

MAIDSTONE BOROUGH COUNCIL

COBTREE MANOR ESTATE CHARITY COMMITTEE

MINUTES OF THE MEETING HELD ON 3 OCTOBER 2014

Present: **Councillor Perry (Chairman) and
Councillors Mrs Blackmore, Greer and McLoughlin**

13. APOLOGIES FOR ABSENCE

There were no apologies for absence.

14. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

15. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

16. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

17. EXEMPT ITEMS

RESOLVED: That the item on Part II of the agenda be taken in private as proposed.

18. MINUTES OF THE MEETING HELD ON 9 JULY 2014

RESOLVED: That the Minutes of the meeting held on 9 July 2014 be approved as a correct record and signed.

19. COBTREE MANOR ESTATE - FINANCIAL POSITION 2014/15

The Committee considered the report of the Head of Finance and Resources setting out details of the financial position in respect of the Golf Course and the Manor Park as at 31 August 2014. The report also included details of capital expenditure and total investments held. It was noted that:

- No significant financial issues had arisen during September. The Golf Course was currently performing on budget, but the Manor Park was showing an adverse variance against the budgeted figures. This was due to additional grounds maintenance and staffing costs being incurred as a result of increased usage of the Park following the opening of the new play area. Costs would be monitored closely, but it was likely that there would be a small net deficit on the operations

of the Estate at the end of the financial year. There were sufficient resources from previously accumulated surpluses to cover a deficit so there would not be any implications for on-going operations or the implementation of the Master Plan.

- The budget for the implementation of the Master Plan had been set at £1.065m. To date there had been expenditure of £678,618 on Phase 1 works in respect of the play area, car park and other associated works, and funding to the value of £506,000 had been drawn down from the endowment fund to cover the expenditure with the balance being funded from previous operational surpluses generated from the Estate activities.

In response to questions, the Senior Accountant explained that:

- It was anticipated that projected income in relation to the Manor Park would be achieved. A number of items would not be accounted for until year end. In the meantime, with the ongoing implementation of the Master Plan, there was an opportunity to develop additional income streams to cover extra costs.
- Recharges were projected to increase due to time spent by staff on matters relating to the Kent Life management agreement and the retendering of the contract for the operation and management of the Golf Course.

RESOLVED: That the financial position in respect of the Golf Course and the Manor Park be noted.

20. CHARITY KNOWN AS THE COBTREE MANOR ESTATE - ACCOUNTS 2013/14

The Committee considered the report of the Head of Finance and Resources setting out the un-audited Report and Financial Statement for the financial year 2013/14. It was noted that:-

- The draft Report and Financial Statement had been produced in accordance with the Charity Accounting Statement of Recommended Practice.
- There had been a net increase in the funds of the Charity of £167,458. However, this figure included capital expenditure in relation to and funding of the Master Plan, and investment income. Excluding these items the operation of the Golf Course and the Manor Park had made a net surplus of £10,146 compared to a net surplus of £53,538 in 2012/13. The reason for the decrease in the level of the surplus was the increase in the running costs of the Park associated with increased usage.
- The capital expenditure had been funded by withdrawals totalling £506,000 from the permanent endowment funds invested in Charifund, as agreed by the Charity Commission. Previously accumulated operational surpluses of £150,000 had also been utilised

to fund the project and a donation of £300,000 had been received from the Cobtree Charity Trust Ltd towards the cost of the Visitor Centre. This would reduce the level of funding needed from the permanent endowment.

- In November 2013, the Charity assumed responsibility for the Kent Life attraction. Whilst an interim management agreement had been entered into with Continuum Ltd to continue running the attraction on behalf of the Charity, the asset was now shown on the Balance Sheet of the Charity, and had been valued at £725,000.
- A number of withdrawals had been made from the permanent endowment fund invested with Charifund, but the underlying position was that the investments had increased in value over the year.

