

# AGENDA

## COBTREE MANOR ESTATE CHARITY COMMITTEE MEETING



Date: Thursday 20 July 2017

Time: 2.30 pm

Venue: Town Hall, High Street, Maidstone

Membership:

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

---

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Notification of Visiting Members
4. Disclosures by Members and Officers
5. Disclosures of Lobbying
6. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
7. Minutes of the meeting held on 28 April 2017 1 - 3
8. Minutes of the Meeting held on 23 May 2017 4
9. Presentation of Petitions (if any)

**Continued Over/:**

---

**Issued on Wednesday 12 July 2017**

**Alison Broom, Chief Executive, Maidstone Borough Council,  
Maidstone House, King Street, Maidstone ME15 6JQ**

10. Questions and answer session for members of the public
11. Report of the Director of Finance and Business Improvement - Contingencies & Reserves Report 5 - 11
12. Report of Director of Finance and Business Improvement - Staff Recharges Report 12 - 16
13. Report of the Head of Regeneration and Economic Development - Cobtree Manor Estate Financial Position 17 - 23
14. Report of the Head of Regeneration and Economic Development - Cobtree Manor Estate Update July 2017 24 - 31
15. Report of the Head of Regeneration and Economic Development - Cobtree Manor Parks Visitor Centre/Cafe Update- July 2017 32 - 37

### **ALTERNATIVE FORMATS**

The reports included in Part I of this agenda can be available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact Democratic Services on [democraticservices@maidstone.gov.uk](mailto:democraticservices@maidstone.gov.uk) or 01622 602743**. To find out more about the work of the Committee, please visit [www.maidstone.gov.uk](http://www.maidstone.gov.uk)

### **PUBLIC SPEAKING**

In order to book a slot to speak at this meeting of the Cobtree Manor Estate Charity Committee, please contact Caroline Matthews on 01622 602743 or by email on [carolinematthews@maidstone.gov.uk](mailto:carolinematthews@maidstone.gov.uk) by 5 p.m. one clear working day before the meeting. If asking a question, you will need to provide the full text in writing. If making a statement, you will need to tell us which agenda item you wish to speak on. Please note that slots will be allocated on a first come, first served basis.

## **MAIDSTONE BOROUGH COUNCIL**

### **COBTREE MANOR ESTATE CHARITY COMMITTEE**

#### **MINUTES OF THE MEETING HELD ON FRIDAY 28 APRIL 2017**

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

**Also Present:** Mr R Hext – Cobtree Charity Limited

53. **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

54. **NOTIFICATION OF SUBSTITUTE MEMBERS**

There were no Substitute Members.

55. **NOTIFICATION OF VISITING MEMBERS**

His Worshipful the Mayor, Councillor Butler was in attendance as a Visiting Member for Agenda Item 8 – Report of the Head of Regeneration and Economic Development – Cobtree Manor Park Café Easter Holiday Trials.

56. **DISCLOSURES BY MEMBERS AND OFFICERS**

There were no disclosures by Members or Officers.

57. **DISCLOSURES OF LOBBYING**

There were no disclosures of lobbying.

58. **EXEMPT ITEMS**

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

59. **MINUTES OF THE MEETING HELD ON 30 MARCH 2017**

The Head of Regeneration and Economic Development advised the Committee that 'Resolution 4 - That agreement be given to the installation of a server hatch at the Cobtree Manor Park Café at a cost not exceeding £5,000' to the report of the Head of Regeneration and Economic Development – Cobtree Manor Park Visitor Centre/Café Update – March 2017 would not now be progressed.

By way of an update the Parks and Leisure Manager advised that he had contacted Kent Highways about the feasibility to build a tunnel under Forstal Road to join up Cobtree Manor Park and Kent Life. However, he

had still not had a response. The Committee requested that should a response not be received by the next meeting a letter be sent to the relevant Cabinet Member of KCC from the Chairman.

**RESOLVED:** That the Minutes of the meeting held on 30 March 2017 be approved as a correct record and signed.

60. REPORT OF THE HEAD OF REGENERATION AND ECONOMIC DEVELOPMENT - COBTREE MANOR PARK CAFE EASTER HOLIDAY TRIALS

The Committee considered the report of the Head of Regeneration and Economic Development which provided an update on the various activities that were trialled at Cobtree Manor Park Café during the Easter holidays in April 2017 to improve the operation and profitability of the café..

The Parks and Leisure Manager explained that the trial was carried out over the Easter holidays from 4<sup>th</sup> April to 21<sup>st</sup> April 2017.

It was noted that a survey was undertaken at the same time which assessed the satisfaction level of the customers of the café since the changes had been made to reduce the time spent waiting for food orders. A total of 42 responses had been received and they had been mainly positive.

The Committee was informed that:-

- The simplified 'Schools Out Menu' had enabled the kitchen staff to deal with orders more quickly and was therefore considered a success.
- A price increase of 15% had been introduced from 6<sup>th</sup> April and was considered comparable with other park cafes.
- The quality recyclable plastic cutlery and packaging introduced during busy periods had been well received by customers and had enabled the kitchen staff to work more efficiently.
- The queues experienced in the Café had been mainly due to people wanting to buy ice creams or drinks. This was resolved by utilising a second point of sale, opened up during busy times, selling just ice creams and drinks which had also proved successful.
- There had been problems with users of the car park parking inefficiently and blocking the entrance to the overflow car park. It was noted that there had been an occasion when the car park was full and visitors had parked out on the main Forstal Road. A report on this issue would come to a future meeting of the Committee.
- There was an issue of storage for stock and various initiatives were being looked at such as hiring a mobile cold store for the 6 weeks summer holiday period etc.

- There was a resource issue where there was very little resilience in the team, various initiatives would be looked at, including a duty manager role.
- There was also a need to clearly define the duties of all staff within the park, including the Park Ranger to ensure any issues that arose were dealt with by the most appropriate person..
- A dialogue had already taken place with the Manager of Mote Park Café to collaborate to have more buying power.

**RESOLVED:**

1. That the contents of the report on Cobtree Manor Park Café as set out in Appendix 1 be noted; and
2. That the trial arrangements be made permanent during school holidays, bank holidays and busy times.

61. **DURATION OF MEETING**

11 a.m. to 12.30 p.m.

# Agenda Item 8

## **MAIDSTONE BOROUGH COUNCIL**

### **COBTREE MANOR ESTATE CHARITY COMMITTEE**

#### **MINUTES OF THE MEETING HELD ON TUESDAY 23 MAY 2017**

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

1. **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

2. **NOTIFICATION OF SUBSTITUTE MEMBERS**

There were no Substitute Members.

