

Kent Life Contract Extension

Final Decision-Maker	Cobtree Manor Estate Charity Committee
Lead Head of Service	John Foster, Head of Regeneration and Economic Development
Lead Officer and Report Author	Mike Evans, Leisure Manager
Classification	Public
Wards affected	Boxley

Executive Summary

A report on an extension of the Kent Life operations contract with Planning Solutions.

Purpose of Report

Decision

This report makes the following recommendations to this Committee:

1. That delegated authority is given to the Head of Regeneration and Economic Development in liaison with the Head of Mid-Kent Legal Partnership (interim) for the purpose of extending the Kent Life operations contract, and completing any other necessary ancillary documents, with Planning Solutions by the pre-determined five-year extension period.

Timetable

Meeting	Date
Cobtree Manor Estate Charity Committee	10 March 2022

Kent Life Contract Extension

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The work of the charity links directly to its charitable objectives and the corporate priorities for the council.	Leisure Manager
Cross-Cutting Objectives	The work of the charity links directly to its charitable objectives and the cross-cutting objectives of the council.	Leisure Manager
Risk Management	The risks of following and not following the recommendations in this report are included in section 5. The recommendation provides the best level of risk management response and there is further risk mitigation included within the recommendation as referenced in paragraph 5.3.	Leisure Manager
Financial	The recommendations will increase the asset value of the Cobtree estate.	Senior Finance Manager (Client)
Staffing	Staffing implications are managed day-to-day in line with council procedures and policies.	Head of Regeneration and Economic Development
Legal	CMEC can extend the contract in line with the current contract conditions.	Team Leader, Contracts and Commissioning
Privacy and Data Protection	There are no new implications as a result of this report and recommendation.	Policy and Information Manager
Equalities	There is no impact on Equalities as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change, should one be identified.	Equalities & Communities Officer
Public Health	The Cobtree Estate works towards improving the health of our communities and residents through its day-to-day operations.	Leisure Manager
Crime and Disorder	Crime and disorder implications are managed day-to-day in line with council procedures and policies.	Leisure Manager

Procurement	Procurement implications are managed day-to-day in line with council procedures and policies.	Head of Regeneration and Economic Development
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no implications on biodiversity and climate change.	Leisure Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 Kent Life, formerly the Museum of Kent Life, is leased to and managed by Planning Solutions. The contract of operation began on 1 December 2015. It has a term of 10 years and includes an option to extend that term by five years to make it a 15-year contract.
- 2.2 The contract is into its seventh year. The operator has managed the site successfully with financial and service targets being achieved. Post-covid, performance continues to return to expected levels.
- 2.3 Planning Solutions wishes to make significant capital investment into the site to create a new restaurant in the store room next to Dotty's tea rooms.
- 2.4 The investment will be used to create a restaurant on site. As well as hot meals and drinks the restaurant will also include a grocery area where local food and produce can be sold. This will increase the offering to customers and also enable more evening functions to be delivered in house. The restaurant will provide additional catering options to Kent Life visitors and will complement the neighbouring tea rooms offering.
- 2.5 The Dotty's kitchen will be able to support the restaurant operation and the tea rooms. This project will create the seating and servery area for a restaurant, which will link to the existing Dotty's kitchen.
- 2.6 To recoup profits from a sizeable investment and justify it being made, Planning Solutions requires a longer remaining term. The current remaining term is three years and nine months, which is not sufficiently long enough to justify the investment being made.
- 2.7 The restaurant will be themed around Kent rural life and some of the items and artefacts in the store will be used to bring the restaurant to life.
- 2.8 Planning Solutions runs restaurants in some of its other tourism, leisure and hospitality venues and has the expertise within its business to deliver this project successfully. It has links to local food producers who will be able to provide items for inclusion in the menu and also for sale on site. The investment will increase the visitor experience at Kent Life and improve the asset value of Kent Life and the Cobtree estate.

Contract provisions

- 2.9 The Kent Life operations contract and lease include a provision for a five-year extension, which can be triggered at any point providing there is more than 12 months left before the expiry date. CMEC has the authority in the contract to award this extension and at that point a new head lease will be negotiated and agreed between CMEC and Planning Solutions.
- 2.10 The provision is for an extension of five years only. There is no provision for an extension of a different amount of time.
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3. AVAILABLE OPTIONS

3.1 Do not extend the contract

CMEC can choose to not extend the contract. The termination date will remain as 30 November 2025 and at that point a new tender process will be required to identify the next operator of Kent Life.

This option is not recommended.

3.2 Extend the contract

CMEC can choose to extend the contract by five years and create a new termination date of 30 November 2030. This option will enable Planning Solutions to make significant investment into the venue, which will be of benefit to customers until the termination date and beyond the termination date.

This is the recommended option.

3.3 Extend the contract at a point in the future

In order to bring immediate benefits to the customers of Kent Life it is recommended that the extension is completed now and not in the future. If the extension is delayed too long there will become a point where there is not a return on investment for the operator and it ceases to be a viable project for them.

This option is not recommended.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is to choose to extend the Kent Life operations contract now. It will bring immediate benefits to the site and to the customers, and it brings the greatest possibility of a return on the investment.
- 4.2 The creation of a restaurant on site increases the value, appeal and marketability of the Kent Life attraction for future operators, so there are long-term business benefits for CMEC too as well as for Planning Solutions.

5. RISK

- 5.1 If the contract is not extended the site and the visitor attraction do not benefit from external investment. The inverse of paragraphs 4.1 and 4.2 will be true and there is a risk that future impacts also materialise, for example CMEC finds it problematic to attract future operators to manage the site at the required rent.
- 5.2 If the contract is not extended at this time and the return on investment period decreases further the project may become unviable and the investment into the Cobtree estate may be lost.
- 5.3 There is a risk that a contract extension is awarded to the operator and it fails to make the investment. This can be prevented by making the investment a condition of the extension.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 No consultation has been undertaken on this item.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 With agreement from CMEC, Mid-Kent Legal Services will be instructed to prepare the necessary contract notice and the Head of Regeneration and Economic Development will negotiate lease terms with the operator.

8. REPORT APPENDICES

- None

9. BACKGROUND PAPERS

- None