



Deliverability Report

University of Kent

October 2025

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Appendix 1 – Letter of Support from Croudace Homes

Report title: Disposal Strategy Report

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For and on behalf of Avison Young (UK) Limited

1. Introduction

- 1.1 Avison Young (AY) were appointed by the University of Kent to engage with the developer and housebuilder market, initially in 2024, through a Soft Market Testing (SMT) process to gauge interest in the site and more recently in 2025, via a full marketing process to select a Development Partner to progress and deliver the development.
- 1.2 This report sets out the steps of this two-stage process and details the received feedback and the results of the marketing process.
- 1.3 The Site is proposed for allocation in the Draft Canterbury District Local Plan 2020 to 2045 (“the Draft Local Plan”) and a SMT exercise is required to establish the level of interest in the Site and collate feedback on the opportunity.
- 1.4 The land is proposed for allocation in the Draft Local Plan, with capacity for a comprehensive mixed use development comprising:
- Approximately 2,000 new dwellings
 - Provision of a community hub
 - A new 3FE primary school
 - A new 2FE primary school
 - A new high quality waste water treatment works
 - Proportionate land and build contributions towards education, primary healthcare and other off-Site community infrastructure
 - On-Site open space
- 1.5 The purpose of the initial SMT exercise in 2024 was to gauge interest from a range of developers, all of whom operate within Kent to capture their feedback on the following areas:
- General interest and comments about the opportunity
 - Opportunities and challenges associated with the site and current masterplan
 - Commentary around the residential typologies & mix
 - Local market insight
 - Commentary and preferences around a range of disposal options, including:
 1. Disposal of the Site with the benefit of a Site allocation within the new Local Plan.
 2. The University progress with the planning process through to an outline planning application and disposes of the Site with the benefit of outline planning consent.

3. Procurement of a developer partner once the Site is allocated within the new Local Plan, whereby the university and development partner will jointly progress the site through planning and delivery.

1.6 Following on from the SMT exercise, AY were subsequently instructed to market the Site for sale by way of an informal tender process, inviting offers for the Freehold interest. A full and open market campaign was undertaken which resulted in significant interest for the site on a range of bases. This is detailed further in the report.

2. SMT Process

2.1 We initially sought expressions of interest and feedback from a variety of residential developers, including well established PLC medium and large housebuilders and promoters.

2.2 We sent emails to the shortlisted parties summarising the background and opportunity. We also prepared and issued a Soft Market Testing Questionnaire covering the key areas we were seeking feedback on.

2.3 We invited all parties to attend a SMT session with AY throughout May 2024 where we outlined the opportunity and ran through in detail the SMT Questionnaire. We discussed at length the various questions posed on the questionnaire to explore fully the requirements of the responses.

2.4 Following the meeting we asked each party to complete in full the questionnaire and return it to AY. A summary of these responses is set out below.

3. Soft Market Testing Responses

3.1 We engaged with a total of 7 parties, all of which expressed a strong interest in the development opportunity.

General Interest

3.2 All parties expressed a strong initial interest in the Site and would welcome the opportunity to receive further information about the Site as it progresses through the planning process.

3.3 The level of interest depended on their business model and capabilities of the party, particularly in relation to the number of units they can deliver as well as the infrastructure requirements.

- 3.4 All parties considered Canterbury to be an attractive location that they were looking to target as a key area of expansion. It was also noted that the Site is well located, in terms of its proximity to Canterbury city centre. A number of parties noted similar projects they've worked on or are currently working on in Kent and also Canterbury itself and are therefore very familiar with the market.
- 3.5 Several parties also noted that they were already aware of the Site and have been monitoring the site allocation process for a number of months.
- 3.6 Feedback also concluded that, the size of the Site gives the opportunity for significant placemaking and an ability to create an attractive low/medium-density scheme housing scheme. The scale also provides for a variety of residential tenures, including affordable housing, private for sale a single-family housing build to rent product.
- 3.7 Overall, the feedback was that the Site provides a good strategic opportunity of significant size which appealed to a variety of interested parties.

Opportunities and Challenges

Opportunities

- 3.8 The opportunities existed around the size of the scheme and the ability to deliver an urban expansion in a thriving part of Kent. Many of the developers discussed the success of nearby schemes in terms of sales rates and demand.
- 3.9 The scheme has the ability to deliver a truly mixed-tenure development which enables the developers to de-risk their investment and deliver at pace.
- 3.10 It was raised that the pre-engagement with Kent County Council regarding the second access point is advantageous. This is documented in the draft local plan allocation via the proposed re-provision of Blean Primary School.

Challenges

- 3.11 There were comments raised regarding nutrient neutrality and how this might be dealt with. We discussed a range of mitigation options including payment of credits or inclusion of a waste water treatment works on Site. One developer commented that they have recently delivered a waste water treatment facility on another site, therefore they are well versed in the delivery of such a facility should this be required.

