

MAIDSTONE BOROUGH COUNCIL
COBTREE MANOR ESTATE COMMITTEE

17TH December 2014

REPORT OF THE COBTREE OFFICER

Report prepared by Joanna Joyce

1. Cobtree Golf Course

1.1 Issue for Decision

1.1.1 To consider firstly varying the terms of the existing golf course contract in accordance with the Heads of Terms attached as **Exempt Appendix A**; and secondly the appointment of a consultant for the future procurement of the golf course contract.

1.2 Recommendation of the Cobtree Officer

It is the recommendation of the Cobtree Officer;

1.2.1 That an extension of the existing contract term to 9th September 2016 and other variations to the existing contract dated 1st January 2011 (varied by deed of variation dated 9th January 2014) as set out in the attached Heads of Terms comprising **Exempt Appendix A** be approved.

1.2.2 That the Cobtree Officer be authorised;

1.2.2.1 to acquire up to three quotes for the appointment of a specialist consultant to investigate and advise on the range of options relating to the future re-tendering of the golf course contract on a long term basis,

1.2.2.2 in consultation with the chairman of the Committee to then choose and proceed with the appointment of a consultant up to a maximum consultancy fee of £10,000.00,

1.2.2.3 and to then enter into a professional services contract with the chosen consultant,

1.2.2.4 and for the chosen consultant then to investigate and advise on a range of options and in consultation with Maidstone Borough

Council and for the preferred option to be brought back before this committee for approval.

- 1.2.3 That the Head of Mid Kent Legal Services be authorised to enter into a deed of variation and a contract to give effect to the decisions made under paragraphs 1.2.2.2 and 1.2.2.3.

1.3 Reasons for Recommendation

- 1.3.1 The current contact with MyTime Active expires on 7th January 2015. There have been complications in procuring the longer term contract before 7th January 2015, the reasons for which are set out in the Summary of the Waiver Document attached to this report as **Exempt Appendix B**.
- 1.3.2 As set out in **Exempt Appendix B** the gradual decline of golf means that it is now prudent to investigate a range of alternative business models and options for use so as to provide a secure long term financial future for the golf course complex and Cobtree Manor Estate.
- 1.3.3 A proposal for the long term management of the golf course or other options will then be brought back to the Committee for consideration once the consultant referred to in paragraph 1.2.2.2 has produced the report.

1.4 Alternative Action and why not Recommended

- 1.4.1 The alternative is not to grant the contract variation to MyTime Active. This would leave the remaining options of either closing the golf course or Maidstone Borough Council having to operate the course while the contract is re-tendered. This would involve a costly transfer of staff and would require a considerable purchase of equipment. The costs of this will be prohibitively more than any further costs that will be incurred through the variation of the existing contract.

1.5 Impact on Charity Objectives

The governing object is stated as;

“To hold Cobtree Manor and Cobtree Manor Estate for the benefit of the inhabitants of Maidstone and other members of the general public in one or other or all of the following ways:

- i) By maintaining the Cobtree Manor Estate as an open space as defined by the Open Spaces Act 1906 and if the lessees think fit providing thereat facilities for organised games and other sports”.

- ii) With the consent of ...[the Cobtree Charity Trust Limited and the Kent County Council]... in such other way for the benefit of the inhabitants of Maidstone and other members of the general public as the Council shall from time to time think appropriate.”

The management and operation of the golf course directly supports the object of the charity by giving the general public, on payment of an admission fee, access to a sport.

1.6 Other Implications

1.6.1

1.	Financial	X
2.	Staffing	
3.	Legal	X
4.	Equality Impact Needs Assessment	
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	X
9.	Asset Management	

- 1.6.2 The cost of instructing the consultant will result in a robust procurement process that will lead to the selection of an operator with a strong business plan with ideas which will provide a sustainable business model for the future and good value for money. Council officers do not have the required expertise to undertake this exercise. The cost of the contract extension is outlined below.

Year:	Income from Golf course:
2014	£204,000
2015	£184,100 (inc. £20,000pa contribution to machinery)
2016	£184,100 (inc. £20,000pa contribution to machinery pro rata as contract is not for a full year)

1.6.3 A procurement exercise will then need to be undertaken for the new contract once the Committee has considered the options to be outlined by the consultant.

1.6.4 Legal documentation will need to be drawn up to instruct the consultant.

1.7 Relevant Documents

1.7.1 Appendices

Exempt Appendix A Heads of Terms: Contract Variation.

Exempt Appendix B Application for a waiver from the contract procedure rules for the management of Cobtree Manor Golf Course.

IS THIS A KEY DECISION REPORT?

Yes

No

If yes, when did it first appear in the Forward Plan?

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This is a Key Decision because:

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Wards/Parishes affected:

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