3. **ELECTION OF CHAIRMAN**

**RESOLVED:** That Councillor McLoughlin be elected as Chairman of the Committee for the Municipal Year 2017/18.

4. **ELECTION OF VICE CHAIRMAN**

**RESOLVED:** That Councillor Cox be elected as Vice-Chairman of the Committee for the Municipal Year 2017/18.

5. **DURATION OF MEETING**

6.35 p.m. to 6.37 p.m.

## COBTREE MANOR ESTATE CHARITY COMMITTEE

**20 July 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

### Contingency & Reserves Report

<b>Final Decision-Maker</b>	Cobtree Manor Estate Charity Committee
<b>Lead Head of Service</b>	Director of Finance & Business Improvement
<b>Lead Officer and Report Author</b>	Paul Holland, Senior Finance Manager – Client Accountancy
<b>Classification</b>	Public
<b>Wards affected</b>	Boxley

#### **This report makes the following recommendations to this Committee:**

1. It is recommended that the Committee approves the allocation of future surpluses as outlined in the report.

#### **This report relates to the following corporate priorities:**

- Keeping Maidstone Borough an attractive place for all – Ensuring that there are good leisure and cultural attractions.

#### **Timetable**

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Charity Committee	20 July 2017

# Contingency & Reserves Report

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 To establish the level of reserves the Trust will have available to use going forward now contracts are in place for the management of the golf course and the Kent Life attraction, and to approve an indicative allocation of these reserves for specific purposes.
- 

## 2. INTRODUCTION AND BACKGROUND

- 2.1 A report was brought to the meeting of the Committee in March 2017 which outlined the background to the current financial position, and set out a future projection of resources that were likely to be available. It also summarised the Charity Commission guidance on levels of reserves and their purposes.
- 2.2 This report updates the financial projections from the last report and sets out an indicative allocation of future surpluses for three specific purposes.
- 

## 3. FINANCIAL PROJECTION

- 3.1 **Appendix A** is an updated indicative financial projection over the next ten years for the operational activities of the Trust. It shows that in broad terms the operations of the Trust can expect to show an annual surplus of around £100,000 per annum from 2018/19 onwards. However, within this projection there are a number of areas that are more sensitive to external factors. These are primarily the trading areas – the car park and the visitor centre/café, and the investment income, both areas being vulnerable to external factors that might be beyond the control of the Trust.
- 3.2 For 2017/18 there will only be a small surplus generated due to the reduction in golf course income to take into account the £50,000 payment to operate the course from September 2016 to March 2017, plus the forecast deficit for the café/visitor centre.
- 3.3 The golf course and Kent Life contract payments are more certain as they are contractually guaranteed, and the running costs of the Manor Park should remain at a similar level unless the current operational model changes significantly.
- 3.4 Council staff recharges are the subject of a separate report elsewhere on this agenda and may be subject to further amendment.
- 3.5 The projection makes a number of assumptions that may also be subject to external factors:
- An inflation increase of 3% per annum for running costs
  - An increase of 1.5% per annum for staff recharges to allow for salary increases



- No increase to the current car park charges or rents for domestic dwellings
  - That the café/visitor centre will operate at a break-even position from 2019 onwards. Clearly if it could operate at a surplus or was externally operated by a contractor for a management fee this would increase available resources.
- 

#### 4. ALLOCATION OF RESERVES

- 4.1 As was outlined in the last report reserves need to be held for three specific reasons:
  - i. To establish sufficient funds for ongoing equipment replacement and capital expenditure.
  - ii. To have sufficient funds in place to meet the costs of unexpected events.
  - iii. To re-invest in the permanent endowment investment to replace the funds withdrawn to fund the master plan.
- 4.2 Over the course of the next 10 years the projection at **Appendix A** shows that surpluses totalling just under £1.0m could be generated, which can be set-aside to cover the three areas identified above. It is recommended that priority be given to allocation in the order set out above.
- 4.3 Capital expenditure (as set out at **Appendix B**) is prioritised first as it is important that the assets of the Estate are maintained to a high standard to continue to attract visitors.
- 4.4 The projection sets aside £421,000 in the first five years to meet the costs of the proposed capital programme. Beyond that an allowance of £25,000 per annum has been made, although by that time it is inevitable that additional works will be required and that the projection will change to reflect that.
- 4.5 Meeting the costs of unexpected events is prioritised second as there may be unforeseen events that occur that may require the Trust to step in and provide financial assistance, for example the failure of a contractor or the closure of the café/visitor centre.
- 4.6 As reported in the March the Trust currently has unrestricted reserves of approximately £150,000. This is sufficient at present but the level will continue to be monitored, and the projection does assume it will be increased in 5 years to ensure there continue to be sufficient resources.
- 4.7 Members will recall that the Master Plan works were funded by a withdrawal from the permanent endowment investment with Charifund. There was a commitment given to repay the sum withdrawn (£841,000) when the Charity Commission approved the withdrawal.
- 4.8 To date there have been no repayments, and the Charity Commission have not made any further contact on the matter. There should still be a

commitment to repay this sum at some point, but the future of the Estate assets and ongoing operations should be prioritised. There is still a significant sum of £0.9m invested in the permanent endowment fund, which continues to generate investment income of around £45,000 per annum.

---

## **5. AVAILABLE OPTIONS**

- 5.1 Members could accept the recommendation at 6.1, or they could propose alternative prioritisation or uses for the surpluses generated by the operational activities of the Estate.

---

## **6. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 6.1 It is considered to be good financial practice for any organisation, particularly a charity to have a sufficient level of reserves, so it is recommended that any surpluses generated are set-aside as outlined in section 4 of this report to establish these reserves.

---

## **7. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 7.1 The Committee had previously requested that this report be brought before them.

---

## **8. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 8.1 Reserves will be established in accordance with the decision of the Committee. There will be regular updates to the Committee on the financial position and this will include the position of the reserves.

