

COBTREE MANOR ESTATE CHARITY COMMITTEE MEETING

Date: Wednesday 25 April 2018
Time: 10.30 am
Venue: The Glass Meeting Room, Maidstone Museum, St Faith's Street,
Maidstone

Membership:

Councillors Cox (Vice-Chairman), Mrs Gooch, McLoughlin (Chairman), Perry
and Mrs Wilson

<u>AGENDA</u>	<u>Page No.</u>
1. Apologies for Absence	
2. Notification of Substitute Members	
3. Urgent Items	
4. Notification of Visiting Members	
5. Disclosures by Members and Officers	
6. Disclosures of Lobbying	
7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.	
8. Minutes (Part I) of the meeting held on 25 January 2018	1 - 7
9. Presentation of Petitions (if any)	
10. Questions and answer session for members of the public (if any)	
11. Cobtree Manor Estate Operation Update	8 - 11
12. Financial Position Report 2017/18	12 - 19
13. Cobtree Manor Estate Budgets 2018/19	20 - 26

Issued on Tuesday 17 April 2018

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

PART II

To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.

	Head of Schedule 12 A and Brief Description	
14. Minutes (Part II) of the meeting held on 25 January 2018	Paragraph 3. Information re. financial/business affairs	27
15. Update on Contractual Issue	Paragraph 3. Information re. financial/business affairs	28 - 35

PUBLIC SPEAKING AND ALTERNATIVE FORMATS

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MAIDSTONE BOROUGH COUNCIL

COBTREE MANOR ESTATE CHARITY COMMITTEE

MINUTES (PART I) OF THE MEETING HELD ON THURSDAY 25 JANUARY 2018

Present: Councillor McLoughlin (Chairman), and
Councillors Perry and Mrs Wilson

Also Present: Mr Bernard Mee, Cobtree Charity Trust
Ltd

39. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Cox and Mrs Gooch.

40. NOTIFICATION OF SUBSTITUTE MEMBERS

There were no Substitute Members.

41. URGENT ITEMS

The Chairman agreed to take an urgent oral report to be taken in private which related to an uprated power supply at Cobtree Manor Visitor Centre/Café. The reason for urgency was that a decision needed to be made as soon as possible and this information was not available at the time of agenda publication.

42. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

43. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members and Officers.

44. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

45. EXEMPT ITEMS

RESOLVED: That the items in Part II of the agenda (including the urgent item) be taken in private due to the possible disclosure of exempt information.

46. MINUTES OF THE MEETING HELD ON 19 OCTOBER 2017

RESOLVED: That the minutes of the meeting held on 19 October 2017 be approved as a correct record and signed.

47. PRESENTATION OF PETITIONS

There were no petitions.

48. QUESTIONS AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

49. ACCOUNTS 2016/17

Mr Paul Holland, the Senior Finance Manager presented the Annual Report and Financial Statement which included the independent auditor's report.

The Committee noted:-

- The balance sheet as at 31 March 2017 showed net assets of £4.3m which had reduced from £4.5m previously and was a result of a number of movements, the most significant being the downward revaluation of the value of the golf course. The golf course had since been re-let and as a result of that the valuation was expected to increase.
- The current cash position of £100k was expected to rise to £215k.

Members were minded that they had previously undertook to start to repay some of monies back. Mr Holland stated that it would seem prudent to wait until the final trading figures were available at year end and then assess the situation.

Mr Holland highlighted a couple of changes that would be made to Page 6 of the accounts, which were as follows:-

Under Financial Review

- Under Financial Review and Investment Policy – the balance sheet shows net assets at 31 March 2016 – this should read **2017**
- The words 'Golf Course' should be inserted after Cobtree Manor Park in the last sentence of that section.
- Under Plans for Future Periods – in the last sentence it referred to a master plan, this should be 'capital programme'.

There had been an assumption made by the auditors that a disputed sum incurred by the contractor would be paid but it had not been entered into the debtors section. Mr Holland was requested to ask for an explanation

from the auditors as to why it had been handled in that way.

RESOLVED: That the report and financial statement for 2016/17 be approved and submitted to the Charity Commission subject to the Chairman being satisfied that the Committee's comments and alterations have been incorporated.

Voting: Unanimous

50. EXTERNAL AUDIT MANAGEMENT LETTER 2016/17

Mr Paul Holland, the Senior Finance Manager presented a report on the External Auditor's Management Letter. The purpose of the letter was to bring matters of interest to the Trustees. However, it was noted that there had been no new recommendations made as a result of the 2016/17 audit.

However, the Committee noted that the External Auditors had continued to strongly recommend that the Council set up the charity's own accounting records. Mr Holland advised that this would be a relatively easy process to undertake.

