

Cabinet

10 February 2026

Redevelopment of Brook Multistorey Car Park

Portfolio Holders: Councillor Louwella Prenter, Portfolio Holder for Housing and Homelessness
Councillor Harinder Mahil, Portfolio Holder for Economic and Social Regeneration and Inward Investment
Councillor Simon Curry, Portfolio Holder for Climate Change and Strategic Regeneration

Report from: Adam Bryan, Director of Place, Regeneration, Culture and Environment

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Procurement Overview

Total Project Value (estimated): £1.85m

Regulated Procurement: No

Proposed Contract Term: 18 months with 6 month extension

Summary

The Cabinet are asked to consider this report as a Procurement GW1 & 3 paper as well as an addition of the £400,000 to be funded from Capital receipts to the relevant budget.

The Council have submitted a grant funding bid for £1.5m to the Brownfield Land Release Fund (BLRF), a cross government initiative between the Ministry of Housing, Communities and Local Government (MHCLG) and One Public Estate (OPE). The site has been declared surplus to requirements (Cabinet decision number: 49/2025). If successful, the bid will unlock the redevelopment of the Brook Multistorey Car park to deliver 100 residential units, in line with the Chatham Design Code.

If the bid is successful, the funder requires two milestones to be achieved:

1. Contractor to be appointed by March 2026;
2. Land release by September 2027.

1. Recommendations

- 1.1 The Cabinet is asked to approve the appointment of Medway Development Company (MDC) as Project Manager and Contractor to undertake the grant

funded Brownfield Land Release Fund works, subject to a successful bid, as set out in paragraph 4.5 of the report.

- 1.2 The Cabinet is asked to approve the appointment of Medway Development Company (MDC) as Project Manager to undertake the residential design works up to Planning Application stage, subject to a successful bid, as set out in paragraph 4.5 of the report.
- 1.3 The Cabinet is asked to recommend to Full Council to approve an addition to the Capital Programme of £400,000 funded from Capital receipts, to undertake the design works for the residential element up to Planning application stage and Project Management fees, subject to a successful bid, as set out in paragraph 4.5 of the report.
- 1.4 The Cabinet is requested to note that the Chief Operating Officer can add the Brownfield Land Release Fund Grant Funding to the Capital Programme under authority delegated to him in the Council's Employee Delegation Scheme, subject to a successful bid, as set out in paragraph 4.5 of the report, and Cabinet approval of recommendations 1.1 and 1.2 above, and Full Council approval of recommendation 1.3 above.

2. Suggested reasons for decisions

- 2.1 Subject to a successful bid, it is proposed that MDC is appointed as Project Manager and Contractor to deliver the BLRF works to bring forward the site. The teckal exemption would be utilised to appoint MDC as Project Manager and Contractor. Cabinet approval is required due to the value of the direct award (over £1 million) and the nature of the Brook Multistorey Car Park being a high-profile site. The funding requirements stipulate that a contractor needs to be appointed by March 2026.
- 2.2 If successful, the BLRF grant will fund the enabling works on site, however, to meet the land release milestone of September 27, the Council needs to develop the residential design up to a Planning application, and cover project management fees, requiring an addition of £400,000. Post award of a successful Planning application the site would transfer to MDC (subject to MDC Shareholder Sub Committee approval and best consideration being met) or an alternative developer.
- 2.3 If successful, the grant can only be accepted with the governance in place for an addition of £400,000 for the residential design and project management fees, as well as the appointment of MDC as Project Manager and Contractor. Without the redevelopment the council will need to continue to monitor and maintain an aging structure, within the next 5-10 years it is likely there will need to be significant expenditure to keep it operational.

3. Budget and policy framework

- 3.1 The enabling works required for the redevelopment of the site, the demolition cost, negatively impacts the viability of the development preventing the delivery

of residential units. The award of the £1.5m to undertake the demolition works helps unlock the site for residential development.

- 3.2 The redevelopment of the Brook Multistorey Car park is identified within MDC's business plan as a future pipeline project. MDC are a Teckal Compliant Local Authority Trading Company (LATCo) for delivery of Regeneration Projects. The funding requirements stipulate that a contractor needs to be appointed by March 2026.
- 3.3 If the bid is successful, the grant funding will be added to the capital programme, subject to the match funding of £400,000 being allocated and the Grant Funding Agreement being signed.
- 3.4 Cabinet approval is required for direct awards over £1m and high-profile projects.
- 3.5 It is the responsibility of Cabinet to ensure that expenditure for each capital scheme remains within the budget approved by the Council, but it remains the responsibility of Council to approve schemes for inclusion in the capital programme.

4. Background

- 4.1 The site has been declared surplus to requirements, with an existing delegation in place (Cabinet decision no. 49/2025) to dispose of the Brook multistorey car park, to the Director of Place in consultation with Corporate Landlord Board, ensuring Best Consideration is undertaken.
- 4.2 The Brook Multistorey Car Park is an aging structure, without the redevelopment the Council will need to continue to monitor the structure, within the next 5-10 years it is likely there will need to be significant expenditure to keep it operational.
- 4.3 The redevelopment of the Brook Multistorey car park for a residential scheme is in line with Planning policy and Chatham design code. The draft Medway Local Plan (submitted to the Secretary of State for independent examination on 18 December 2025) states that the annual need for 1,636 homes a year has been projected over 15 years of the plan period to 2041, resulting in a need to plan for 24,540 homes. With an average household size of 2.4, this means Medway alone will need to accommodate the population needs of 58,000+ new residents in the next 15 years. The Local Plan identifies Chatham as the primary centre; the town centre therefore needs to accommodate specialist facilities to serve the community. The Local Plan focusses on sustainable development and active travel and supports town centre living with the need to diversify the high street to enable this. The Chatham Design Code also focuses on the need for live and work opportunities in the town centre and a drive towards sustainable travel.
- 4.4 The Brook Multistorey Car park holds significant potential to aid the regeneration of the high street and will complement the wider Regeneration

programme being undertaken by the Council and MDC via the redevelopment of Mountbatten House, Chatham Waterfront, Innovation Hub, Healthy Living Centre and the former Debenhams building, along with the investment in the Brook Theatre and Paddock public realm.