---

## **9. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	None	
<b>Risk Management</b>	Not having sufficient reserves potentially exposes the Trust to the risk of not being able to meet its financial obligations.	Senior Finance Manager - Client
<b>Financial</b>	Establishing a sufficient level of reserves will provide sufficient resources to mitigate against unforeseen or unexpected	Senior Finance Manager - Client

	events.	
<b>Staffing</b>	None	
<b>Legal</b>	As the committee making decisions about the management of the Cobtree Manor Estate Trust, which is a charity, the committee must act in the best interests of the charity. This report sets out sound financial principles as to the need to hold adequate reserves and the priorities for the charity going forward.	Interim Deputy Head of Legal Partnership
<b>Equality Impact Needs Assessment</b>	None	
<b>Environmental/Sustainable Development</b>	None	
<b>Community Safety</b>	None	
<b>Human Rights Act</b>	None	
<b>Procurement</b>	None	
<b>Asset Management</b>	None	

## 10. REPORT APPENDICES

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

- **Appendix A:** 10 Year Financial Projection
- **Appendix B:** 5 year Capital Programme

---

## 11. BACKGROUND PAPERS

None.

**COBTREE MANOR ESTATE TRUST - DRAFT FINANCIAL PROJECTION**

## Priority

1	Capital spend	£4,400	£100,400	£106,800	£107,600	£101,800	£25,000	£25,000	£25,000	£25,000	£25,000	£546,000
2	Contingency	£0	£0	£0	£0	£0	£10,000	£10,000	£10,000	£10,000	£10,000	£50,000
3	Repay endowment	£0	£0	£0	£0	£5,000	£63,000	£62,000	£62,000	£62,000	£62,000	£316,000
		£4,400	£100,400	£106,800	£107,600	£106,800	£98,000	£97,000	£97,000	£97,000	£97,000	£912,000
	5 year capital programme figures	£37,000	£14,000	£300,000	£20,000	£50,000						

## APPENDIX B

### COBTREE MANOR PARK - DRAFT 5 YEAR CAPITAL PROGRAMME

	Year 1 2017/18	Year 2 2018/19	Year 3 2019/20	Year 4 2020/21	Year 5 2021/22
Café improvement to serving areas	£12,000				
External seating - redesign, additional seating, surfacing and shade sails.	£15,000				
CCTV - Improvements	£10,000				
Toilet Improvements		£10,000			
Visitor Centre Interpretation Boards - renew		£4,000			
Car park redesign and surfacing*			£300,000		
Play Area Refurbishment					£50,000
Entrance gate - automation				£20,000	
<b>Total</b>	<b>£37,000</b>	<b>£14,000</b>	<b>£300,000</b>	<b>£20,000</b>	<b>£50,000</b>

<b>Total resources required:</b>	<b>£421,000</b>
----------------------------------	-----------------

\*Estimated cost based on tarmacing the whole car park. This may be reduced through using an aggregate in bays and tarmac for the roadway.

# Agenda Item 12

## **COBTREE MANOR ESTATE CHARITY COMMITTEE**

**20 July 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

### **Staff Recharges Report**

<b>Final Decision-Maker</b>	Cobtree Manor Estate Charity Committee
<b>Lead Head of Service</b>	Director of Finance & Business Improvement
<b>Lead Officer and Report Author</b>	Paul Holland, Senior Finance Manager – Client Accountancy
<b>Classification</b>	Public
<b>Wards affected</b>	Boxley

#### **This report makes the following recommendations to this Committee:**

1. It is recommended that the Committee notes the current recharges and agrees to receive a further report detailing how they will be dealt with in the future.

#### **This report relates to the following corporate priorities:**

- Keeping Maidstone Borough an attractive place for all – Ensuring that there are good leisure and cultural attractions.

#### **Timetable**

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Charity Committee	20 July 2017

# Staff Recharges Report

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 At the last meeting of the Committee Members requested that a report outlining the current level of staff recharges from the Council be brought to this meeting.
  - 1.2 This report sets out details of the current recharges and the methodology used to calculate them. It also sets out a possible future approach to dealing with them.
- 

## 2. INTRODUCTION AND BACKGROUND

- 2.1 Maidstone Borough Council provides support to the activities of the Trust in a number of different areas such as management of the Estate activities, finance, property services and grounds maintenance.
  - 2.2 As the accounts of the Trust are currently integrated into the Council's financial management system the costs of these services are charged to the Trust via the Council's internal recharging system.
- 

## 3. CURRENT RECHARGES

- 3.1 **Appendix A** sets out the estimated recharges from the Council to the Trust for 2017/18. These figures represent staff salaries (including employers National Insurance and pension contributions) along with an allocation of associated overheads such as office accommodation, telephones and computer charges. The charges will be reviewed in the Autumn as part of the Council's budget setting process, and they will be adjusted at the end of the year to reflect outturn figures.
  - 3.2 The time allocations are generally based around percentage allocations of staff time, although the finance allocation does take into account other factors such as number of invoices paid and insurance claims processed.
  - 3.3 The charge from Parks & Leisure to the Café/Visitor Centre includes the Council management fee of £20,780 as agreed by the Committee in December 2014. This represents the Council's charge for managing the estate and the staff directly employed by the Trust such as the Cobtree Manager and the staff at the café/visitor centre. The other charges from Parks & Leisure are for indirect additional activities such as contract management, preparation for and attendance at committee meetings and processing invoices for payment.
  - 3.4 The charge from Grounds Maintenance represents the operative(s) engaged in activities at the Manor Park on an ongoing basis.
-

#### **4. FUTURE RECHARGES**

- 4.1 Members will be aware from the Financial Position Report elsewhere on this agenda that it is proposed that a separate financial management system be established for the accounts of the Trust. This would impact on the recharges as they would need to be taken out of the Council system and dealt with separately.
- 4.2 It is proposed that a further report be brought to the Committee once a clear way forward is established regarding the financial management system, but it is likely that the Council would recharge the Trust via invoices. This would present an opportunity for a review of the current recharges and the methodology used as it is acknowledged that it may not completely reflect the level of work done by the Council on behalf of the Trust. It may be appropriate to establish some form of Service Level Agreement going forward to ensure any recharges to the Trust are accurate and reflect the level of service provided by the Council.

---

#### **5. AVAILABLE OPTIONS**

- 5.1 Members will receive a further report setting out how recharges will be dealt with in future. There are no further options as Members need to be involved in this process as part of their responsibility as Corporate Trustees.

---

#### **6. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 6.1 As outlined above a further report will be brought to the Committee at the appropriate time as this will keep Members informed and involved in the process.

---

#### **7. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 7.1 The Committee had previously requested that this report be brought before them.

---

#### **8. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 8.1 Officers will bring a further report to the Committee on this subject.