Members were concerned after reading the comments under Item 6 – Status of Audit Issues Raised in Prior Years about the legal status of the Committee and requested Mr Holland to seek legal advice in relation to the Members' limited liability and bring a report back.

RESOLVED:

- 1) That the Committee noted the contents of the Management Letter and the proposed courses of action from Officers.
- 2) That the Senior Finance Officer be requested to seek legal advice in relation to the Members' limited liability and bring a report back.

Voting: Unanimous

51. REAPPOINTMENT OF AUDITORS

Mr Paul Holland presented a report on the re-appointment of external auditors to the Charity.

RESOLVED: That UHY Hacker Young be appointed external auditors to the Charity for the financial years 2017/18 and 2018/19.

Voting: Unanimous

52. COBTREE MANOR ESTATE FINANCIAL POSITION

Mr Paul Holland, the Senior Finance Manager, presented a report on the current financial position of the Estate as at 30 November 2017.

The Committee noted that the overall budget forecast for the estate activities would show an overall deficit position of £27,250 for the year. However, taking into account the estimated investment income of £50,000, it would project resources increasing by £22,750 for 2017/18.

In response to questions from Members, Mr Holland advised that:-

- Income for the estate would remain about the same even though the Café would be operated by a private Contractor as the Council would receive 8% of their turnover.
- Mytime, the Contractor for the Golf Course, would be invoiced quarterly in advance rather than annually. Mr Holland committed to confirming with Members once this arrangement was in place.
- He would investigate whether it would be feasible to move invoicing Kent Life to quarterly rather than a year in arrears and would advise Members what sums had been paid to date.

RESOLVED: That the current financial position be noted.

53. COBTREE MANOR ESTATE UPDATE JANUARY 2018

Mrs Elizabeth Buckingham updated the Committee on the day to day work on the Estate and the issues that affected its management.

Cobtree Manor Park

Maintenance of the park over the autumn and winter period included shrubbery maintenance and tree works. An application had been submitted for Green Flag status for 2018/19.

Various events had been organised including three Autumn and Halloween themed drop in craft sessions and a Santa 5km course.

The Men in Sheds project continued to thrive and was looking to improve the building and facilities by seeking funding for the roof insulation and septic tank installation.

The Committee was keen for work to progress on the Elephant House and requested that Mrs Buckingham obtain copies of the quotations for works from the Men in Sheds Group in order that a decision could be made on a contribution to the work from the Cobtree Manor Estate Trust Committee.

Visitor Numbers – There had been a healthy increase in visitors in 2017 in the Park but a slight decrease in numbers at the Golf Course due to the wet weather.

Car Park – The car park income remained healthy, being above target at year end.

Incidents – There had been a number of break-ins at the Cobtree Manor Park Visitor Centre and the Elephant House.

RESOLVED: That the contents of the Cobtree Manor Estate Update Report be noted.

54. COBTREE CAFE VISITOR CENTRE UPDATE JANUARY 2018

Mr Jason Taylor, the Leisure Manager, presented a report which updated the Committee on the performance of the Cobtree Manor Park Visitor Centre/Café.

The Committee noted that whilst the visitor figures for the Cobtree Manor Park Visitor Centre/Café were down in December, income had risen.

RESOLVED: That the contents of the report be noted.

55. COBTREE MANOR PARK CAR PARKING IMPROVEMENTS AND CHARGING

Mr Jason Taylor, the Leisure Manager, presented a report which set out the proposed improvements to the car park at Cobtree Manor Park.

The Committee noted that the car park was very wet in the winter and very dusty in the summer and marking out of the bays had proved difficult.

Mr Taylor drew attention to the Exempt Appendix to the report which contained details of the successful bid for the car park improvement works. He emphasised that an additional £10,000 had been included to carry out the extra works to the bottom car park and another £10,000 to appoint a Project Manager to oversee the works.

The Committee was asked to consider increasing the car park charges following the completion of the car park improvement works. It was felt that the charges should be increased consistently and that the Council should be encouraged to align Mote Park car parking charges at the appropriate time.

Members expressed concern that should the improvement works be approved, the Charity's reserves would be low. However, Mr Holland suggested that the capital payments to the Council could be made in instalments rather than all at once. Mr Holland was requested to provide a cash flow statement to all Members of the Committee.

RESOLVED:

- 1) That the Car Park Improvement works to proceed at a cost of £214,500 be agreed, including £10,000 to carry out the extra works to the bottom car park and £10,000 to appoint a project manager to oversee the works.
- 2) That delegated authority be given to the Director of Finance and

Business Improvement to award the contract to the successful contractor detailed in Exempt Appendix 3 to the report of the Head of Regeneration and Economic Development.

