

TONBRIDGE & MALLING BOROUGH COUNCIL

COMMUNITY and ENVIRONMENT SCRUTINY SELECT COMMITTEE

19 October 2022

Report of the Director of Central Services & Deputy Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision

1 TONBRIDGE CASTLE – OUTCOME OF PUBLIC CONSULTATION & OPTIONS FOR FUTURE COMMERCIAL ACTIVITIES

This report updates Members on the outcome of the public consultation exercise and sets out high level options for further consideration.

1.1 Background

- 1.1.1 Tonbridge Castle and grounds is an excellent historic strategic asset, which is unique in the South of England being of great historical importance as one of the best examples of a Motte and Baily Castle. The Castle is a designated as a scheduled ancient monument (save for the Georgian buildings east of the gatehouse), and the gatehouse and offices are grade I listed (Tonbridge Castle and grounds).
- 1.1.2 The Castle is a heritage hub, culture centre, tourist venue with great potential for commercial activities. It is also a used as a location for many of the Council's high-profile civic events e.g., the Royal Proclamation in September 2022.
- 1.1.3 Indoor at Tonbridge Castle is a Kent County Council (KCC) funded Gateway; TMBC Customer Services, the Cemetery Office, Outdoor Leisure Services staff, Tourist Information Centre; attraction/ exhibition; offices (including space currently leased to Citizens Advice and Protection Against Stalking) and meeting rooms. It is also used as a wedding venue and is the current temporary location of the Post Office. Outside are the Castle lawns (used for many events), Motte walls and car parking. Many have revenue streams attributed to them for a myriad of different activities. Activities within the Castle i.e., the attraction/ exhibition, shop, weddings, room bookings and Tourist Information Centre are managed by Customer Services, with external activities e.g., events on the Castle lawn/ grounds and grounds maintenance being managed by Leisure Services.

- 1.1.4 As Members may be aware, the Gateway agreement with Kent County Council will expire on 6 July 2024, the County Council having given notice that they no longer wish to continue with the Gateway at Tonbridge Castle after that date. This is permissible under the terms of the agreement with the County Council, with no compensation payable (the agreement provides that either party may terminate without compensation 15 years after practical completion of the Gateway i.e., 6 July 2009).
- 1.1.5 During the financial year 2021/22 a total of £141,892.00 was paid by the County Council to the Borough Council towards the costs of running the Gateway.
- 1.1.6 Given the expected loss of income from the Gateway with effect from July 2024, Member and Officer Steering Groups have been established to evaluate the current commercial operations at Tonbridge Castle and grounds, understanding the different activities that are currently taking place, and to propose how the Borough Council utilises the strategic asset of Tonbridge Castle and grounds to generate sustained long term revenue streams to make the site as cost effective as possible, thereby significantly reducing the subsidy provided by the Council. Opportunities for revenue savings will also be explored.
- 1.1.7 The work programme agreed by the Steering Group has been divided into 3 phases: -

Phase 1 - 2022	<ul style="list-style-type: none"> - Understanding the current revenue and capital costs of primary and secondary budgets encompassing Tonbridge Castle and grounds - Understanding the needs of the community through consultation - Evaluate the different work streams (revenue and costs) and agree which workstreams to focus on
Phase 2 - 2023	<ul style="list-style-type: none"> - Agreeing future plans for Tonbridge Castle and grounds - Planning implementation for future plans – working with TMBC Officers and chosen partners as identified - Agree the governance arrangements to oversee Tonbridge Castle and grounds, once business model is confirmed
Phase 3 - 2024	<ul style="list-style-type: none"> - Managing termination of any relevant contracts, and decommissioning of Gateway - Managing and overseeing transition of future plans

