Policy & Resources Committee	
Meeting Date	4th February 2026
Report Title	Winding Up of Opportunities for Sittingbourne Limited
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods
Head of Service	Joanne Johnson, Head Place Services
Lead Officer	David Johnson - Interim Property Consultant
Classification	**Open**
Recommendations	1. To approve the winding up of Opportunities for Sittingbourne Limited following the disposal of its sole asset at 34 High Street, Sittingbourne. 2. To delegate to the Head of Place, in consultation with the Head of Mid Kent Legal Services and the company's co-shareholder, to take all necessary steps to effect the winding up of the company, including the settlement of outstanding debts and the distribution of remaining funds. 3. To approve the application of the sale proceeds from 34 High Street to first settle the company's outstanding liabilities (including post-tenancy holding costs, accountancy fees, and audit fees), with the balance used to repay the original loans provided by Swale Borough Council and U+I Limited (now Landsec U+I), and any residual profit divided equally between the two shareholders.

1. Purpose of Report

1.1 Opportunities for Sittingbourne Limited was established in 2015 as a 50/50 joint venture between Swale Borough Council and U+I Limited to support community-based activities as part of the Spirit of Sittingbourne town centre regeneration project. The company's sole asset, the freehold interest in 34 High Street, Sittingbourne, has now been sold by auction for £270,000, with completion occurring on 21 October 2025. The proceeds have been received by the company.

1.2 This report recommends the winding up of the company, as it no longer holds any assets or serves an ongoing purpose, and outlines the proposed distribution of funds to settle debts and repay shareholder loans in line with the shareholder agreement.

2. Background

2.1 The company was formed in 2015 as a partnership vehicle to acquire and manage 34 High Street, Sittingbourne, which was purchased for £220,000 using loans of £118,000 each from Swale Borough Council and U+I Limited. The property was intended to function as an incubator space for arts, cultural, creative, or digital activities in the town centre, and it was leased on concessionary terms to organisations such as Swale Media Arts Centre until the tenant vacated in April 2025.

2.2 Since incorporation, the company has been governed by directors appointed by each shareholder. Initial SBC appointees included Michael Raymond Cosgrove, Duncan Dewar-Whalley, and Charles Peter Everton Raine (all appointed 21 January 2015, with resignations between 2015 and 2019). Subsequent SBC directors have included Nicholas Peter Andrew Vickers (appointed 1 September 2017, resigned 29 September 2022). Current SBC representatives are Councillor Monique Elaine Bonney (appointed 30 September 2021) and Emma Wiggins (appointed 30 September 2021). From U+I/Landsec, early directors included Richard Upton, Matthew Simon Weiner, and Martin Alan Wood (appointed 21 January 2015, with resignations between 2016 and 2022), followed by Jamie Graham Christmas (appointed 27 May 2021, resigned 31 March 2022). The current Landsec director is Robert James Sloper (appointed 28 June 2018). This board structure has ensured balanced oversight throughout the company's operations,

2.3 Following the vacancy, the property became surplus to requirements, incurring ongoing costs including non-domestic rates of approximately £10,725 per annum. A report to the company's directors in July 2025 recommended disposal by auction to achieve a swift and transparent sale, repay the loans, and facilitate the potential winding up of the company if no further assets remained. This approach was adopted, and the sale to Lodgehill Investment Group Limited completed successfully after a decision by Economy and Property Committee to dispose.

2.4 The sale proceeds of £270,000, minus auction fees of £10,410, have been transferred to the company. The property was the company's only asset, and with no alternative uses or acquisitions identified, the company now has no operational purpose. Under the shareholder agreement, either party may initiate winding up if consensus on asset management cannot be reached, but in this case, both shareholders support closure to avoid unnecessary ongoing administration.

2.5 The company's latest audited accounts for the year ended 31 March 2024 show a stable financial position, but post-sale liabilities include holding costs from April 2025 (such as rates, maintenance, and insurance), accountancy fees for final accounts preparation, and audit fees. These are estimated at around £15,000-£20,000, subject to final confirmation.

2.6.1 It is proposed that the company be wound up voluntarily, with the sale proceeds applied as follows: first, to discharge all outstanding debts and liabilities; second, to repay the original loans of £118,000 each to Swale Borough Council and U+I Limited; and third, to divide any remaining profit equally between the two shareholders. This aligns with the shareholder agreement.

2.7 The process would involve instructing legal advisors to handle the formalities, including filing necessary documents with Companies House, settling creditors, and distributing assets. The Head of Place would oversee this on behalf of the Council, in consultation with the Head of Mid Kent Legal Services the co-shareholder.

2.8 Winding up the company ensures an efficient exit from a vehicle that has fulfilled its original regeneration objectives but now represents an administrative burden with no assets or future role. It allows for the repayment of loans after costs, based on the sale price uplift from £220,000 to £270,000 minus expenses. This approach complies with Section 123 of the Local Government Act 1972 by maximising value from the disposal and supports the Council's financial position in a recovering Kent commercial market.

2.9 Retaining the company would incur unnecessary costs, such as annual filing fees and potential liabilities from dormant status, without any benefit.

3. Proposals

3.1 To approve the winding up of Opportunities for Sittingbourne Limited following the disposal of its sole asset at 34 High Street, Sittingbourne.

3.2 To delegate to the Head of Place, in consultation with the Head of Mid Kent Legal Services and the company's co-shareholder, to take all necessary steps to effect the winding up of the company, including the settlement of outstanding debts and the distribution of remaining funds.

3.3 To approve the application of the sale proceeds from 34 High Street to first settle the company's outstanding liabilities (including post-tenancy holding costs, accountancy fees, and audit fees), with the balance used to repay the original loans provided by Swale Borough Council and U+I Limited (now Landsec U+I), and any residual profit divided equally between the two shareholders.

4. Alternative Options Considered

4.1 Retention of the company for potential future acquisitions was considered but rejected, as no new opportunities have been identified, and the original regeneration goals have been met through the Spirit of Sittingbourne project. Forced winding up under the shareholder agreement could be invoked if agreement were not reached, but mutual consent avoids this and maintains positive relations with the co-shareholder.

4.2 Reinvestment of proceeds into other town centre initiatives was explored but is not feasible within the company's structure; any surplus would be better directed back to the shareholders for broader Council priorities.

5. Consultation Undertaken or Proposed

6.1 Internal consultations have been held with the company's co-shareholder (Landsec U+I), SBC's legal and finance teams, and directors to confirm support for winding up and fund distribution. No external or public consultation is required, as the matter pertains to internal company administration post-asset disposal.

6. Implications

Issue	Implications
Corporate Plan	The proposal supports efficient resource management.
Financial, Resource and Property	Enables repayment of SBC's £118,000 loan, with minimal officer time required for oversight. No new resources needed.
Legal, Statutory and Procurement	Complies with the Companies Act 2006 for voluntary winding up and Section 123 of the Local Government Act 1972 for value maximisation. Legal advisors will ensure adherence; no procurement involved.
Crime and Disorder	None identified at this stage.
Environment and Climate/Ecological Emergency	None identified at this stage, as the company is asset-free.
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	Risks of unforeseen liabilities mitigated by due diligence; delays addressed via delegated authority. Overall low risk
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage; winding up involves standard company data handling.
Local Government Reorganisation	None identified at this stage.

7. Background Papers

Shareholder Agreement between Swale Borough Council and U+I Limited (2015).

Report on the Proposed Disposal of 34 High Street to Economy and Property Committee, 8th July 2025.

8. Appendices

None