- 3) That delegated authority be given to the Head of Mid Kent Legal Services to enter in the necessary contracts with the contractor.
- 4) That the daily car parking charge be increased from £1.50 to £2, and the annual residents season ticket price from £40 to £50 upon the completion of the car park improvement works.

Voting: Unanimous

56. EXCLUSION OF THE PUBLIC

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**

Cobtree Manor Park Visitor
Centre/Cafe Security Review

7 – Information re Crime

Cobtree Manor Park Visitor
Centre/Café – Power Supply

3 – Information re business/
financial affairs

57. COBTREE MANOR PARK VISITOR CENTRE SECURITY REVIEW

Mr Jason Taylor, the Leisure Manager, presented an exempt report on the actions taken and proposed to improve the security at Cobtree Manor Park Visitor Centre following a number of break-ins.

RESOLVED:

- 1) That the works as detailed in the exempt report of the Head of Regeneration and Economic Development be approved at a cost of £9,800.
- 2) That the installation of measures to protect the vulnerable access points around the Cobtree Manor Park Visitor Centre, as detailed in the exempt report of the Head of Regeneration and Economic Development be approved at a cost of £7,506.

Voting: Unanimous

58. COBTREE MANOR ESTATE VISITOR CENTRE/CAFE - POWER SUPPLY

The Committee considered the urgent oral update of the Head of Regeneration and Economic Development which related to commercially

sensitive information and should be taken in private.

RESOLVED: That a capital cost be authorised of £23,000 to fund the installation of an uprated power supply for Cobtree Manor Park Café as detailed in Part II of the minutes.

Voting: Unanimous

59. DURATION OF MEETING

2.30 p.m. to 4.45 p.m.

Agenda Item 11

Cobtree Manor Estate Charity Committee

25 April 2018

Cobtree Manor Estate Update Report

Final Decision-Maker	Cobtree Manor Estate Charity Committee
Lead Head of Service/Lead Director	Dawn Hudd - Head of Regeneration and Economic Development
Lead Officer and Report Author	Jason Taylor – Leisure Manager
Classification	Public
Wards affected	Boxley

Executive Summary

The information in the report is intended to give the Committee an understanding of the day to day work on the Estate and the issues that affect its management. It also provides a record of all that is achieved across the different parts of the estate.

The estate update covers the period from when the Committee last met in January 2018.

This report makes the following recommendations to this Committee:

1. That the contents of the report be noted.

Timetable

Meeting	Date
Cobtree Manor Estate Charity Committee	25 April 2018

Cobtree Manor Estate Update Report

1. INTRODUCTION AND BACKGROUND

1.1 This report covers the period from January 2018 to April 2018.

1.2 Cobtree Manor Park

Maintenance of the park over this period covers autumn and winter works.

Works to the park include:

- Completion of renovation pruning of the shrubbery border to the upper meadow area bordering the Golf Course to allow access to and inspection of Arboretum specimens.
- Clearance and renovation of the border to the Forstal Road.
- Weed management
- Tree works to dangerous and diseased trees
- An application for the Green Flag Award 2018/9 was submitted in January and a date for the full judging inspection is awaited.
- An inspection of the tree border to the Forstal Road has identified works totalling circa £5,000 to ensure the safety of the trees in the road target zone and to be compliant with Highway regulations.
- Temporary repairs to the car park surface following deterioration due to two bouts of adverse weather.

1.3 Community

Three Hadlow College Countryside Management students have completed a total of 86 hours voluntary work to date, undertaking preparation of the 'community garden' for planting and carrying out some habitat surveying. To complete their placements, they are scheduled to contribute a further 180 hours this year.

1.4 Visitor Numbers

Unfortunately the electronic gate counter stopped working on January 17th which has meant that there is no data for this quarter. The reason for this is currently being investigated but it could possibly be related to the gate posts being moved as detailed later in this report.

1.5 Car Park

Car park income totalled £83,895 net for 2017/18 financial year to 31 March 2018; this was £17,595 above target with an average weekly income of £1,583. Income was marginally lower than the previous financial year by £2,041.

A project manager has been appointed to oversee the surfacing of the car park at the park.

The work has been slightly delayed due to the need for additional design work, topographical surveys and soils investigations tests. This is work that was not believed initially was necessary but the contractor and project manager now believe it is required.

1.6 Café and Visitor Centre Update

The café has continued to trade pending the takeover by DA GT, which will take place on 17th April 2018

1.7 Cobtree Manor Golf Course

The latest update on the day to day operation of the golf course will be provided at the meeting.

