

**COBTREE MANOR ESTATE  
CHARITY COMMITTEE**

**27 March 2024**

**Elephant House**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Charity Committee	27 March 2024

<b>Will this be a Key Decision?</b>	No
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cobtree Manor Estate Charity Committee
<b>Lead Head of Service</b>	Katie Exon, Head of Property and Leisure
<b>Lead Officer and Report Author</b>	Mike Evans, Leisure Contracts Manager
<b>Classification</b>	<p>Public report with exempt appendices</p> <p>Exempt appendix 1: Summary of the lettings process and applicants</p> <p>Exempt appendix 2: Applicant A's proposal and information</p> <p>Exempt appendix 3: Draft heads of terms</p> <p>These appendices contain exempt information as classified in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 in that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information).</p> <p>The public interest in maintaining this exemption outweighs the public interest in its disclosure. The cost of this work will be included in future financial reports brought to this committee.</p>
<b>Wards affected</b>	All

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**Executive Summary**

A report proposing that the Elephant House, Cobtree Manor Park, is let to a new tenant and that some landlord's upgrades are completed as part of that letting.

**Purpose of Report**

Decision

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

1. That the Elephant House is let to applicant A on the terms shown in exempt appendix 3.
  2. That, as landlord, CMEC invests in upgraded drainage and installs a toilet in the Elephant House.
  3. That CMEC approves the capital budget proposed in the landlord's works section of exempt appendix 3, in order to complete the landlord's works, with a best value approach taken to complete the works.
  4. That delegated authority is given to the Director of Finance, Resources and Business Improvement to agree the final lease with applicant 3.
  5. That delegated authority is given to the Head of Mid-Kent Legal Services to enter into such lease documents and any relevant statutory notices and declarations, as required, to complete the lease process.
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# Elephant House

<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 objectives and the Strategic Plan objectives for the council.	Leisure Contracts Manager
<b>Cross Cutting Objectives</b>	The work of the charity links directly to its charitable objectives and the cross-cutting objectives of the council.	Leisure Contracts Manager
<b>Risk Management</b>	The risks associated with the recommendations are outlined in section 5.	Leisure Contracts Manager
<b>Financial</b>	Financial implications from this update are managed day-to-day in line with council procedures and policies.	Senior Finance Manger (Client)
<b>Staffing</b>	Staffing implications are managed day-to-day in line with council procedures and policies.	Director of Finance, Resources and Business Improvement
<b>Legal</b>	As effective freeholder of the site, the council has powers to sublet buildings on the Estate.	Deputy Head of Legal Partnership
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes.	Information Governance Team
<b>Equalities</b>	There is no impact on Equalities as a result of the recommendations in this report.	Equalities & Communities Officer
<b>Public Health</b>	We recognise that the proposed recommendations will not have negative impact on population health or that of individuals.	Senior Public Health Officer
<b>Crime and Disorder</b>	Crime and disorder implications are managed day-to-day in line with council procedures and policies.	Leisure Contracts Manager

<b>Procurement</b>	Procurement implications are managed day-to-day in line with council procedures and policies.	Director of Finance, Resources and Business Improvement
<b>Biodiversity and Climate Change</b>	There are positive implications on biodiversity and climate change achieved via this new tenancy.	Biodiversity and Climate Change Manager

## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Elephant House was originally part of Maidstone Zoo, when it stood on the site that is now Cobtree Manor Park. It has not housed animals since the 1960s and in the ensuing decades has been largely empty. It was occupied as a workshop by the Cobtree Men's Shed from 2015 until the Covid-19 pandemic. The Shed Group now have a home at Kent Life and long-term options for the Elephant House have been sought.
- 2.2 The park setting and the Elephant House's classification as a workshop/store mean that lots of uses for it are not suitable, but these factors also combine to create a unique opportunity for the right type of letting.
- 2.3 The building has electricity and water connections, but it does not have a working drainage connection. The council commissioned a drainage survey to investigate the historic waste pipes and these were found to be in too poor a condition to be reinstated. The council has quotes for installing working waste drainage that can be considered as part of supporting a new tenancy and protecting the future of the building.
- 2.4 The Council marketed the Elephant House via agents in autumn 2023 for workshop use. There was mixed interest and a summary of the marketing process is attached as exempt appendix 1.
- 2.5 Multiple enquiries were received for a refreshments kiosk or café. These were discounted because the park does not have enough visitors for two separate cafés. Applicants also need to open and close the premises in line with the park's opening times and vehicle access to the building will be restricted to protect the pedestrian paths and tree root zones from excessive wear and tear. The building would require extensive repair, insulation, cladding and upgrade for use as anything more intensive than a workshop and store. For alternative uses, additional consents (and therefore costs) would also be required which would delay bringing the building back into use.
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### **3. AVAILABLE OPTIONS**

#### **3.1 Do nothing**

The Committee can choose not to let the building to an applicant. In this circumstance the council will continue to manage the building as an empty premises and its long-term value and condition will suffer. Over time it will become a financial and reputational risk. **This option is not recommended.**

#### **3.2 Continue the marketing period for additional applicants**

The Committee can choose to extend the application and seek additional applicants who may propose better terms, however as shown in exempt appendix 1, the marketing process has been thorough and it is not expected that continuing it will unearth new applicants or types of proposals that have not already been considered. There is also a time factor that will have a negative impact if this option is pursued. **This option is not recommended.**

#### **3.3 Agree Heads of Terms and offer a tenancy to applicant A**

Applicant A's proposal and additional information is included in exempt appendix 3 and suggested heads of terms are included in exempt appendix 4. This proposal represents the best value option for Cobtree and the Cobtree Manor Estate Charity. **This is the recommended option.**

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

- 4.1 Applicant A is a business whose sector and ethos fits the park setting. It also aligns with the council's strategic priorities.
- 4.2 Applicant A's proposal will bring a new income line to the park and will also bring investment into the park's assets. The business has some customer-facing elements so it will also bring educational experiences to park visitors. The proposal includes investment the tenant will also be making into the premises. The improvements will suit their business operations but will also benefit the building and CMEC.
- 4.3 Exempt appendix 3 includes information relating to applicant A's expansion from being a home-based business to needing to find its first premises. The draft heads of terms reflect this growth phase with provisions that will apply in year 3.

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### **5. RISK**

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

- 5.2 The recommendations in this report remove some future risks, which are described in paragraph 3.1.
- 5.3 The tenant is a relatively new business and is expanding. There is a risk to CMEC that the business cannot expand sustainably or successfully and does not survive. The impact of this to CMEC is tolerable as the building is currently vacant and is not providing an income stream. The works that will be carried out are not specific to Applicant A and would work for many other organisations or businesses, meaning the building could easily be let again to other interested parties.
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## **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 No consultation has taken place for the purposes of this report.
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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 Any comments from the committee will be passed on to the relevant party.
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## **8. REPORT APPENDICES**

- Exempt appendix 1: Summary of the lettings process and applicants
  - Exempt appendix 2: Applicant A's proposal and information
  - Exempt appendix 3: Draft heads of terms
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## **9. BACKGROUND PAPERS**

- None