- 3.12 Similarly, on the infrastructure provision, there were comments regarding highways infrastructure. The developers were keen to have a good understanding of the costs involved with technical information provided at an early stage to evaluate the expected costs.
- 3.13 There was also reference to the Conservation Areas and church adjacent to the Site. The developers would be keen to have a greater understanding of these aspects as part of a marketing process.
- 3.14 There was a common challenge around the delivery of office/business space (min. 4,000 sqm) set out within the draft site allocation. Developers commented that there would be little demand for this as there is already excess stock in the local market. They suggested this would be something which would be considered in more detail to test the demand for this use type if they were to progress.

Residential Typologies / Mix

- 3.15 The overriding theme from the SMT was that the Site is suited to a housing led development, with low density spacious offerings. The larger house builders discussed the range of product types they're able to offer to differentiate the housing delivered, provide distinct areas and therefore increase the pace of delivery.
- 3.16 Provision of small elements of low density blocks of flats around the local centre was discussed amongst developers. However, most parties would seek to limit the number of apartments as there is generally less demand for these unit types.
- 3.17 In terms of build to rent, some developers demonstrated experience in this area, and noted that they would be leaning towards a single family housing product rather than apartments in this location.
- 3.18 It was discussed that it was early stages to consider an exact approach, but the range of options were appealing.

Market Insight

- 3.19 The overall perception from the market was positive. All parties highlighted it as an area of interest with some discussing a positive track record at schemes in Canterbury or Kent more widely.
- 3.20 It was noted that the Site is desirable as an urban extension to Canterbury, which has been advantageous for sales rates at other schemes.
- 3.21 Developers would expect strong demand from a range of purchaser types including local families, first time buyers, professionals, downsizers and investors.

3.22 High mortgage rates are currently affecting sales & general market sentiment but considering the timeframes as to when the product would come to market this is less likely to be a direct issue.

Disposal Options

3.23 We received varying levels of interest at different stages of the planning process i.e. with a draft allocation, adopted allocation and outline planning consent. Some parties had a higher risk appetite and would prefer to get involved early, whereas others were interested in acquiring the Site once there is more planning certainty and would be cautious around acquiring land without planning consent. Options were discussed for a subject to planning sale or option agreement to provide parties with greater assurance.

3.24 As part of a bidding process, parties suggested the option to provide multiple bids based on different payment options i.e. one upfront payment or a longer-term payment plan in stages which could be attached to various milestones i.e. site allocation, outline consent, reserved matters consent.

3.25 From a master developer perspective, the scale of the opportunity is towards the lower end of what they'd usually get involved in. This route requires a certain scale of development to recoup the high levels of upfront infrastructure costs. In this scenario there is a preference to get involved early as the more mature a project is from a planning perspective, the harder it is to compete with housebuilders.

3.26 Some parties were interested in acquiring the whole Site, delivering a variety of product types across multiple outlets over several years. This could involve disposal of smaller parcels, such as at the outset to assist with initial returns on capital.

3.27 Some parties discussed their experience in successfully delivering schemes of a similar size, and noted that the larger sites generally suit their delivery models, and allow them to deliver the required scale of supporting infrastructure.

3.28 We engaged with some parties who would be interested in promoting the Site through the planning process and getting involved early to have greater control over the planning application.

3.29 One party noted the benefits of getting a developer on board early in the lead up to an allocation, to illustrate deliverability of the site and provide greater weight to the allocation at the Examination in Public. We discussed options for selecting a developer in advance and entering into some form of agreement. This would also help to demonstrate housing trajectory.

3.30 Some of the traditional housebuilders we engaged with would ideally be interested in acquiring a serviced land parcel with outline planning consent. In this scenario they might acquire a smaller parcel

of c. 100-500 units. Although this was their preference, they also had experience of other delivery options and would be open to discussions to purchase the whole site.

3.31 At this stage, we believe that all parties would welcome the opportunity to receive further information. The varied interest allows the opportunity for disposal at different stages of the planning process and via a range of disposal options. The more risk bearing parties would be incentivised to become involved early either pre or post allocation, others were interested in some form of subject to planning deal or option agreement with payments linked to key milestones. Although a number of parties expressed their preference for certain delivery routes, they remained flexible in their approach to meet the needs of the University.

4. Marketing Process

4.1 AY were instructed to market the Site for sale by way of an informal tender process, inviting offers for the Freehold interest. Due to the scale and nature of the site and the stage of the planning process, it was expected that bids on a range of bases would be received.

4.2 The marketing campaign formally launched with a full page colour advert in the Estates Gazette on Saturday 21 February 2025. The Estates Gazette is an industry trusted source of real estate intelligence with 16,500 paying subscribers and a readership of approximately 120,000 people. The opportunity was also published on the Estates Gazette Property Link website, which benefits from approximately 400,000 monthly visitors. The 3 month featured listing on EG's Property Link website and the composite email was sent out on Wednesday 18 November.

4.3 An electronic mailshot was sent to c. 866 developers, local agents and investors who are active in Kent the Southeast on 26 February. 586 unique parties viewed and interacted with the electronic mailshot, as displayed in the interaction statistics below.

4.4 This full and open marketing process ensured that the opportunity was exposed to the widest possible market and sought to establish interest from all parties interested in the opportunity.