The new club house and golf course alterations project is moving forward and the operators, Mytime Active, have met with both planners and the landscape team leader for pre-application advice. This has resulted in some changes to the initial plans due to the proposed buildings proximity to ancient woodland, but is still hoped that the planning application will be submitted by July this year.

The meeting to show ward councillors the proposals for the golf course prior to planning consent being submitted had to be cancelled in February due to snow, but this has been rearranged for Friday 20th April 2018.

1.8 Kent Life Farm Attraction

An update on the performance of Kent Life Farm Attraction will be given to the committee at the meeting as it was not available when this report was written.

1.9 Incidents

An unknown heavy vehicle reversed into the main gates on 8th March 2018 causing damage to the posts, gates and height barrier. The estimated cost of repairs will be c£6,500. The incident was reported to the Police who were unable to take further action.

Due to MBC's £10,000 insurance excess it is not possible to make an insurance claim for this damage.

2. AVAILABLE OPTIONS

This report is to note only.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

It is recommended that the information in this report regarding the performance of the Cobtree Estate is noted.

4. RISK

This report is presented for information only and has no risk management implications.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

Other than through social media no consultation has taken place since the last report.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

Any comments from the Committee will be passed on to the relevant parties.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The work of the charity links directly to its charitable objects and the corporate priorities of the Council.	Head of Regeneration and Economic Development
Risk Management	Risks to running the estate are dealt with in the annual Estate Risk Management Report.	Head of Regeneration and Economic Development
Financial	Financial risks are considered in the ongoing finance updates.	Paul Holland, Senior Finance Manager – Client
Equalities	No Implications	

8. REPORT APPENDICES

None

9. BACKGROUND PAPERS

None

Agenda Item 12

**Cobtree Manor Estate
Committee**

25 April 2018

Cobtree Manor Estate Financial Position

Final Decision-Maker	Cobtree Manor Estate Committee
Lead Head of Service	Head of Regeneration & Economic Development
Lead Officer and Report Author	Paul Holland, Senior Finance Manager (Client)
Classification	Public
Wards affected	Boxley

Executive Summary

The report summarises the current financial position of the Estate as at 31 March 2018 covering the activities at the golf course, Kent Life, the Manor Park and the Café/Visitor Centre.

This report makes the following recommendations to this Committee:

1. That the current financial position be noted.

Timetable

Meeting	Date
Cobtree Manor Estate Committee	25 April 2018

Cobtree Manor Estate Financial Position

1. INTRODUCTION AND BACKGROUND

1.1 This is a regular update report on the financial position of the Estate, which enables the Committee to see how the various areas of activity are performing. The last few years have seen a number of significant financial pressures and issues, and it is important for the future of the Estate that these are addressed and monitored.

2. CURRENT FINANCIAL POSITION

2.1 The figures in this report are the provisional outturn as at 31 March 2018, so they may be subject to change, although these should only be minor ones. Following discussions with the Chairman and Vice-Chairman the presentation of the figures in the Appendix has been changed to give Members a greater level of detail across the four operational areas. This includes details of which Maidstone Borough Council sections are making charges to the Trust.

2.2 **Appendix 1** shows a summary of the current financial position as at 31 March 2018, along with the full year budgets, and also outlines the position for each of the areas of activity:

2.2.1 Overall Summary Position:

SUMMARY TOTALS

Heading	Budget 2017/18	Actual 2017/18	Variance against Budget
Cobtree Golf Course	-£123,630	-£118,919	£4,711
Cobtree Manor Park	£64,630	£75,920	£11,290
Kent Life	-£34,140	-£28,843	£5,297
Cobtree Café & Visitor Centre	£71,640	£40,368	-£31,272
Totals	-£21,500	-£31,474	-£9,974
Transfer 2/9ths of Golf Course to MBC		£26,427	
Sub-Total: Operational Surplus		-£5,047	
Investment Income received		-£42,812	
Net increase in resources 2017/18		-£47,859	

Taking into account the transfer of 2/9^{ths} of the net golf course surplus to Maidstone Borough Council the operations of the Estate for the year show a small surplus of £5,047, which is in line with earlier projections. Taking into account the investment income received the resources of the Trust have increased by £47,859.

2.2.2 **Cobtree Golf Course** –The new contract with Mytime commenced on 1st April 2017. Responsibility for utility payments now rests with Mytime, the transactions that have gone through this year reflect prior year bills that needed to be paid, and Mytime have been recharged for these. Mytime

have been invoiced and paid for the contract sum due for 2017/18. They have also been sent the invoice for the first quarter 2018/19. There is a charge under General Expenses of £7,381 which is VAT that cannot be reclaimed by the Trust as it relates to exempt activities. There was no budget for this as it was unclear what the total charge for the year would be, but one will be included for 2018/19.