---

#### **9. CROSS-CUTTING ISSUES AND IMPLICATIONS**

Issue	Implications	Sign-off
Impact on Corporate Priorities	None	



<b>Risk Management</b>	If recharges are not accurate the Trust could incur additional costs which would impact upon the delivery of services on the Estate.	Senior Finance Manager - Client
<b>Financial</b>	It is important that the recharges from the Council to the Trust accurately reflect the level of service provided.	Senior Finance Manager - Client
<b>Staffing</b>	None	
<b>Legal</b>	None identified at this stage, however, as the committee making decisions about the management of the Cobtree Manor Estate Trust, which is a charity, the committee must act in the best interests of the charity.	Interim Deputy Head of Legal Partnership
<b>Equality Impact Needs Assessment</b>	None	
<b>Environmental/Sustainable Development</b>	None	
<b>Community Safety</b>	None	
<b>Human Rights Act</b>	None	
<b>Procurement</b>	None	
<b>Asset Management</b>	None	

## 10. REPORT APPENDICES

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

- **Appendix A:** Current Recharges

## 11. BACKGROUND PAPERS

None.

# COBTREE TRUST RECHARGES 2017/18

## APPENDIX A

	Activity Area				Total
	Golf Course	Manor Park	Kent Life	Café/Visitor Centre	
<b>Recharge from:</b>					
Parks & Leisure	£15,150	£23,850	£1,450	£25,140	£65,590
Property & Projects	£8,930	£6,260	£5,470	£5,470	£26,130
Finance	£1,870	£7,100	£200	£6,320	£15,490
Director of Regeneration & Place		£770		£770	£1,540
Grounds Maintenance		£25,000			£25,000
	<b>£25,950</b>	<b>£62,980</b>	<b>£7,120</b>	<b>£37,700</b>	<b>£133,750</b>
2016/17 actual recharges	£27,581	£63,525	£3,533	£35,071	£129,710

## Cobtree Manor Estate Committee

**20 July 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

## Cobtree Manor Estate Financial Position

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

### This report makes the following recommendations to this Committee:

1. That the current financial position is noted.

### This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all – ensuring that there are good leisure and cultural attractions.

### Timetable

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Committee	20 <sup>th</sup> July 2017

# Cobtree Manor Estate Financial Position

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report summarises the 2016/17 year end outturn and the current financial position of the Estate as at 31<sup>st</sup> May 2017 covering the activities at the golf course, Kent Life, the Manor Park and the Café/Visitor Centre.
  - 1.2 It also updated Members on the position regarding a separate accounting system for the Trust accounts.
- 

## 2. INTRODUCTION AND BACKGROUND

- 2.1 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.
  - 2.2 The main pressures and issues have been as follows:
    - A reduction in the value of the golf course contract, and the recent re-tendering exercise.
    - The additional costs arising from the operation of the golf course over the autumn and winter months.
    - Some continuing issues around the operation of the café/visitor centre.
    - The introduction of car parking charges at the Manor Park.
- 

## 3. 2016/17 OUTTURN

- 3.1 **Appendix A** summarises the outturn position for 2016/17.
- 3.2 The outturn position is broadly in line with that forecast at previous meetings of the Committee during 2016/17. There was a net operating deficit of £77,254 on the activities of the Estate, which is reduced to £31,448 when the investment income of £45,806 is taken into account. This reflects the following factors that were outlined in more detail in the March report:
  - The end of the golf course contract in September 2016 and the subsequent agreement to pay Mytime a fee of £50,000 to keep the course open from that point until the end of March 2017.
  - Some continuing issues with the café/visitor centre which have meant that it has operated at a deficit this year.
- 3.3 The issues at the golf course and the café/visitor centre were partially offset by the contract fee received for the operation of the Kent Life attraction, and car parking income which has substantially reduced the operating costs

of the Manor Park.

- 3.4 There are sufficient resources set aside to meet the deficit, and as outlined in the next section of this report it is forecast that the operating activities of the Estate will produce a surplus for 2017/18 and beyond then.
  - 3.5 The accounts for 2016/17 will be audited shortly and brought to the Committee for formal approval in due course.
- 

#### 4. **CURRENT FINANCIAL POSITION**

- 4.1 **Appendix B** shows a summary of the current financial position as at 31<sup>st</sup> May 2017, along with the full year budgets, and this section outlines the position for each of the areas of activity:
    - 4.1.1 **Cobtree Golf Course** –The new contract with Mytime commenced on 1<sup>st</sup> April 2017. Responsibility for utility payments now rests with Mytime, as reflected in the reduction in running costs.
    - 4.1.2 **Cobtree Manor Park** – Car parking income is continuing to exceed the forecasted sums. There are no other issues to report at this stage.
    - 4.1.3 **Kent Life** - There are no issues with regards to the Kent Life attraction.
    - 4.1.4 **Café/Visitor Centre** –The underlying operational issues are discussed in more detail in the Cobtree Estate Update Report elsewhere on this agenda.
    - 4.1.5 **Overall position** - The forecast for the end of the current year is that the estate activities will show a small surplus position of £1,123. Taking into account the forecast estimated investment income of £50,000 it is projected that resources will increase by £51,123 for 2017/18.
- 

#### 5. **COBTREE ACCOUNTING SYSTEM**

- 5.1 Members will recall that in their Management Letter the external auditors have recommended that the accounts of the Trust should be maintained in its own financial management system. At present they are part of the Council's system and are extracted from this using a spreadsheet-based method at the end of the financial year.
- 5.2 The most appropriate approach would be to set up a separate company within the Council's existing financial management system. Officers from the finance team did review a different stand-alone system for another project, but this failed to meet a number of requirements particularly around payment authorisation and information held, so it was felt this would not be an appropriate system.
- 5.3 The intention is to have a new system set up ready to be used from 1<sup>st</sup> April 2018. There would be costs associated with this, and it is proposed

that a report outlining these be brought to the September meeting of the Committee.

---

## 6. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 6.1 It is recommended that the Committee note the contents of this report as this is good financial management practice, and that a further report be brought on the final outturn position for 2016/17 when this is confirmed.

---

## 7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

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

---

## 8. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	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
<b>Risk Management</b>	There is a potential reputational risk if the facilities are operated poorly. This is addressed in the annual risk management report.	Parks & Leisure Manager
<b>Financial</b>	There is a financial risk to the Trust if the new operations cost more than predicted or fail to generate sufficient surplus to cover the reduction in the value of the golf course contract.	Senior Finance Manager (Client)
<b>Staffing</b>	There are no additional implications arising from this report.	
<b>Legal</b>	There are no additional implications arising from this report.	Interim Deputy Head of Legal Partnership
<b>Equality Impact Needs</b>	There are no additional	

<b>Assessment</b>	implications arising from this report.	
<b>Environmental/Sustainable Development</b>	There are no additional implications arising from this report.	
<b>Community Safety</b>	There are no additional implications arising from this report.	
<b>Human Rights Act</b>	There are no additional implications arising from this report.	
<b>Procurement</b>	There are no additional implications arising from this report.	
<b>Asset Management</b>	There are no additional implications arising from this report.	

