

## SWANLEY REGENERATION

### Cabinet – 3 December 2015

Report of	Chief Officer Communities & Business
Also considered by:	Policy & Performance Advisory Committee – 26 November 2015
Status:	For Recommendation to Cabinet
Key Decision:	Yes

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#### **Executive Summary:**

This report seeks approval to the demolition of redundant premises at the Former Swanley Working Men's Club, 18 High Street, 27 to 37 High Street and Bevan Place Car Park, Swanley

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**This report supports the Key Aim of** Value for money

**Portfolio Holder** Cllr Fleming

**Contact Officer(s)** Mark Bradbury Ext. 7099

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#### **Recommendation to Policy & Performance Advisory Committee:**

That the Committee recommends that Cabinet approves the demolition of redundant premises at the Former Swanley Working Men's Club, 18 High Street, 27 to 37 High Street and Bevan Place Car Park, Swanley subject to a detailed appraisal of the VAT implications.

#### **Recommendation to Cabinet:**

To approve the demolition of redundant premises at the Former Swanley Working Men's Club, 18 High Street, 27 to 37 High Street and Bevan Place Car Park, Swanley subject to a detailed appraisal of the VAT implications.

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**Reason for recommendation:** Development of these sites will generate income and capital receipts that can be reinvested. High quality development will serve the needs of the town and improve an important area of the town, thus supporting the Council's Economic Development strategy. It will also result in higher performing assets in accordance with the Council's approved Property Investment Strategy.

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#### **Introduction and Background**

- 1 The Council has owned property comprising the Bevan Place Car Park, 16 High Street and 27 – 37 High Street, Swanley for some time. The Former Swanley Working Men’s Club was acquired in March 2015.
- 2 The site of the Bevan Place Car Park and Working Men’s Club is allocated in the Adopted ADMP for residential development. Whilst 16 High Street is not included in the allocation, it is immediately adjacent and the allocation encourages a comprehensive scheme.
- 3 Planning Consent was granted in September 2015 to demolish 27 – 37 High Street and redevelop the site to provide 400 Square metres of commercial space on the ground floor with 14 flats one two upper floors.
- 4 Age Concern used to occupy 27 -37 High Street but vacated to new premises in Swanley earlier this year.
- 5 The Citizens Advice Bureau and the Local Food Bank currently occupy 16 High Street, both will be relocating, by agreement, to new premises in Swanley by the end of this year. The occupiers had been responsible for payment of business rates.
- 6 West Kent Mediation Service occupy a portakabin situated within the Bevan Place car park. They have now agreed terms to move into offices at Knole Academy and will move in December 2015. Again the tenant had been responsible for business rates.

#### Demolition

- 7 It is intended that both sites will be redeveloped in the near future. We are in the process of procuring architects to design a high quality scheme that will raise the standard of design in Swanley town centre and create an attractive gateway which will act as a catalyst for further regeneration. These proposals will be drawn up and consulted upon as part of the planned Masterplan for the Regeneration & Growth of Swanley & Hextable.
- 8 In the meantime empty buildings on the sites will expose the Council to a business rates liability as well as attracting unwanted attention from vandals and squatters creating Health & Safety and maintenance issues.
- 9 Consultant Building Surveyors AHP Partnership (of Sevenoaks) have therefore been appointed to prepare specifications and procure and manage contractors to clear and hoard the sites. It is intended that the hoardings will be used to promote the masterplanning and regeneration of Swanley, encouraging as many local residents and businesses as possible to be involved in the consultation for the masterplan.
- 10 The works are currently out to tender and due back on 27<sup>th</sup> November. A report on the budget costs will be tabled at Committee and a detail report updated following the tender will be tabled at Cabinet on 3<sup>rd</sup> December. If approved, works are programmed to start in January.

#### Conclusions

11 Early demolition of the buildings will:-

- Remove the Council's business rates liability
- Reduce the risk of vandalism or squatting
- Improve the visual appearance of the sites
- Prepare the sites for redevelopment

12 It is therefore recommended that Members recommend to Cabinet that the properties be demolished subject to the outcome of the tender process and a detailed assessment of the VAT implications.

## **Key Implications**

### Financial

Development of these sites will generate income and capital receipts that can be reinvested in higher performing assets in accordance with the Council's approved Property Investment Strategy.

Early demolition of these (soon to be) vacant premises will reduce the Council's liability to Business Rates and potential costs relating to squatting and health & safety.

Works such as demolition or other site clearance for 27 -37 High Street, and the laying of foundations, are zero-rated (the council will not incur VAT), if they are carried out 'in the course of' construction of dwellings. HM Revenue & Customs (HMRC) expect there to be at least outline planning permission for construction (this site has planning consent for residential development granted in September 2015), and for it to be clear that construction work will follow shortly afterwards otherwise they may challenge zero-rating if there is a delay. With regards to Bevan Place Car Park/Working Men's Club site we will not be able to zero rate if site investigation or demolition work is carried out before planning permission. A detailed assessment of the VAT implications will be completed once the tender prices are received.

### Legal Implications and Risk Assessment Statement.

There are no legal implications arising from the recommendation.

No significant risks have been identified for the Council in progressing the sale. The land is not required for operational purposes.

### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**Appendices:** Appendix A : Site Plan

**Background Papers:** None

**Lesley Bowles**

**Chief Officer Communities & Business**