Members will be aware from the report elsewhere on this agenda that a proposal has been made to settle the outstanding invoice payment due from Mytime. The invoice in question relates to 2016/17 so will not impact directly on the figures above but it will have an effect on the cashflow of the Trust, and Members have been briefed separately on this.

- 2.2.3 **Cobtree Manor Park** – Car parking income is continuing to generate a healthy level of income. There are also exempt VAT costs of £7,762 in this area. The most significant area of expenditure is grounds maintenance costs, and the breakdown of expenditure in this area is as follows:

Type of works	Cost
Grass cutting and shrub bed maintenance	£44,160
Supply of Labour from MBC Grounds Maintenance Team	£14,447
Tree works	£2,620
General repairs and maintenance	£6,004
Total	£67,231

- 2.2.4 **Kent Life** - There are no issues to report with regards to the Kent Life attraction. The contract with Total Planning Solutions states that the annual sum due is paid a year in arrears, and this has been invoiced, although at the date of writing this report payment had not been received. There are also exempt VAT costs of £5,188 in this area.
- 2.2.5 **Café/Visitor Centre** –The operational position has been monitored across the year and the café has performed significantly better than the initial projections for the year. As Members will be aware management of the café will shortly be passed to an external contractor so the budgets will need to be adjusted to reflect this.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the contents of this report as this is good financial management practice.

4. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 4.1 Officers will continue to monitor the financial position and take appropriate action where necessary.

5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The operation of the Estate directly supports the objects of the Trust and the Council's strategic objective to ensure there are good leisure and cultural attractions in the Borough.	Head of Regeneration & Economic Development
Risk Management	There is a potential reputational risk if the facilities are operated poorly. This is addressed in the annual risk management report.	Leisure Manager
Financial	There is a financial risk to the Trust if the operations cost more than predicted or fail to generate sufficient income to cover the costs of running them estate.	Senior Finance Manager (Client)
Staffing	There are no additional implications arising from this report.	
Legal	There are no additional implications arising from this report.	Keith Trowell, Interim Team Leader (Corporate Governance)
Privacy and Data Protection	There are no additional implications arising from this report.	
Equalities	There are no additional implications arising from this report.	
Crime and Disorder	There are no additional implications arising from this report.	
Procurement	There are no additional implications arising from this report.	

6. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Financial Position Summary 2017/18

7. BACKGROUND PAPERS

None.

COBTREE GOLF COURSE

Classification	Budget 2017/18	Actual 2017/18	Variance
Repairs & Maintenance	£4,950	£3,170	-£1,780
Gas	£0	-£1,836	-£1,836
Electricity	£7,000	£6,903	-£97
Water Metered	£0	£4,260	£4,260
Sewerage & Env Services	£16,000	£16,835	£835
Premises Insurance	£910	£952	£42
General Expenses	£2,000	£7,382	£5,382
Controlled Running Costs	£30,860	£37,665	£6,805
Other Income	-£150,000	-£150,000	£0
Service Charges & Other Receipts - Electricity	-£7,000	-£7,000	£0
Service Charges & Other Receipts - Sewerage	-£16,000	-£15,473	£527
Service Charges & Other Receipts - Water	£0	-£2,621	-£2,621
Rent Income	-£5,250	-£5,250	£0
Controlled Income	-£178,250	-£180,344	-£2,094
Leisure Services Section	£7,610	£7,610	£0
Head of Economic & Commercial Development	£7,200	£7,200	£0
Property & Procurement Manager	£1,250	£1,250	£0
Procurement Section	£1,410	£1,410	£0
Property & Projects Section	£4,420	£4,420	£0
Accountancy Section	£1,870	£1,870	£0
Recharges from Maidstone BC	£23,760	£23,760	£0
TOTALS	-£123,630	-£118,919	£4,711

COBTREE MANOR PARK

Classification	Budget 2017/18	Actual 2017/18	Variance
Salaries	£47,740	£47,636	-£104
Overtime	£9,000	£8,441	-£559
Employers NI	£4,340	£4,473	£133
Employers Superannuation	£6,730	£6,872	£142
Qualification Training	£0	£1,230	£1,230
Employee Insurances	£760	£760	-£0
Medical Recharges	£60	£30	-£30
Employee Costs	£68,630	£69,441	£811
Repairs & Maintenance of Premises	£11,520	£11,125	-£395
Repairs & Maintenance of Grounds	£68,000	£67,231	-£769
Repairs & Maintenance - Prop.Services	£0	£270	£270
Gas	£0	£513	£513
Water Metered	£100	£727	£627
Cesspool Emptying	£0	-£35	-£35
Cleaning Costs	£11,000	£11,409	£409
Premises Insurance	£800	£837	£37
Casual User Allowance	£600	£0	-£600
Equipment Costs	£1,500	£2,330	£830
Materials & Supplies	£1,000	£1,974	£974
Cash Collection	£2,310	£2,335	£25
Protective Clothes	£500	£0	-£500
Printing	£0	£350	£350
Photocopying	£500	£4	-£496

