

MAIDSTONE BOROUGH COUNCIL

COBTREE MANOR ESTATE CHARITY COMMITTEE

MINUTES OF THE REMOTE MEETING HELD ON 11 JUNE 2020

Present: Councillor McLoughlin (Chairman) and
Councillors Cox, Daley and Mrs Gooch

Also Present: Councillor Perry

85. CHAIRMAN OF THE MEETING

Due to connectivity issues, the Chairman was not present for agenda items 1-11. In the absence of the Chairman, the Vice-Chairman took the Chair for these items.

86. APOLOGIES FOR ABSENCE

There were no apologies for absence.

87. NOTIFICATION OF SUBSTITUTE MEMBERS

There were no Substitute Members.

88. URGENT ITEMS

There were no urgent items.

89. NOTIFICATION OF VISITING MEMBERS

Councillor Perry had given notice of his wish to speak on the report of the Leisure Manager relating to Cobtree Contracts Reliefs and Mitigations, and was present at the meeting.

90. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

91. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

92. EXEMPT ITEMS

RESOLVED: That the items on the agenda be taken in public as proposed.

93. MINUTES OF THE MEETING HELD ON 18 MARCH 2020

RESOLVED: That the Minutes of the meeting held on 18 March 2020 be approved as a correct record and signed.

94. PRESENTATION OF PETITIONS

There were no petitions.

95. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

96. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman (the Vice-Chairman was in the Chair for this item).

The Chairman joined the meeting after consideration of this item (2.10 p.m.) and took the Chair.

The Chairman said that he had no disclosures of interest or lobbying.

97. COBTREE CONTRACTS RELIEFS AND MITIGATIONS

The Leisure Manager introduced his report on the contractual relief to be provided to the operators of the Cobtree Manor Park Golf Course, Kent Life and the Cobtree Café to ensure service continuity both during, where possible, and after the current COVID-19 pandemic.

The Leisure Manager advised the Committee that having consulted with the Chairman he wished to amend the recommendations set out in his report as follows with the changes in italics:

- 1 That the rent paid by MyTime Active at Cobtree Manor Park Golf Course is suspended for a period of 58 days, that the payment of the pro rata rent for that 58 day period is waived and the Senior Finance Manager makes provision for this in the Cobtree cashflow forecasts. *This relief is conditional on all other outstanding rental invoices being paid.*
2. That the contract fee paid by Planning Solutions at Kent Life is suspended for the whole of the Q1 period, that the payment of the Q1 contract fee is waived and the Senior Finance Manager makes provision for this in the Cobtree cashflow forecasts. *This relief is conditional on all other outstanding rental invoices being paid.*
3. *That the rent fee paid by Cobtree Café Ltd at the Cobtree Café is suspended for the duration of the Café's closure period, and that the payment of the rent is waived for that period subject to Cobtree Café*

Ltd complying with the UK PPN 02/20 guidance to the satisfaction of the Head of Regeneration and Economic Development.

4. That all agreements to provide relief are reliant on the operators complying with all of the appropriate actions and qualifying criteria, with the relief being withdrawn should the operator not be eligible or not be in compliance.
5. That authority be given to the Director of Regeneration and Place to instruct Mid-Kent Legal Services to amend the contracts and leases thus incorporating the changes approved in recommendation 1, recommendation 2 *and recommendation 3* above, and for the amended contracts and other ancillary documents to be entered into by the Council on behalf of Cobtree Manor Estate Charity.
6. That the Leisure Manager continues to monitor the budget and cashflow positions at Cobtree Manor Park Golf Course and Kent Life and that future requests for supplier relief are brought to this Committee for future consideration.

The Leisure Manager then explained that:

- In response to the COVID-19 outbreak, the Cobtree operators began to alter their operating arrangements from 16 March 2020 onwards until, under instruction from the Government, they closed and ceased operations on 23 March 2020.
- The operators had taken advantage of the Government's furlough scheme and business rates relief schemes where they were eligible but they were all experiencing significant budget pressures and they had all requested financial support from the Cobtree Manor Estate Charity.
- The Cobtree Manor Estate Charity and the operators were required to follow Procurement Policy Note 02/20 – Supplier relief due to COVID-19 published by the Cabinet Office and to work collaboratively to find solutions.
- The Cobtree Manor Park Golf Course had been closed for 58 days but was now operating at full capacity although the clubhouse, bar and restaurant remained closed. The majority of the staff remained on furlough but a sufficient number had returned to supervise the venue and the people on site. MyTime Active, the operator, had qualified for a £10,000 business rates grant. The Golf Course rent was paid quarterly and at the time of the closure MyTime's payment in advance for Q4 of 2019/20 was outstanding.
- Since closing on 23 March 2020, Planning Solutions, the operator of Kent Life, had furloughed all staff apart from two team members who had been on site every day checking the premises and caring for the animals. The operator was hoping to re-open on 4 July 2020 depending on the easing of lockdown restrictions. Planning Solutions

