premises

have already been secured by some of the existing hirers, including the new youth hub in Avebury Avenue. The Council will continue to offer this support up until the closure of the club and beyond this time if necessary.

1.6 Consultation

- 1.6.1 Members will appreciate that should it be decided to proceed with all or any of the initiatives described in this report, development proposals arising from them will, of course, be need to be the subject of conventional planning applications, including public consultation in the normal way and any applications will be determined by the Area Planning Committee
- 1.6.2 Assura have confirmed that the Medical Group/ Clinical Commissioning Group (CCG) will be undertaking a consultation with patients of the practice prior to submission of the planning application.

1.7 River Lawn Land

- 1.7.1 HTC have identified the land adjacent to the site of the proposed Medical Centre as a suitable site for residential development. This could, for example comprise high quality apartments or mews type properties of a design appropriate to this locality or perhaps a scheme aimed at the retirement age group market. The river front nature of the site lends itself to a high quality designed development to complement the proposed medical centre. It might also incorporate improvements to the riverside walk in this vicinity and provide some well landscaped space around the buildings. Its location is likely to create a high capital value, particularly if combined with a mixed use development incorporating a medical centre or other facilities.
- 1.7.2 If Members were minded to pursue a disposal of this land, it is recommended that such a disposal would take place via tender or public auction, so as to achieve the best price available on the open market. Such a disposal process could include some overall design pointers, not to constrain matters but to provide encouragement for suitably high design quality which could actually assist in the marketing attraction. Given the interrelationship between this land and the site of the proposed Medical Centre (particularly because it is proposed that a small area of the River Lawn Land be included in the land to be disposed of to Assura for the purposes of the Medical Centre), it is not recommended that any such disposal is pursued unless and until completion of the agreement with Assura for redevelopment of the Teen and Twenty site.

1.8 River Walk Offices Site

- 1.8.1 A plan identifying the land owned by the Borough Council is attached as **Annex 5**.
- 1.8.2 The site is located in the centre of Tonbridge, fronting the River and opposite Tonbridge Castle. It may be accessed on foot via River Walk or New Wharf Road or by vehicle from New Wharf Road.

- 1.8.3 The building covers only a limited part of the plot, with the Council's ownership extending to River Walk to the north and east of the site.
- 1.8.4 Members may be aware that the building was formerly let to the Citizens Advice Bureau (CAB) and a private business (Jawatte), both of whom vacated the site during 2016. The CAB are now based in the Castle offices, with the private business having relocated to the Council offices at Kings Hill.
- 1.8.5 Within the Tonbridge Central Area Action Plan, the site is identified as suitable for residential development. It occupies a prime 'corner' location at a particularly attractive point in the town close to the River, Castle and Racecourse ground. It is also adjacent to Riverwalk itself where environmental improvements are being undertaken. All these aspects increase the scope for a high quality residential development which, with imaginative design, can add considerably to the 'aspect' of the locality and potentially achieve a high value relative to the size of the site.
- 1.8.6 If Members were minded to pursue a disposal of this land, it is recommended that such a disposal would take place via tender or public auction, so as to achieve the best price available on the open market. As with the River Lawn Land, such a disposal process could include some overall design pointers, not to constrain matters but to provide encouragement for suitably high design quality which could actually assist in the marketing attraction.

1.9 Financial and Value for Money Considerations

- 1.9.1 The financial considerations are set out in the private **Annex 4**.

1.10 Legal Considerations

- 1.10.1 The River Lawn Land is held by the Borough Council as public open space. In the event that Members were minded to proceed with the disposal of this land we would need to advertise our intention to do so in accordance with the requirements of sections 123(2A) and 127(3) of the Local Government Act 1972 and Section 233(4) of the Town and Country Planning Act 1990 and to thereafter consider any objections. This must be done before any final decision is taken on the disposal.

1.11 Risk Assessment

- 1.11.1 A critical part of this project will be in ensuring that the Teen and Twenty Club is able to find alternative premises for the facilities provided at the Club. Detailed liaison will continue with the Club to ensure that this takes place.
- 1.11.2 Any financial risks arising in connection with the proposals are considered in Annex 5.

1.12 Equality Impact Assessment

1.12.1 The proposed medical centre scheme will deliver considerable benefits to the community. As such, the scheme will provide a positive contribution to promoting equality. As specific elements of the development programme are taken forward, detailed consideration will be given to ensure potential impacts are identified and, where appropriate, action is taken to mitigate them in accordance with the Equality Act 2010 and supporting guidance.

1.13 Recommendation

1.13.1 It is **RECOMMENDED** that the Director of Central Services be authorised to

- (a) complete the contract for the sale of freehold land with Assura on terms substantially as set out at **Annex 3** together with all other necessary agreements in order to implement the proposals, including the Car Parking Lease and the Compound Lease. Any amendments to the documents at **Annex 3** to be agreed in consultation with the Leader and Deputy Leader;
- (b) advertise the intention of the Borough Council to dispose of the River Lawn Land;
- (c) Subject to the completion of the agreement(s) with Assura under (a) above and the receipt of no objections in response to (b) above, proceed with the disposal of the River Lawn Land (shown edged in red and marked '3' on the plan at **Annex 1**) as set out in paragraph 1.7 of the report, such authority to include (but not be limited to) advertisement of the land, negotiation of terms and completion of any necessary legal agreements; and
- (d) Proceed with the disposal of land at River Walk (shown edged in red on the plan at **Annex 5**) as set out in paragraph 1.8 of the report, such authority to include (but not be limited to) advertisement of the land, negotiation of terms and completion of any necessary legal agreements.

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Background Papers:

Nil