Stationery	£200	£0	-£200
General Expenses	£500	£8,593	£8,093
Audit Fee	£4,500	£4,995	£495
Licence Fees	£0	£40	£40
Professional Services	£18,490	£18,147	-£343
Postages	£0	£34	£34
Telephones	£300	£250	-£50
Conferences	£0	£175	£175
General Insurances	£170	£170	£0
External Print & Graphics	£160	£0	-£160
MBS Internal Services	£5,000	£5,453	£453
Controlled Running Costs	£127,150	£136,927	£9,777
Car Park Income	-£83,450	-£88,662	-£5,212
Investment Income - Cobtree Charity Trust Ltd.	-£50,000	-£45,998	£4,002
Licences	-£420	-£900	-£480
Rent Income	-£27,200	-£24,808	£2,392
Controlled Income	-£161,070	-£160,368	£702
Leisure Services Section	£4,350	£4,350	£0
Head of Economic & Commercial Development	£1,440	£1,440	£0
Communications Section	£230	£230	£0
Director of Regeneration & Place	£1,100	£1,100	£0
Property & Procurement Manager	£1,000	£1,000	£0
Procurement Section	£3,280	£3,280	£0
Property & Projects Section	£7,500	£7,500	£0
Accountancy Section	£11,020	£11,020	£0
Recharges from Maidstone BC	£29,920	£29,920	£0
Cobtree Manor Park	£64,630	£75,920	£11,290

KENT LIFE

Classification	Budget 2017/18	Actual 2017/18	Variance
Premises Insurance	£2,000	£2,092	£92
Equipment Purchase	£0	£26	£26
Equipment Maintenance	£7,180	£7,184	£4
General Expenses	£0	£5,189	£5,189
Professional Services Land Registry	£0	£6	£6
Controlled Running Costs	£9,180	£14,496	£5,316
Other Income	-£61,400	-£61,419	-£19
Controlled Income	-£61,400	-£61,419	-£19
Leisure Services Section	£4,350	£4,350	£0
Head of Economic & Commercial Development	£2,890	£2,890	£0
Property & Projects Section	£10,220	£10,220	£0
Accountancy Section	£620	£620	£0
Recharges from Maidstone BC	£18,080	£18,080	£0
Kent Life	-£34,140	-£28,843	£5,297

COBTREE CAFÉ & VISITOR CENTRE

Classification	Budget 2017/18	Actual 2017/18	Variance
Salaries	£71,620	£74,241	£2,621
Overtime	£500	£13,496	£12,996
Employers NI	£4,860	£5,326	£466
Employers Superannuation	£10,690	£6,043	-£4,647
Holiday In Excess	£1,000	£4,996	£3,996
Agency Temp Staff	£2,500	£1,517	-£983
Qualification Training	£0	£120	£120
Employee Insurances	£1,030	£1,030	-£0
Medical Expenses	£0	£20	£20
Medical Recharges	£60	£30	-£30
Employee Costs	£92,260	£106,818	£14,558
Repairs & Maintenance of Premises	£17,480	£17,207	-£273
Gas	£3,600	£448	-£3,152
Electricity	£7,980	£6,391	-£1,589
Water Metered	£1,080	£1,218	£138
Sewerage & Env Services	£1,080	£130	-£950
Cleaning Costs	£13,920	£13,512	-£409
Premises Insurance	£330	£345	£15
Public Transport	£0	£28	£28
Equipment Costs	£6,600	£7,437	£837
Materials & Supplies	£600	£501	-£99
Catering Provisions	£90,000	£88,015	-£1,985
Cash Collection	£1,920	£2,571	£651
Uniforms	£150	£0	-£150
Photocopying	£100	£445	£345
Stationery	£100	£0	-£100
Professional Services	£5,780	£3,774	-£2,006
Postages	£50	£0	-£50
Direct Telephones	£0	£35	£35
Mobile Telephones	£100	£37	-£63
Computer Consumables	£100	£9	-£91
General Insurances	£20	£20	£0
Training	£500	£0	-£500
Marketing	£0	£225	£225
External Print & Graphics	£180	£28	-£153
Main Contract Costs	£10,300	£0	-£10,300
Controlled Running Costs	£161,970	£142,375	-£19,595
Sales	-£210,180	-£236,415	-£26,235
Controlled Income	-£210,180	-£236,415	-£26,235
Leisure Services Section	£6,540	£6,540	£0
Head of Economic & Commercial Development	£7,200	£7,200	£0
Communications Section	£1,220	£1,220	£0
Director of Regeneration & Place	£1,100	£1,100	£0
Procurement Section	£1,090	£1,090	£0
Property & Projects Section	£4,090	£4,090	£0
Accountancy Section	£6,350	£6,350	£0
Recharges from Maidstone BC	£27,590	£27,590	£0
Cobtree Café & Visitor Centre	£71,640	£40,368	-£31,272