## 9. REPORT APPENDICES

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

- Appendix A: Financial Position Summary 2016/17
- Appendix B: Financial Position Summary 2017/18

---

## 10. BACKGROUND PAPERS

None.

## APPENDIX A

### COBTREE MANOR ESTATE - FINANCIAL POSITION 2016/17

Cobtree Golf Course	Budget for Year	Outturn	Variance	2015/16 Outturn
	£	£	£	£
Running Costs	38,530	58,888	(20,358)	59,367
Additional Contract Charge	0	50,000	(50,000)	0
MBC Staff Recharges	33,160	27,579	5,581	32,332
Other Rechargeable costs	2,560	2,344	216	3,967
<b>Expenditure</b>	<b>74,250</b>	<b>138,811</b>	<b>(64,561)</b>	<b>95,666</b>
Contract Income	201,570	132,244	69,326	212,289
<b>Net Income/(Expenditure)</b>	<b>127,320</b>	<b>(6,567)</b>	<b>133,887</b>	<b>116,623</b>
Payment to MBC (2/9ths of net figure)	28,293	(1,459)	29,753	25,916
<b>Adjusted Net Income/(Expenditure)</b>	<b>99,027</b>	<b>(5,108)</b>	<b>104,134</b>	<b>90,707</b>

Cobtree Manor Park	Budget for Year	Outturn	Variance	2015/16 Outturn
	£	£	£	£
Employee costs	72,440	62,237	10,203	45,164
Running Costs	76,260	66,525	9,735	91,068
MBC Staff Recharges	74,050	67,056	6,994	78,640
Other Rechargeable costs	2,670	2,761	(91)	15,524
<b>Expenditure</b>	<b>225,420</b>	<b>198,579</b>	<b>26,841</b>	<b>230,396</b>
Income - Car Parking	72,140	90,474	(18,334)	26,791
Income - Other	77,620	67,761	9,859	69,863
<b>Income</b>	<b>149,760</b>	<b>158,235</b>	<b>(8,475)</b>	<b>96,654</b>
<b>Net Income/(Expenditure)</b>	<b>(75,660)</b>	<b>(40,344)</b>	<b>(35,316)</b>	<b>(133,742)</b>

Kent Life	Budget for Year	Outturn	Variance	2015/16 Outturn
	£	£	£	£
Running Costs	0	5,658	(5,658)	17,124
MBC Staff Recharges	4,380	3,533	847	204
Other Rechargeable costs	2,340	2,196	144	2,550
<b>Expenditure</b>	<b>6,720</b>	<b>11,387</b>	<b>(4,667)</b>	<b>19,878</b>
Contract Income	50,000	55,451	(5,451)	21,000
<b>Net Income/(Expenditure)</b>	<b>43,280</b>	<b>44,064</b>	<b>(784)</b>	<b>1,122</b>

Cobtree Visitor Centre / Café	Budget for Year	Outturn	Variance	2015/16 Outturn
	£	£	£	£
Employee costs	103,540	133,169	(29,629)	93,183
Running Costs	160,760	154,256	6,504	63,180
Set-up Costs	0	0	0	33,515
MBC Staff Recharges	16,130	14,291	1,839	0
Other Rechargeable costs	3,470	11,277	(7,807)	1,450
<b>Expenditure</b>	<b>283,900</b>	<b>312,993</b>	<b>(29,093)</b>	<b>191,328</b>
Income from sales	220,000	237,127	(17,127)	98,662
<b>Net Income/(Expenditure)</b>	<b>(63,900)</b>	<b>(75,866)</b>	<b>11,966</b>	<b>(92,666)</b>

<b>Surplus/(Deficit) on Estate activities</b>	<b>2,747</b>	<b>(77,254)</b>	<b>80,000</b>	<b>(134,579)</b>
---	--------------	-----------------	---------------	------------------



## APPENDIX B

### COBTREE MANOR ESTATE - FINANCIAL POSITION AS AT 31ST MAY 2017

Cobtree Golf Course	Budget for Year	Budget Year to Date	Outturn	Variance	2016/17 Outturn
	£	£	£	£	£
Running Costs	5,450	740	253	487	58,888
Additional Contract Charge	0	0	0	0	50,000
MBC Staff Recharges	25,950	4,320	4,320	0	27,579
Other Rechargeable costs	2,740	460	368	92	2,344
<b>Expenditure</b>	<b>34,140</b>	<b>5,520</b>	<b>4,941</b>	<b>579</b>	<b>138,811</b>
Contract Income	150,000	0	0	0	132,244
<b>Net Income/(Expenditure)</b>	<b>115,860</b>	<b>(5,520)</b>	<b>(4,941)</b>	<b>(579)</b>	<b>(6,567)</b>
Payment to MBC (2/9ths of net figure)	25,747	(1,227)	(1,098)	(129)	(1,459)
<b>Adjusted Net Income/(Expenditure)</b>	<b>90,113</b>	<b>(4,293)</b>	<b>(3,843)</b>	<b>(450)</b>	<b>(5,108)</b>

Cobtree Manor Park	Budget for Year	Budget Year to Date	Outturn	Variance	2016/17 Outturn
	£	£	£	£	£
Employee costs	69,590	11,590	9,670	1,920	62,237
Running Costs	73,160	11,020	4,458	6,562	66,525
MBC Staff Recharges	67,400	11,630	11,625	5	67,056
Other Rechargeable costs	5,990	910	1,715	(805)	2,761
<b>Expenditure</b>	<b>216,140</b>	<b>35,150</b>	<b>27,468</b>	<b>7,682</b>	<b>198,579</b>
Income - Car Parking	72,140	15,370	19,347	(3,977)	90,474
Income - Other	77,620	4,350	4,071	279	67,761
<b>Income</b>	<b>149,760</b>	<b>19,720</b>	<b>23,418</b>	<b>(3,698)</b>	<b>158,235</b>
<b>Net Income/(Expenditure)</b>	<b>(66,380)</b>	<b>(15,430)</b>	<b>(4,050)</b>	<b>(11,380)</b>	<b>(40,344)</b>

