MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE COBTREE MANOR ESTATE CHARITY COMMITTEE

Decision Made: 26 July 2023

Cobtree Golf Course

Issue for Decision

Following the Committee's decision in November 2022 to market the lease for Cobtree Manor Park Golf Course, an extensive marketing and applications process has been undertaken and decisions are now required to award the lease to the preferred applicant.

Decision Made

- 1. That Heads of Terms for the lease of Cobtree Manor Park Golf Course including the clubhouse building, ancillary buildings and facilities are exchanged with Applicant 2 in order to begin the due diligence work required.
- 2. That, subject to satisfactory completion of the due diligence work, the lease of Cobtree Manor Park Golf Course including the clubhouse building, ancillary buildings and facilities is granted to Applicant 2.
- 3. That delegated authority is given to the Director of Finance, Resources and Business Improvement in consultation with the Chairman and Vice-Chairman to agree the final lease with Applicant 2.
- 4 That delegated authority is given to the Head of Mid-Kent Legal Services to enter into such lease documents and complete any relevant statutory notices and similar statutory documentation in order to complete the lease process.

Reasons for Decision

In November 2022 the Cobtree Manor Estate Charity Committee (CMEC) considered a report on the lease and contract at Cobtree Manor Park Golf Course. At that meeting, it was resolved that the lease of the golf course be advertised to prospective new tenants.

Through agents, the property has been advertised and proposals have been invited and received. In the proposals the Council sought a tenant that:

- Has the requisite skills and experience to provide an enjoyable golf course for members and visitors all year round;
- Can provide more opportunities for an increased number of people to spend time at Cobtree Manor Park Golf Course, for a wider range of leisure, recreation, and/or business activities; and

 Will make a positive contribution to the Council's carbon zero commitments via investment into infrastructure and improved biodiversity across the golf course via expert greenkeeping and land management.

In their proposals applicants were asked to describe how they meet these criteria and outline their rental and development proposals for the site and its buildings. Proposals were assessed against these criteria and the implications of their proposals were analysed. Interviews were held with some applicants at which they presented their proposals and plans and responded to questions.

Following the interviews, a preferred applicant has been identified.

For the reasons outlined in the exempt Appendix, Applicant 2 is the preferred applicant for reasons of quality and cost. Applicant 2 presents the best long-term option for the golf course tenancy, has a strong track record of delivery, and is best placed to deliver against the strategic objectives of the golf course letting that are outlined above.

This option will provide a sustainable financial rental return from the golf course for CMEC and will ensure the continued operation of the course for its members and visiting golfers, which is in line with the Cobtree Estate's charitable objectives.

The annual rent from Applicant 2 is below the rent that has been previously achieved at Cobtree Golf Course. The previous rent was above market averages and predicated on a new clubhouse with divergent income streams, that did not manifest. The Committee has previously been advised of the likelihood of decreased future rents at Cobtree Manor Park Golf Course and the annual rent from Applicant 2 has been projected in the exempt Appendix which also shows the minimum capital investment that Applicant 2 commits to investing into the Charity's assets and how that will increase the value of its golf course.

Despite the reduced annual rent, which the Charity will need to factor into its annual revenue accounts, the total package of rent and investment will protect and improve the Charity's assets and ensure the continued success of its golf course which provides valuable leisure and health benefits to residents.

The Charity has opportunities to increase income in other areas of operation across the Cobtree Estate and reports on these opportunities and options can be brought to future Committee meetings.

Alternatives Considered and Why Rejected

1. Do Nothing - Rejected

This would involve reversing decisions taken in 2021 and 2022 and reverting to the current lease and the associated viability issues that were previously identified. This route is possible, but it is not considered in the best interests of the Charity.

2. Grant a Lease to Another Applicant - Rejected

As set out in the exempt Appendix, no other applicant scored as well as Applicant 2 at interview nor in the business proposal.

Background Papers

Cobtree Golf Course Report considered by the Committee at its meeting on 23 November 2022

I have read and approved the above decision for the reasons (including possible
alternative options rejected) as set out above.
A.
Signed:
Leader of the Council - Councillor David Burton

Full details of the report for the decision can be found at the following area of the website.

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm 4 August 2023**