Agenda Item 13

Cobtree Manor Estate Committee

25 April 2018

Cobtree Manor Estate Budgets 2018/19

Final Decision-Maker	Cobtree Manor Estate Committee
Lead Head of Service	Head of Regeneration & Economic Development
Lead Officer and Report Author	Paul Holland, Senior Finance Manager (Client)
Classification	Public
Wards affected	Boxley

Executive Summary

The report sets out the current budgets for 2018/19 for the four operational areas of the Estate, and provides an update on a number of factors that will impact upon them.

This report makes the following recommendations to this Committee:

1. That the current budgets for 2018/19 be noted.
2. That an updated set of budgets be reported to the next meeting of the Committee.
3. That in future draft budgets should be reported to the Committee for consideration.

Timetable

Meeting	Date
Cobtree Manor Estate Committee	25 April 2018

Cobtree Manor Estate Budgets 2018/19

1. INTRODUCTION AND BACKGROUND

- 1.1 The Chairman has requested that this report be brought before the Committee to enable Members to review the budgets that have been set for 2018/19. The report sets out the budgets, provides some background information on how they were determined, some factors that need to be considered and sets out the options for future consideration of budgets.

2. BUDGETS 2018/19

- 2.1 The budgets for the four operational activities of the Estate are set out at **Appendix 1**. A summary of the overall position is shown in the table below:

Cobtree Golf Course	-£101,710
Cobtree Manor Park	£33,560
Kent Life	-£35,490
Cobtree Café & Visitor Centre	£62,230
Operational Surplus	-£41,410

- 2.2 The budgets are set using a combination of factors, the primary ones being inflationary increases, known contract sums, calculation of staff and other recharges, and forecasts of income. They are included in the figures submitted to the Council as part of the Heritage, Culture and Leisure Committee budgets for consideration. However those figures do not include any rechargeable costs or the entries that eliminate the share of Cobtree budgets that do not form part of the total Council budget, so the figures in the table above are just the operational budgets for the Estate. A reconciliation between the Cobtree Manor Estate budgets and the Council budgets can be provided for Members.
- 2.3 Members will be aware that the management of the café will shortly be passed to an external contractor. At the time of setting the budgets the timing of this was still not certain therefore the budgets shown at present reflect the current arrangements, and will need to be updated and amended when the contractor takes over the operation. This will improve the current position as the Council will be receiving a guaranteed rental income from the contractor.
- 2.4 Other budgets will be amended and updated following a review of the 2017/18 outturn figures that are shown elsewhere on this agenda. This will mean increasing the budget for grounds maintenance in the Manor Park, adding in budgets to reflect the situation with exempt VAT payments, and updating the budget for car park income following the decision to increase charges.

- 2.5 The figures for staff recharges will also need to be revised once the proposed Service Level Agreement with the Council is agreed.
- 2.6 The proposal to move the budgets and financial transactions of the Trust to a separate General Ledger system (Sage) is now in the early stages of being progressed, and Members will be updated on this in future reports.
- 2.7 It is proposed that an updated set of budget figures be brought to the next Committee meeting once the various factors set out above have been dealt with. These will also be presented as part of the more detailed financial position reports that will be presented to the Committee at regular intervals.
- 2.8 In previous years the budgets have not been brought to the Trust for consideration prior to their inclusion in the overall Council budget. However, in practical terms the Committee has agreed key elements of the budget such as the letting of contracts and car park income.
- 2.9 It is proposed that in future the draft budgets are brought before the Committee at an early stage prior to their inclusion in the Council budgets. This would give Members the opportunity to review and comment on them.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 It is recommended that the Committee note the contents of this report, agree to receive an updated set of budgets at the next meeting, and review draft budget figures in the future.

4. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 4.1 Officers will continue to monitor the budgets and make adjustments where necessary.

