

Corporate Services Policy Advisory Committee – 12 July 2023
Draft Minute Extract – Archbishops’ Palace – Next Steps

Councillor Perry, the Cabinet Member for Corporate Services, introduced the report explaining that:

- As the owner of the Archbishops’ Palace, the Council was now incurring running costs together with a loss of rent following the vacation of the building by Kent County Council (KCC). Knowing that KCC would be vacating, options for the future use of the building had been explored. However, Balfour Hospitality, the Council’s preferred development partner, concluded that it would not be commercially viable to develop the building as a boutique hotel given the scale of investment required.
- It was now proposed that plans be developed for use of the building as a wedding and events venue. Market testing had established that this was likely to be a viable option in financial terms and it would meet the Council’s objectives for the future use of the building. It would also be consistent with the emerging Town Centre Strategy. Some capital investment would be required particularly for provision of a commercial kitchen.

In response to questions, the Officers advised the Committee that:

- The preferred development partner’s exclusivity period expired in April and the Council was informed informally shortly before that they did not want to take the proposal forward.
- It was planned to report back to the Policy Advisory Committee and the Cabinet in November with the outcome of the process of inviting bids from potential operators and Members would be able to see whether the proposal was financially viable.
- Based on the latest market testing, no one to date had shown interest or expressed willingness to take forward a mixed-use culture and weddings development.

During the discussion:

- It was proposed and seconded that consideration of this matter be deferred for at least one meeting cycle until there is more clarity regarding the Town Centre Strategy in terms of a cultural quarter comprising All Saints Church, the Archbishops’ Palace and the Archbishops’ Stables.
- The Cabinet Member emphasised the need to move forward with a scheme to generate funds to cover the costs of running the building, which was the Council’s responsibility, as soon as possible and expressed concern about the financial and economic viability of operating another café or cultural offering in conjunction with weddings and events.

- Reference was made to the need to adhere to the proposed timetable for the delivery of the project and it was suggested that discussions should take place with All Saints Church at the earliest opportunity.
- An amendment was moved and seconded that the recommendation set out in the report be agreed. When put to the vote, the amendment and the substantive motion were carried.

RESOLVED to RECOMMEND to the CABINET:

1. That Option 2 as set out in the report of the Interim Strategic Property Consultant, namely, to develop plans for use of the Archbishops' Palace as a wedding and events venue, be agreed.
2. That delegated authority be given to the Director of Finance, Resources and Business Improvement to select and appoint professional advisers to develop the plans; enter into contracts for applicable services as necessary; and invite offers from potential operators for a conditional agreement for lease.
3. That delegated authority be given to the Head of Legal Services to negotiate and complete all necessary legal formalities arising from the purchase of services and invitation for offers as set out above.