

**Council – 16<sup>th</sup> October, 2018**  
**Recommendation from Cabinet**  
**2<sup>nd</sup> October, 2018**

**Coventry City Council**  
**Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 2 October 2018**

Present:

Members: Councillor G Duggins (Chair)  
Councillor A Khan (Deputy Chair)  
Councillor F Abbott  
Councillor K Caan  
Councillor J Innes  
Councillor K Maton  
Councillor J Mutton  
Councillor J O'Boyle  
Councillor E Ruane  
Councillor P Seaman

Deputy Cabinet Members: Councillor P Akhtar  
Councillor R Ali  
Councillor R Lakha  
Councillor T Skipper

Non-Voting Opposition Members: Councillor R Bailey (Substitute for Councillor Andrews)  
Councillor T Sawdon (Substitute for Councillor Ridley)

Other Members: Councillor Clifford  
Councillor M Mutton

Employees (by Directorate):

Chief Executive's People: M Reeves (Chief Executive),  
G Quinton (Deputy Chief Executive (People)), A Errington,  
L Gaulton, P Hargrave, N Hart, L Lawson, S Mills,  
R McKenzie-Wilson, K Nelson

Place: M Yardley (Deputy Chief Executive (Place)), O Aremu,  
A Chowns, P Helm, P Jennings, L Knight, R Moon, A Walimia,  
A Walster

Apologies: Councillor B Kaur, A Andrews and G Ridley

**RECOMMENDATION**

49. **Coombe Abbey Park Ltd - Capital Financing and Country Park Investment**

The Cabinet considered a report of the Deputy Chief Executive (Place), which set out proposals to proceed with an investment into Coombe Abbey Country Park and Coombe Abbey Park Ltd (CAPL) on a commercial arms length basis.

A corresponding private report was also submitted to the meeting setting out the commercially confidential matters of the proposal. (Minute 55 below refers.)

In December 2017 the City Council purchased 100% of the shares in Coombe Abbey Park Ltd (CAPL), the operator of Coombe Abbey Hotel. Following this purchase, officers have been reviewing a variety of different projects to increase partnering between CAPL and the wider City Council.

The report set out three proposals, which included the provision of a capital loan facility to CAPL; entering into a lease to enable a high wire assault course to be built; and entering into a lease with CAPL on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park and undertake de minimis works to the property before doing so.

The Council refinanced CAPL on 29<sup>th</sup> November 2013 with a loan which is repayable over 15 years, ending in November 2028. CAPL continues to service this debt from its existing revenue streams under the City Council's ownership and the securities from this loan remain in place for a further 10 years. It is proposed that a maximum facility of £1.95m is made available to CAPL over the next 10 years this period being in line with the Council's existing loan facility to CAPL. The new facility will ensure that appropriate security is obtained in order to protect the Council.

Upon first use, a one off arrangement fee of £15k would be payable from CAPL to the City Council. Monies advanced to CAPL would be subject to interest rates based on commercial rates, and all drawdowns will be repayable by the term of the loan.

Coombe Country Park, whilst owned and operated by the City Council sits within the planning authority of Rugby Borough Council. Within the Coventry boundary, the updating and establishment of play areas and parks is primarily funded from S106 contributions and grant monies obtained by the City Council and/or friends groups.

Whilst hugely popular with Coventry residents, no formal friends group exists for Coombe Country Park. Also S106 money raised in Coventry cannot be spent in Rugby Borough Council's area. Therefore, the funding of new facilities in Coombe Country Park has to come from a limited parks budget or through more innovative schemes.

An opportunity has arisen for CAPL to build a high wire assault course and tree top experience in Coombe Country Park. CAPL have been in dialogue with a supplier of tree top high wire assault courses. A provisional deal has now been reached where CAPL will enter into an agreement with the supplier to deliver a high wire facility in Coombe Abbey Country Park.

CAPL will pay a rent to the Council on the park land required for the development of the high wires assault course. The rent will comply with obligations of S123 of the Local Government Act 1972 to achieve best consideration.

The high wires course which is proposed will result in an increase in numbers of people attending the Park, so an opportunity has arisen for CAPL to establish a second café for Coombe Country Park in order to cater for the additional demand.

CAPL will pay a rent to the Council for the lease and licence to establish a second café, and the rent will comply with obligations of S123 Local Government Act 1972 to achieve best consideration.

Landlord works are required in order to bring the building up to a lettable standard and the cost of this is estimated at approximately £20k, payable by the Council from existing Parks budgets. The Tenant will then be responsible and incur the costs for fit out as part of the tenant obligations.

The Cabinet agreed to:

1. Delegate authority to the Deputy Chief Executive (Place) to enter into a lease with Coombe Abbey Park Ltd to facilitate the building of a high wires assault course for Coventry.
2. Delegate authority to the Deputy Chief Executive (Place) to negotiate and agree the terms of a lease with Coombe Abbey Park Ltd to facilitate the building of a high wires assault course for Coventry.
3. Delegate authority to the Deputy Chief Executive (Place) to enter into a lease and licence with Coombe Abbey Park Ltd on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park and undertake refurbishment works up to the value of £20k to the property to bring up to lettable standard.
4. Delegate authority to the Deputy Chief Executive (Place) to negotiate and agree terms of the lease and licence with Coombe Abbey Park Ltd on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park.

**RESOLVED that the Cabinet recommend to Council that it:**

1. **Approves in principle the grant of a capital loan facility up to the sum of £1.95m for Coombe Abbey Park Ltd**
2. **Delegates authority to Deputy Chief Executive (Place) and the Director of Finance and Corporate Services (Section 151 Officer) or nominated representative, following consultation with the Cabinet Member for Strategic Finance and Resources and the City Solicitor, to undertake all necessary due diligence and to finalise the terms and details of the loan arrangement and to thereafter manage the loan facility. The authority under this recommendation shall include the power to negotiate and agree variations to the terms of the loan facility.**

- 3. Approves the addition of £1.95m to the Councils approved capital programme for the purposes of a capital loan facility to Coombe Abbey Park Ltd, financed from capital receipts.**

(Meeting closed at 3.05 pm)