4.5 There was an extensive list of due diligence and technical information made available to interested parties via a bespoke website and data room, which was accessed via <https://portal.agents-society.com/data-room/403/northern-land-holdings-university-of-kent>. The data room included the following documentation:

- Marketing Brochure;
- Planning Summary undertaken by Avison Young's Planning Team;

- Supplementary planning documents and evidence submitted to CCC as part of representations / evidence
 - Title Documents
 - Technical information including environmental constraints, note on ancient woodland and nutrient neutrality.
 - Transport assessment
 - Concept masterplan and vision document
- 4.6 The AY team responded to a number of written and verbal queries and clarifications and held a number of briefing calls with interested parties to discuss further bidding considerations in relation to planning, technical and delivery matters.

5. Overview of Bidding Process

- 5.1 Bids for the site were invited on an unconditional on planning, subject to planning, hybrid and joint venture basis for the freehold interest.
- 5.2 As part of the information requested, bidders were asked to provide details such as financial offer, details of the bidding entity, conditions, timescales, funding information, previous experience of similar projects as well as indicative proposals and planning strategy.
- 5.3 Parties were also requested to provide examples of previous experience with sites within Canterbury City Council and the wider Kent area.
- 5.4 Following the marketing process, we received a total of 13 initial bids from 10 parties, which included promotion agreement offers, options, hybrid option agreements, build licences, and one unconditional on planning offer. These reflected varied commercial terms, timescales, and risk approaches consistent with the marketing strategy. These offers were put forward from a mixture of established PLC medium and large housebuilders, and promoters.
- 5.5 AY's development and planning teams, in conjunction with UoK and its procurement team, analysed the bids to ensure compliance and value for the University.
- 5.6 Following review, joint venture and promotion offers were discounted from further consideration.
- 5.7 A shortlist was established to seek clarifications and encourage improved and less conditional financial offers. Best and final bids were analysed by AY ahead of interview stage.

5.8 Following interviews, preferred bidders were identified for a final clarification stage.

6. Final Bid Analysis and Summary

6.1 The full and open marketing process resulted in strong interest to deliver development at the University's Northern Land Holdings. This is extremely encouraging and will help deliver a strong message to Canterbury City Council with regards the demand and deliverability of the site.

6.2 As expected, a number and range of proposals were received for the site. Given the current planning status of the site and the risk and time associated with progressing the scheme, we believe the most considered and deliverable offers for the site are in the form of hybrid or option agreements, where established and well-funded housebuilders/developers will, in partnership with UoK, progress the site through the planning process and ultimately self-deliver the site or facilitate the delivery of the site once planning permission is achieved.

6.3 Since the final bid analysis, the UoK have appointed Croudace as preferred development partner and are currently progressing legal negotiations. A letter of support can be found at Appendix 1

Appendix I

Letter of Support

Land North of the University of Kent, Canterbury – Letter of Support

Croudace Homes is an award-winning, family-owned housebuilder with a proud history of creating high-quality homes across the Southeast of England since 1946. We pride ourselves on delivering homes of the highest standard, reflected in our thirteen consecutive HBF Five Star ratings, with 94% of customers saying they would recommend us.

Our commitment extends beyond construction and we actively promote sustainable design and environmental responsibility, with recent developments incorporating homes that exceed current sustainability standards and enhanced community amenities, such as play areas, allotments, and community centres.

Croudace Homes have been selected as the development partner for the Land north of the University of Kent, and we are fully supportive of the proposals. We believe the development of the site will deliver high-quality housing and meaningful local benefits in line with Canterbury's growth strategy. The delivery of this site is critical to supporting both the University and the wider economy of Canterbury.

Our recent projects demonstrate our proven ability to deliver complex and high-quality developments. These include:

- Vyne Park, Basingstoke – a landscape led 755-home development that carefully preserves on-site heritage and environmental assets;
- Hermitage Park, Maidstone – a cross boundary site between Maidstone and Tonbridge & Malling, delivering over 800 new homes, a new community centre and a site for a new primary school whilst protecting and enhancing neighbouring ancient woodland.
- Willowbrook Park, Didcot – a major mixed-use scheme providing 1,880 new homes, two new primary schools, a secondary school, leisure centre, commercial units, and extensive open space;
- Burgess Hill – the transformation of former industrial land into an award-winning 475-home neighbourhood, including shops and a state of the art community centre.

In addition, Croudace recently achieved the reallocation of a 2,500-unit mixed-use site in Fair Oak, Hampshire, within the emerging local plan. The site had previously been removed from the draft plan prior to our involvement, but through proactive collaboration with Eastleigh Borough Council, it is now draft allocated and continues to be promoted solely by Croudace.

Our legacy is built upon forming long-standing relationships with landowners and councils and creating places where people genuinely want to live. Through our in-house expertise, covering planning, design, engineering and construction, we ensure every Croudace development reflects our commitment to quality, sustainability, and lasting value for future generations.

We look forward to working collaboratively with The University and Canterbury City Council, to ensure the successful delivery of the scheme and the positive contribution it will make to the local area.

Yours sincerely,



Matthew Norris MEng (Hons) CEng MICE
Managing Director (South)
For and on behalf of Croudace Homes Ltd