Kent Life	Budget for Year	Budget Year to Date	Outturn	Variance	2016/17 Outturn
	£	£	£	£	£
Running Costs	10,000	1,670	7,184	(5,514)	5,658
MBC Staff Recharges	7,120	1,190	1,190	0	3,533
Other Rechargeable costs	2,740	460	460	0	2,196
<b>Expenditure</b>	<b>19,860</b>	<b>3,320</b>	<b>8,834</b>	<b>(5,514)</b>	<b>11,387</b>
Contract Income	60,000	10,000	8,330	1,670	55,451
<b>Net Income/(Expenditure)</b>	<b>40,140</b>	<b>6,680</b>	<b>(504)</b>	<b>7,184</b>	<b>44,064</b>

Cobtree Visitor Centre / Café	Budget for Year	Budget Year to Date	Outturn	Variance	2016/17 Outturn
	£	£	£	£	£
Employee costs	100,990	16,660	19,034	(2,374)	133,169
Running Costs	160,020	29,610	18,795	10,815	154,256
MBC Staff Recharges	16,920	2,820	2,820	0	14,291
Other Rechargeable costs	4,820	640	2,740	(2,100)	11,277
<b>Expenditure</b>	<b>282,750</b>	<b>49,730</b>	<b>43,389</b>	<b>6,341</b>	<b>312,993</b>
Income from sales	220,000	47,760	56,850	(9,090)	237,127
<b>Net Income/(Expenditure)</b>	<b>(62,750)</b>	<b>(1,970)</b>	<b>13,461</b>	<b>(15,431)</b>	<b>(75,866)</b>

Surplus/(Deficit) on Estate activities					
	1,123	(15,013)	5,064	(20,077)	(77,254)

# Agenda Item 14

## Cobtree Manor Estate Charity Committee

20<sup>th</sup> July 2017

Is the final decision on the recommendations in this report to be made at this meeting?

**To  
note**

### Cobtree Manor Estate Update Report July 2017

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

#### **This report makes the following recommendations to this Committee:**

1. The Committee is asked to note the contents of the Estate Update.

#### **This report relates to the following corporate priorities:**

- Keeping Maidstone Borough an attractive place for all -Ensuring that there are good leisure and culture facilities

#### **Timetable**

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Charity Committee	20 July 2017

# **Cobtree Manor Estate Update Report March 2017**

## **1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 The information in the report is intended to give the Committee an understanding of the day to day work of 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.
- 1.2 The estate update covers the period from when the Committee last met in March 2017.
- 

## **2. INTRODUCTION AND BACKGROUND**

- 2.1 The Cobtree Manor Estate covers a large area of land left in trust to the people of Maidstone. The Cobtree Trust hold the freehold to the estate whilst the Cobtree Manor Estate Trust (CMET) have a 999 year lease. Maidstone Borough Council is the Corporate Trustee of CMET.

### **Cobtree Manor Estate Charity - Governing Object**

The governing object of the Charity remains that defined in the lease of the Cobtree Estate dated 13 July 1971 between the Cobtree Charity Trust Limited (the lessor) and the Maidstone Borough Council (the lessee). 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."

- 2.2 The estate update outlines the workings of the estate since the previous report and updates the committee on this.

- 2.3 As requested previously by the Committee additional information regarding the Cobtree Café/Visitor Centre is supplied in a separate report.

## **3. AVAILABLE OPTIONS**

- 3.1 To note the contents of the report and Appendix I.

## **PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

3.2 It is recommended that the information in Appendix I to the report is noted in order to ensure an accurate record of work across the estate is maintained

---

## **4. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

4.1 The committee has previously resolved to receive regular updates on the ongoing work across the Estate.

---

## **5. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

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

---

## **6. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	The work of the charity links directly to its charitable objects and the corporate priorities of the Council.	Head of Regeneration and Economic Development
<b>Risk Management</b>	Risks to running the estate are dealt with in the annual Estate Risk Management Report.	
<b>Financial</b>	Financial risks are considered in the ongoing finance updates.	Cobtree Finance Officer
<b>Staffing</b>	No implications.	
<b>Legal</b>	No implications.	Deputy Head of the Legal Partnership
<b>Equality Impact Needs Assessment</b>	No implications.	
<b>Environmental/Sustainable Development</b>	No implications.	
<b>Community Safety</b>	No implications.	
<b>Human Rights Act</b>	No implications.	
<b>Procurement</b>	No implications.	

<b>Asset Management</b>	No implications.	
-------------------------	------------------	--

## **7. REPORT APPENDICES**

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

- Appendix I: Cobtree Manor Park Update Report July 2017

## **8. BACKGROUND PAPERS**

None

## **Cobtree Manor Estate Update Report July 2017**

The report covers the period from March 2017 to July 2017

### **Park**

Maintenance of the park over this period covers Spring and early Summer

Works to the park include:

Shrubbery maintenance

Planting of planters around the Visitor Centre

Removal of two diseased and thus dangerous trees

Two students with additional needs from the Grange School in conjunction with Hadlow College, studying for Level 2 qualifications in Conservation/ Horticulture, extended their six week work placements to the end of June working with the Cobtree Ranger two – three days per week. They undertook a range of tasks including conservation work in the meadow, shrubbery maintenance, plant identification and removing perennial weeds from a shrubbery and replacing with a small area of 'Pictorial Meadow'.

The Green Shoots project concluded after 12 weeks work restoring the 'secret' garden. Concluding report attached. The plot is now available for further project groups to cultivate, proposals are currently being evaluated.

A 'mystery shop' judging for the Green Flag Award took place in April. The results are embargoed until 18<sup>th</sup> July.

### **Incidents**

A break –in occurred in the early hours of Tuesday 30<sup>th</sup> May. The container locks were broken and 30L of fuel and a strimmer engine were taken.

The Visitor Centre was broken into via the office door. The building alarm activated and Police were in attendance within half an hour. Forensics attended the following morning. CCTV coverage of the incident failed to provide usable evidence as the raiders were suited and masked.

It has been ascertained that entry to the park was via the Cottage driveway adjacent to the Golf Course and not via the main gates which remained locked.

Repairs to secure the building were undertaken the same day.

An insurance claim is progressing to recover losses.

Additional security measures have been implemented: an electric metal shutter is to be installed over the office door. The replacement safe has been repositioned so it is not in direct line to the door. Large boulders are to be placed on the driveway path to prevent further vehicular access by that route.