In response to questions, the Officers explained that:

- A risk assessment had been undertaken in respect of the horse ride which linked into other bridleways in the area and was not considered to represent a hazard to other users of the Park.
- The fluctuation in the number of registrations at the Golf Course reflected trends across the country, and discussions would take place with the management contractor regarding initiatives to promote the Course and attract new players.
- Whilst the incidence of crime and vandalism was generally low, action was being taken to improve security across the Estate.
- King & Taylor had been appointed as the external auditors for the financial years 2013/14 and 2014/15. They had been the Charity's external auditors for a number of years and there was a good working relationship between their staff and Council staff. In addition, King & Taylor were experienced auditors of charity accounts and had a good working knowledge of the Charity from their previous audit work. Whilst the Committee could seek to appoint a different auditor this was not recommended at this time.

RESOLVED: That the draft Report and Financial Statement for the financial year 2013/14 be noted prior to audit.

21. COBTREE ESTATE PROGRESS REPORT

DECISION MADE:

1. That the progress report on work being undertaken across the Cobtree Estate, attached as Appendix A to the report of the Cobtree Officer, be noted.
2. That the Head of Legal Services be authorised to re-let Garden Cottage on a long term tenancy at market rent (and on such other

terms as may be agreed by the Cobtree Officer) at such time that the existing tenant gives notice.

For further information regarding this decision, please follow this link:

<http://services.maidstone.gov.uk/meetings/ieDecisionDetails.aspx?AIId=18938>

22. COBTREE MANOR ESTATE VISITOR CENTRE

During the discussion on this item, the Officers undertook to review the detailed specification for the works having particular regard to sustainable construction installations. Members reiterated the need to ensure that the Visitor Centre was delivered on time and within budget.

DECISION MADE:

1. That the final design of the Cobtree Manor Estate Visitor Centre as set out in Appendix A to the report of the Cobtree Officer be approved.
2. That G.A. Harpers Ltd. (Harpers), the winning tenderer under the tendering process conducted by the Council, as set out in exempt Appendix B to the report of the Cobtree Officer, be appointed to build the Visitor Centre.
3. That the Head of Legal Services be authorised to complete an agreement with Harpers to this effect, and that the Cobtree Officer be given delegated authority to agree further details of the contract if needed in consultation with the Chairman of the Cobtree Manor Estate Charity Committee.
4. That phase 3 (i.e. the Visitor Centre) of the Cobtree Master Plan Project be approved to commence and that the final amount of money (£371,226) be released for this purpose.

It should be noted that of this sum £300,000 is grant money received from the Cobtree Charity Trust Ltd (CCTL). The £300,000 originally identified by Council Officers from the permanent endowment for the Master Plan project for the Visitor Centre will not be drawn down consequent on this grant from CCTL, subject to paragraph 5 below.

5. That the following money from the original Visitor Centre budget of £300,000 be allocated to this the final phase of the project as additional items of expenditure:

£25,125 as a 7.5% contingency against the contract sum;
£12,000 to be spent on furniture for the café including new tables for inside and outside;
£22,000 for the kitchen fit out;

£10,000 for high quality interpretation, including new signage, with the design of the interpretation being developed in consultation with CCTL;
£10,000 for additional security including new CCTV; and
£15,000 for surfacing to extend the car park within Cobtree Manor Park to accommodate 60 extra spaces.

6. That arrangements be made for Members to receive regular progress reports on the delivery of this project.

For further information regarding this decision, please follow this link:

<http://services.maidstone.gov.uk/meetings/ieDecisionDetails.aspx?AIId=19078>

23. EXCLUSION OF THE PUBLIC FROM THE MEETING

RESOLVED: That the public be excluded from the meeting for the following item of business because of the likely disclosure of exempt information for the reason specified having applied the Public Interest Test:

**Head of Schedule 12A and
Brief Description**

Exempt Appendix to the Report of the Cobtree Officer – Cobtree Manor Estate Visitor Centre 3 – Financial/Business Affairs

**EXEMPT APPENDIX TO THE REPORT OF THE COBTREE OFFICER –
COBTREE MANOR ESTATE VISITOR CENTRE**

RESOLVED: That the information contained in the exempt Appendix to the report of the Cobtree Officer relating to the Cobtree Manor Estate Visitor Centre be noted.

24. DURATION OF MEETING

10.35 a.m. to 11.40 a.m.