- 4.5 As indicated in the summary, the Council have submitted a grant funding bid for £1.5m to the Brownfield Land Release Fund (BLRF). The site has been declared surplus to requirements (Cabinet decision number: 49/2025). If successful, the bid will unlock the redevelopment of the Brook Multistorey Car Park to deliver 100 residential units, in line with the Chatham Design Code.

5. Options

5.1 Procurement Options

The following is a detailed list of options considered and analysed for this report for the appointment of MDC as Project Manager and Contractor for the BLRF works and as Project Manager for the residential design:

- **Option 1** – Do nothing: If successful with the BLRF bid, this will result in the loss of the full grant funding allocation to deliver enabling works at the Brook Multistorey Car park.
- **Option 2** – Extend the current contract: No current contract exists.
- **Option 3** – Utilise a framework: The Council only partly operates a framework to meet this need, therefore is not viable.
- **Option 4** – Open market procurement: Whilst a possible option this approach would not meet the funding programme required and would result in a loss of the grant funding.
- **Option 5**- Direct award to MDC: While there are alternative project managers and contractors, MDC have been established as a teckal compliant LATCo, for the purpose of regeneration projects, who can be directly engaged to deliver these services. MDC have capacity to meet the funding programme.

5.2 Budget Additions

- **Option 6** - Cabinet decline to recommend to Full Council the £400,000 addition to be funded from capital receipts.
- **Option 7** - Cabinet recommend to Full Council the £400,000 addition, to be funded from capital receipts.

6. Advice and analysis

- 6.1 Subject to a successful bid, officers recommend Option 5 Direct award to MDC as Project Manager and Contractor for the BLRF funded works – in order to meet the criteria and timescales of the grant funder.

- 6.2 Subject to a successful bid, officers recommend Option 5 Direct award to MDC as Project Manager for the residential design– in order to meet the criteria and timescales of the grant funder.
- 6.3 It is recommended that the both contract lengths be 18-month term with the option to extend for 6 months by mutual agreement.
- 6.3.1 Option 6- If Cabinet declines to recommend to Full Council the addition of £400,000, the £1.5m grant funding would not be secured, should the bid be successful. Alternative funding would be required to undertake any future works to the car park.
- 6.3.2 Officers recommend Option 7 to enable the acceptance of the grant, should it be awarded and enable the redevelopment of the site to bring forward housing, in line with Planning policy and the regeneration strategy.

7. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
No. of units delivered	Initial stage of the project, therefore early in the design phase	MDC have utilised their knowledge from previous sites to undertake an achievable estimation of quantum	CII
Enabling works cost increase	The works have yet to be tendered, costs could exceed the £1.5m grant funding	A QS has provided the cost estimates and also allowed for contingency within the figures	CII
Grant funding may not be secured	The grant funding has yet to be secured, however if successful the governance needs to be in place re appointment of contractor and capital additions to sign the GFA	Approval of recommendations in report	CII
Programme- land release and contractor appointment milestones being met	If the grant bid is successful, land release is required by September 27 and appointment of contractor by March 26	The approval of the recommendations in the report will enable the governance to be in place to meet these milestones,	CII

Risk	Description	Action to avoid or mitigate risk	Risk rating
		should the bid be successful	

For risk rating, please refer to the following table

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

8. Consultation

- 8.1. Internal services including, Property, Facilities Management, Parking, have been informed of the bid and the aspiration for the site. As the design develops further consultation will be undertaken.

9. Climate change implications

- 9.1. None.

10. Financial implications

- 10.1. Cabinet are asked to recommend Full Council approves the addition of £400,000 funded from capital receipts, to undertake project management and the design works up to Planning application stage, if the BLRF bid is successful. This sum is referenced within the Proposed Capital Budget and Revenue Budget 2026/27 report, elsewhere on this agenda.
- 10.2. Should the BLRF grant funding of £1.5m be successful, a funding agreement will be signed between the council and OPE outlining the delivery requirements, management processes and spend requirements. If MDC are appointed as Project Manager and Contractor there will be a funding agreement in place between the council and MDC, mirroring the primary funding agreement.
- 10.3. The Chief Operating Officer has delegated authority, set out within the Employee Delegation Scheme to; approve in-year additions to the capital programme and revenue budget in consultation with the Finance Portfolio Holder, for funding that meets the below criteria:
- i. Funding coming from external sources;
 - ii. No financial contribution being required from the Council;
 - iii. Funding being ringfenced for specific purposes.

11. Legal implications

- 11.1. A direct award to the Council's LATCo is lawful provided that the criteria of the teckal exemption are met.
- 11.2. Medway Council has the power under the Local Government (Contracts) Act 1997 and the Localism Act 2011 to enter into contracts in connection with the performance of its functions.
- 11.3. The process described in this report complies with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.
- 11.4. Additions to the capital programme are a matter reserved for Full Council and this report asks Cabinet to recommend that an addition is made to fund the redevelopment of this site.
- 11.5. Delegations are in place (decision no. 49/2025) to dispose of the Brook multistorey car park, to the Director of Place in consultation with Corporate Landlord Board, ensuring Best Consideration is achieved.

Lead officer contact

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Appendices

None

Background papers

[Cabinet paper Decision 48/2025- Disposal of Brook Multistorey Car Park](#)