An assessment of CCTV provision has been undertaken by Medway Commercial Group following the break in. Final quotations on the options are pending

## **Events**

Easter events included an Easter nature trail run by MVCP was fully booked with 25 participants.

The Cobtree Easter trail ran daily throughout Easter and attracted 526 participants.

The 'Decorate a Molehill' competition attracted 10 entries.

15 Mugs were decorated for Father's day with a picture of the event featured in the KM.

Forthcoming events leaflet attached

## **Café**

The EPOS system was reinstalled in June and is fully functioning.

Price increases were implemented for the Easter holidays. Certain items will be further increased to reflect rising commodity prices and to bring prices broadly in line with similar operations eg KCC Country Parks.

A second point of sale was introduced during the Easter holidays to alleviate the queuing time. A permanent second point of sale is to be introduced in time for the summer holidays to serve drinks, ice-creams, snacks and toys. This will also be staffed during peak times.

## **Community**

The Men in Sheds project continues to thrive. Problems with condensation in the Elephant House have led the project committee to seek funding for works to the roof to cure this. An internal partition has been created to house toilet facilities for which funding is also being sought.

During Love Parks Week, the 'This Girl Can' (a project run with Sport England to encourage females to be comfortable exercising in a fun, friendly and non-judgemental environment) coordinator from Maidstone Leisure Centre will be holding a stall and promoting the program.

A proposal for a weekly under 5s session delivering nature themed arts, crafts, storytelling and activities has been drawn up. It is proposed to run the sessions from September.

## Marketing and Publicity

MBC Communications and Marketing are working on designs for interpretation panels for the corridor, improved signage for customers and

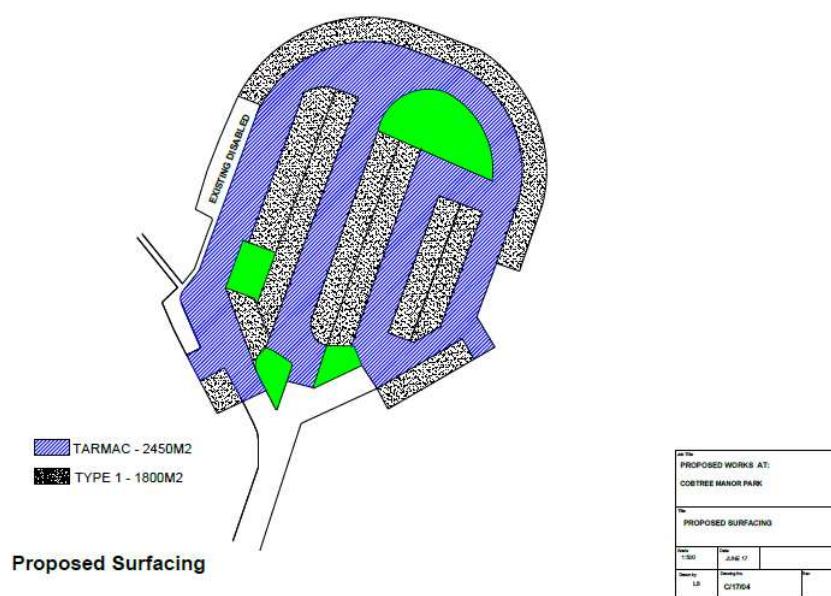
A customer survey is being designed for launch in the Summer holidays.

## Car park

Car park income is at £6,544 above target to 30/06/17.

## Car Park Resurfacing

As requested by members designs have been produced to improve the surface of the car park to prevent dust. The latest design, shown below, proposes to tarmac the road ways where cars turn and for the parking bays to be coarse gravel. This will prevent having a vast expanse of macadam in the park, will provide a hard wearing surface where vehicles drive and turn and will prevent dust. As well as the surfacing an extensive drainage system will need to be installed.



It is estimated that this will cost in the region of £250,000. The procurement information for this project is ready to go out to suppliers once the design is approved.



### **Golf Course Update**

The new management agreement and lease for the operation of Cobtree Manor Golf Course are still not completed. This is due to a change of personnel at Mytime Active and further reviews and negotiations on much of the work which had previously taken place. Officers are hopeful that the final remaining items can be agreed quickly, and an update brought to the meeting on July 20<sup>th</sup>.

### **Cobtree Railway Project**

The CMET Chairman and Jason Taylor attended the Cobtree Charity Trusts meeting on 10<sup>th</sup> July 2017, to give an update on the estate. The members of the Charity are still very keen to see a train on the estate, and following initial enquiries with Kent Highways regarding the feasibility of a tunnel which would allow the train to go under Forstal Road, have agreed to do some preliminary work to produce an initial specification for the project, look at costs and how this would be funded.

# Agenda Item 15

## Cobtree Manor Estate Charity Committee

**20<sup>th</sup> July 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

## Cobtree Manor Park Visitor Centre/Café Update. July 2017

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

### This report makes the following recommendations to this Committee:

1. The Committee is asked to note the contents of Visitor Centre/Café Update.

### This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all -
- Ensuring that there are good leisure and culture facilities

### Timetable

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Charity Committee	20 <sup>th</sup> July 2017

# Cobtree Manor Park Visitor Centre/Café Update. July 2017

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 The information in the report is to update the committee on the performance of the Cobtree Manor Park Visitor Centre/Cafe as agreed at the Committee on 3<sup>rd</sup> August 2016 meeting.

1.2 Within this report is a table which shows the financial performance of the Visitor Centre/ Café since it opened in August 2015, and another which shows the financial prediction for the remainder of this financial year.

## 2. INTRODUCTION AND BACKGROUND

2.1 The Cobtree Manor Visitor Centre/ Café first opened in August 2015.

2.2 Below is a breakdown of the month on month café/ visitor centre costs and income from when the facility opened to the current time.