pay the annual contract fee in two six-monthly instalments due at the end of Q2 and Q4. The account was currently in arrears by one year's rent.

- DAGT, the operator of the Cobtree Café had altered the Café service on 20 March 2020 to provide take-away food and drinks only. They provided the service on this basis until they were required to close on 23 March 2020. The operator had prepared a plan to re-open on a take-away basis from 16 May 2020. Although this plan was approved, a letter was received from the operator stating that they believed that a force majeure event had occurred and that they would be vacating the Café. The force majeure request was rejected because it did not comply with the requirements of the Cobtree Café concession contract in relation to force majeure requests and also because the PPN 02/20 guidance was clear that the Government wanted to avoid suppliers to the public sector using force majeure clauses for COVID-19. The Officers had a number of questions around the financial information submitted by the operator of the Café but the operator had declined to provide answers or share any more information. In the circumstances the Officers did not feel able to apply the PPN 02/20 guidance, and this was reflected in the amended recommendations to the Committee.
- The recommended approach was designed to provide contractual relief to the Cobtree operators for the period of their closure and also to protect the Charity's own cashflow during this period of uncertainty. It would also provide resilience for the Charity in the event of any future closures.

Councillor Perry, Visiting Member, addressed the meeting explaining that whilst he was generally in favour of the amended recommendations, he did have a few queries. In response to these and other questions, the Leisure Manager explained that:

- The 58 days referred to in amended recommendation 1 was the period of time between the closure of the Cobtree Manor Park Golf Course (23 March 2020) and its partial re-opening to two-ball golfers (20 May 2020).
- If Kent Life was classed as a zoo due to having farm and other animals, it might be able to re-open sooner.
- DAGT, the operator of the Cobtree Café, had now paid money owed, had a zero balance on the account and was still the operator under contract.

During the discussion on the report, it was suggested and agreed that the amended contracts and other ancillary documents required as a result of the Committee's decisions in respect of COVID-19 related contractual relief should be completed as soon as possible.

The Committee also indicated that the 8 day overlap when the Golf Course was closed at the end of Q4 should be reflected in the Q1 payment for 2020/21.

RESOLVED:

1. That the rent paid by MyTime Active at Cobtree Manor Park Golf Course is suspended for a period of 58 days, that the payment of the pro rata rent for that 58 day period is waived and the Senior Finance Manager makes provision for this in the Cobtree cashflow forecasts. This relief is conditional on all other outstanding rental invoices being paid.
2. That the contract fee paid by Planning Solutions at Kent Life is suspended for the whole of the Q1 period, that the payment of the Q1 contract fee is waived and the Senior Finance Manager makes provision for this in the Cobtree cashflow forecasts. This relief is conditional on all other outstanding rental invoices being paid.
3. That the rent fee paid by Cobtree Café Ltd at the Cobtree Café is suspended for the duration of the Café's closure period, and that the payment of the rent is waived for that period subject to Cobtree Café Ltd complying with the UK PPN 02/20 guidance to the satisfaction of the Head of Regeneration and Economic Development.
4. That all agreements to provide relief are reliant on the operators complying with all of the appropriate actions and qualifying criteria, with the relief being withdrawn should the operator not be eligible or not be in compliance.
5. That authority be given to the Director of Regeneration and Place to instruct Mid-Kent Legal Services to amend the contracts and leases thus incorporating the changes approved in recommendation 1, recommendation 2 and recommendation 3 above, and for the amended contracts and other ancillary documents to be entered into by the Council on behalf of Cobtree Manor Estate Charity as soon as possible.
6. That the Leisure Manager continues to monitor the budget and cashflow positions at Cobtree Manor Park Golf Course and Kent Life and that future requests for supplier relief are brought to this Committee for future consideration.

98. **DURATION OF MEETING**

2.00 p.m. to 2.50 p.m.