5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The operation of the Estate directly supports the objects of the Trust and the Council’s strategic objective to ensure there are good leisure and cultural attractions in the Borough.	Head of Regeneration & Economic Development
Risk Management	Good budgetary control enables financial performance to be	Senior Finance

	monitored and for future costs to be assessed more accurately.	Manager (Client)
Financial	There is a financial risk to the Trust if the operations cost more than predicted or fail to generate sufficient income to cover the costs of running them estate.	Senior Finance Manager (Client)
Staffing	There are no additional implications arising from this report.	
Legal	There are no additional implications arising from this report.	
Privacy and Data Protection	There are no additional implications arising from this report.	
Equalities	There are no additional implications arising from this report.	
Crime and Disorder	There are no additional implications arising from this report.	
Procurement	There are no additional implications arising from this report.	

6. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Cobtree Manor Estate Budgets 2018/19

7. BACKGROUND PAPERS

None.

APPENDIX 1

Account(T)	Approved Estimate 2018/19
Cobtree Golf Course	
Repairs & Maintenance	£4,950
Premises Insurance	£950
Equipment Maintenance	£1,000
Licence Fees	£200
Direct Telephones	£800
Controlled Running Costs	£7,900
Golf Course Contract Income	-£151,650
Rent Income	-£5,300
Controlled Income	-£156,950
Leisure Services Section	£6,440
Head of Economic & Commercial Development	£7,080
Property & Projects Section	£4,550
Accountancy Section	£200
Maidstone Borough Council Recharges	£18,270
Total	-£130,780
Transfer 2/9ths of Net Surplus to Maidstone BC	£29,070
Adjusted Total	-£101,710
Cobtree Manor Park	
Salaries	£49,990
Overtime	£9,000
Employers NI	£4,640
Employers Superannuation	£7,050
Employee Insurances	£820
Medical Recharges	£60
Employee Costs	£71,560
Repairs & Maintenance of Premises	£4,520
Repairs & Maintenance of Grounds	£45,600
Water Metered	£100
Trade Refuse Collection (Internal)	£8,000
Premises Insurance	£860
Casual User Allowance	£600
Equipment Purchase	£1,000
Equipment Hire	£500
Materials & Supplies	£1,000
Cash Collection	£2,310
Protective Clothes	£500
Photocopying	£500
Stationery	£200
General Expenses	£500
Audit Fee	£4,500
Professional Services	£18,490
Direct Telephones	£200
Mobile Telephones	£100

Account(T)	Approved Estimate 2018/19
General Insurances	£180
External Print & Graphics	£160
Controlled Running Costs	£89,820
Car Park Income	-£73,450
Cobtree Charity Trust - Investment Income	-£50,500
Licences	-£420
Rent Income	-£27,470
Controlled Income	-£151,840
Leisure Services Section	£3,680
Head of Economic & Commercial Development	£1,420
Communications Section	£240
Director of Regeneration & Place	£1,270
Procurement Section	£710
Property & projects Section	£7,710
Accountancy Section	£8,990
Maidstone Borough Council Recharges	£24,020
Total	£33,560
Kent Life	
Premises Insurance	£2,110
Equipment Maintenance	£7,180
Controlled Running Costs	£9,290
Other Income	-£61,900
Controlled Income	-£61,900
Leisure Services Section	£3,680
Head of Economic & Commercial Development	£2,830
Property & projects Section	£10,510
Accountancy Section	£100
Maidstone Borough Council Recharges	£17,120
Total	-£35,490
Cobtree Café/Visitor Centre	
Salaries	£64,760
Overtime	£500
Employers NI	£3,850
Employers Superannuation	£9,270
Holiday In Excess	£1,000
Agency Temp Staff	£2,500
Employee Costs	£81,880
Repairs & Maintenance of Premises	£7,480
Gas	£3,600
Electricity	£7,980
Water Metered	£1,080
Sewerage & Env Services	£1,080
Contract Cleaning	£12,000
Trade Refuse Collection (Internal)	£1,920
Premises Insurance	£350
Equipment Purchase	£500

Account(T)	Approved Estimate 2018/19
Equipment Maintenance	£600
Equipment Rental	£500
Materials & Supplies	£600
Catering Provisions	£90,000
Cash Collection	£1,920
Uniforms	£150
Photocopying	£100
Stationery	£100
General Expenses	£20,780
Postages	£50
Mobile Telephones	£100
Computer Consumables	£100
Training	£500
External Print & Graphics	£180
Main Contract Costs	£10,300
Controlled Running Costs	£161,970
Sales	-£200,370
Controlled Income	-£200,370
Direct Salaries	£4,800
Central Recharges	£11,960
Departmental Overheads	£1,990
Maidstone Borough Council Recharges	£18,750
Cobtree Manor Park Visitor Centre	£62,230

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

Agenda Item 15

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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