

**Current position**

The Margate caves were leased and operated as a tourist attraction until 2004 when a prohibition notice was placed on them by the Health & Safety Executive due to issues relating to means of escape and the structural integrity of the caves. As monies could not be secured to address all of the issues to lift the prohibition notice and reopen the caves by the tenant at the time or the Council, a decision was made to close the caves. Certain protective works were undertaken by the Council due to the vulnerability of certain areas of the site. Since that time the site has remained vacant and is now largely overgrown to the main surface area. The site was put forward for disposal in 2009 and a scheme prepared for residential development of the site. The then Cabinet resolved that the site should be progressed to disposal.

Strong local opposition was raised to potential sale of the site and a community group formed to press for reopening the caves as a tourist attraction. The Friends of Margate Caves (FOMC) prepared a business plan and case for opening the site and developing a community and tourist attraction which was considered by Senior Managers and CAMG and supported. A grant was awarded by TDC to FOMC to progress the feasibility and funding element of the project with the intention of a lease being granted for a term commensurate with funding requirements.

**Next Steps**

The site requires a resolution to formally remove from the capital disposal list and consideration given to the proposed transaction to the FOMC which is now a registered charity, The Margate Caves Community Education Trust. In order to satisfy funders requirements a lease term in excess of 20 years is required. In addition, to allow reinvestment in the site the charity has requested a peppercorn rental which again requires specific approval under the Local Government Act 1972:General Disposal Consent (England) 2003 in granting an interest in the site at less than best consideration. Should members chose to support this project in taking the action detailed in this annex, Officers will continue to work with the charity in progressing the project and granting an interest in the site.

In considering applying the above powers the restricted and unrestricted capital values require reporting in accordance with RICS Professional Standards. It is considered that the difference between the restricted and unrestricted value is £101,000.



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