	Salaries	Agency	Total Staff Costs	Catering provisions	Staff & Catering Prov. Total	Average Service Costs	Total Costs	Total Sales	Outcome
Aug-15	2392	5719	8111	4709	12820	2844	15664	13591	29,255
Sep-15	3822	6485	10307	6562	16869	2844	19713	-16349	3,364
Oct-15	3179	9883	13062	8766	21828	2844	24672	-18972	5,700
Nov-15	2768	7725	10493	8471	18964	2844	21808	-8729	13,079
Dec-15	3159	7779	10938	3949	14887	2844	17731	-9730	8,001
Jan-16	2205	6344	8549	1314	9863	2844	12707	-8367	4,340
Feb-16	3584	7727	11311	5029	16340	2844	19184	-12392	6,792
Mar-16	6064	5191	11255	2625	13880	2844	16724	-14082	2,642
	27173	56853	84026	41425	125451	22752	148203	-75030	73,173
Apr-16	6185	5314	11499	8393	19892	3286	23178	-21027	2,151
May-16	6403	4118	10521	6464	16985	3286	20271	-19805	466
Jun-16	8024	2403	10427	11493	21920	3286	25206	-19818	5,388
Jul-16	9632	854	10486	11704	22190	3286	25476	-36492	-11,016
Aug-16	10674	3526	14200	7535	21735	3286	25021	-32848	-7,827
Sep-16	12667	2133	14800	17293	32093	3286	35379	-21179	14,200
Oct-16	10672	453	11126	15058	26184	3286	29470	-21605	7,864
Nov-16	9726	47	9773	10162	19935	3286	23221	-10942	12,279
Dec-16	7287	0	7287	3081	10368	3286	13654	-11888	1,766
Jan-17	10828	0	10828	1151	11979	3286	15265	-10100	5,165
Feb-17	6303	0	6303	5894	12197	3286	15483	-13935	1,548
Mar-17	8424	0	8424	5171	13395	3286	16881	-14485	2,396
	106826	18849	125674	103399	229073	39432	268505	-234124	34,381

Apr-17	11498	0	11498	14595	26093	2389	28482	-34384	-5,902
May-17	7837	389	8226	8950	17176	2389	19565	-22599	-3,034
Jun-17	7881	118	7999	8237	16236	2389	18625	-21724	-3,099

2.3 It can be seen in the table above that the first three months of this financial year has seen a considerable improvement on previous performance. This is due to a number of reasons:

2.4 Increase in prices of 15% from April 1<sup>st</sup> 2017.

2.5 Streamlining of staff rotas and reducing staff numbers at quieter times.

2.6 Agency staff only being used to cover emergencies such as staff sickness.

2.7 More competitive supplier costs through supplier negotiations.

2.8 The opening of a second point of sale at peak times which has not only increased sales but also reduced customer waiting times.

2.9 Refinement of menus removing unpopular items and labour intensive dishes.

2.10 Introduction of disposable plates. Cups etc. at peak times.

2.11 It should be noted in the table that there has been a slight reduction in the average service cost. The reason for this is that the cost of maintenance to the toilets has been removed and added to the park cost. This is in line with other park toilets. The cost of cleaning the toilets is however still included in with the cleaning of the café.

### **Predicted Financial Income of the remainder of 2017/18**

2.12 Below is a table which shows the predicted outcome for the remainder of the current financial year. The totals at the bottom of the table include income already generated in the first quarter, which are shown in the previous table.

	Salaries	Agency	Total Staff Costs	Catering provisions	Staff & Catering Prov. Total	Average Service Costs	Total Costs	Total Sales	Outcome
Apr-17	11498	0	11498	14595	26093	2389	28482	-34384	-5,902
May-17	7837	389	8226	8950	17176	2389	19565	-22599	-3,034
Jun-17	7881	118	7999	8237	16236	2389	18625	-21724	-3,099
Jul-17					22190	2389	24579	-41966	-17,387
Aug-17					21735	2389	24124	-37776	-13,651
Sep-17					32093	2389	34482	-24356	10,126
Oct-17					26184	2389	28573	-24846	3,726
Nov-17					19935	2389	22324	-12583	9,741
Dec-17					10368	2389	12757	-13671	-914
Jan-18					11979	2389	14368	-11615	2,753
Feb-18					12197	2389	14586	-16025	-1,439
Mar-18					13395	2389	15784	-16658	-874
					229581	28668	258249	-278203	-19,954

- 2.13 This table is based on the following presumptions:
- 2.14 The column in green shows the total staff and catering provision costs as being the same as the equivalent months last year. We are not predicting any increase in these costs because we have negotiated more advantageous supplier costs and have streamlined staff costs.
- 2.15 The column shown in orange makes the assumption that our total sales will increase by 15% over the same months last year. We believe that this is realistic because since last year we have increased our charges by 15% and the actual number of sales has continued to increase year on year.
- 2.16 The above table shows a predicted profit this financial year of £19,954 for the café. Officers believe that this is a conservative figure for the following reasons:
- 2.17 Last year there was a delay in the invoicing from suppliers which meant that a considerable amount of goods sold during the summer holidays were not charged for until September. We now have better financial monitoring in place which will prevent this happening this year and should result in September 2017 generating profit unlike last year.
- 2.18 Through better staff rota processes, staffing levels and costs during the winter months will be greatly reduced. As well as reduced hours it may be prudent to close one or two days during the week in the winter months, which would further reduce costs.
- 2.19 It is hoped that taking this into account the profit generated could realistically be up to £10,000 greater than that shown in the table above.

## **External Tender**

- 2.20 As mentioned in the last Cobtree Café/Visitor Centre update Maidstone Borough Council has now run a tender process with a view to externalising the operation of its cafes in Mote Park and at Maidstone Museum. It was indicated in this process that there may be an option to include Cobtree Café in the future. The information from this tender process is being presented to this committee in a separate report.

## **3. AVAILABLE OPTIONS**

- 3.1 The committee could choose not to note the information contained in this reports, however the committee has requested regular updates on the Café Visitor Centre performance

---

## **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1** It is recommended that the information in this report regarding the performance of the Café/ Visitor Centre is noted.
- 

## **5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 5.1 The committee has previously resolved to receive regular updates on performance of the Café/ Visitor Centre.
- 

## **6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

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

## **7. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	The work of the charity links directly to its charitable objects and the corporate priorities of the Council.	Head of Regeneration and Economic Development
<b>Risk Management</b>	Risks to running the estate are dealt with in the annual Estate Risk Management Report.	
<b>Financial</b>	Financial risks are considered in the ongoing finance updates.	Cobtree Finance Officer
<b>Staffing</b>	No implications.	
<b>Legal</b>	No implications.	Deputy Head of the Legal Partnership
<b>Equality Impact Needs Assessment</b>	No implications.	
<b>Environmental/Sustainable Development</b>	No implications.	
<b>Community Safety</b>	No implications.	
<b>Human Rights Act</b>	No implications.	
<b>Procurement</b>	No implications.	
<b>Asset Management</b>	No implications.	

## **8. REPORT APPENDICES**

None

## **9. BACKGROUND PAPERS**

None