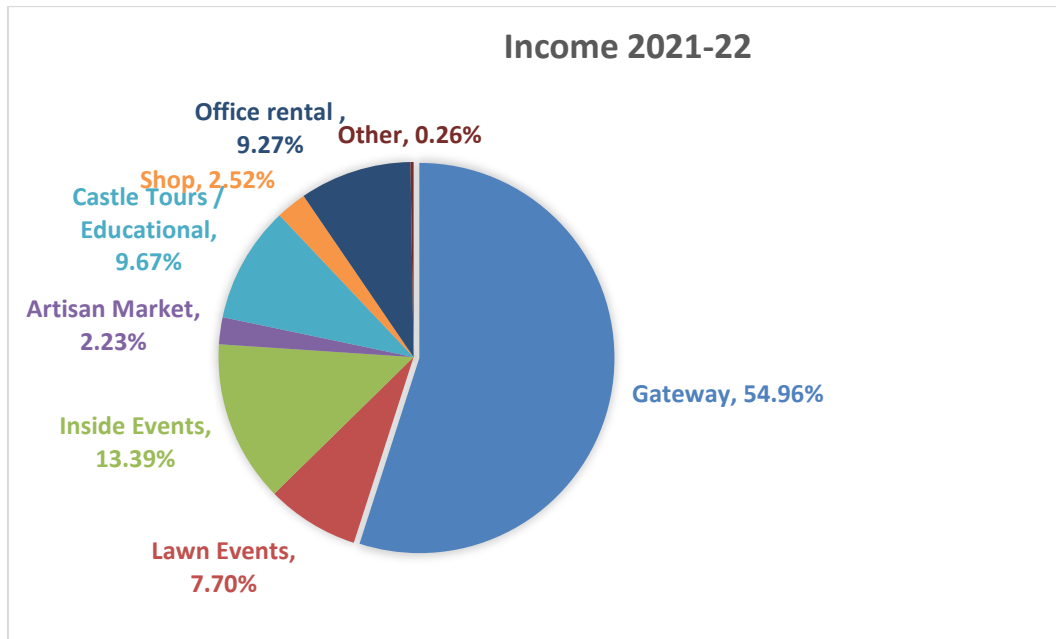
- 1.1.8 This report sets out the work undertaken thus far in Phase 1. Members are asked to consider the responses to the public consultation exercise and identify the high-level options they wish to be investigated further.

1.2 Budgets

1.2.1 The current income streams at Tonbridge Castle are set out in the table below.

	Actual		Actual		Actual		Actual		Budget	
	18/19 (£)	%	19/20 (£)	%	20/21(£)	%	21/22 (£)	%	22/23 (£)	%
Gateway – KCC	-130,729	57.35%	-116,076	47.80 %	-139,842	76.22 %	-141,892	54.87 %	-130,000	51.95%
Gateway - Partner	-9,879	4.33%	-11,675	4.81%	0	0.00%	-225	0.09%	-4,000	1.60%
Box Office	0	0.00%	-8,921	3.67%	0	0.00%	0	0.00%	0	0.00%
Lawn Events	-13,374	5.87%	-30,107	12.40 %	-1,700	0.93%	-19,901	7.70%	-35,000	13.99%
Chamber	-4,485	1.97%	-11,222	4.62%	-5,112	2.79%	-18,729	7.24%	-15,000	5.99%
Weddings	-9,550	4.19%	-12,917	5.32%	-3,229	1.76%	-13,024	5.04%	-18,000	7.19%
Artisan Market	0	0.00%	0	0.00%	0	0.00%	-5,765	2.23%	0	0.00%
Paranormal	-1,310	0.57%	-1,159	0.48%	-900	0.49%	-2,875	1.11%	0	0.00%
Castle Tour	-16,232	7.12%	-12,273	5.05%	-6,872	3.75%	-17,569	6.79%	-25,000	9.99%
Education al	-11,906	5.22%	-11,907	4.90%	0	0.00%	-7,424	2.87%	0	0.00%
Shop	-4,489	1.97%	1,980	-0.82%	-1227.56	0.67%	-6,520	2.52%	-3,500	1.40%
Marketing	0	0%	0	0.00%	0	0.00%	-105	0.04%	0	0.00%
Mooring Fees	-129	0.06%	-356	0.15%	-87	0.05%	-263	0.10%	-300	0.12%
Commissi on	-678	0.30%	-905	0.37%	-407	0.22%	-301	0.12%	-750	0.30%
Concessio ns	-750	0.33%	0	0.00%	-200	0.11%	0	0.00%	0	0.00%
CAB	-20,424	8.96%	-22,991	9.47%	-21,899	11.94 %	-21,981	8.50%	-16,700	6.67%
Historical Society	-2,000	0.88%	-2,000	0.82%	-2,000	1.09%	-2,000	0.77%	-2,000	0.80%
Total	-225,935	1	-240,529	1	-183,476	1	-258,574	1	-250,250	1

1.2.2 Members will note that there is very strong reliance on the Gateway revenue stream from Kent County Council (KCC) which accounted for 54.96% of income during 2021/22. This will have to be replaced by alternative revenue streams from 2024, to ensure not only replacement income, but as importantly, incremental revenue streams.



1.2.3 Further details on the cost structure and revenue streams are set out in **Annex 1**.

1.3 Consultation

- 1.3.1 A public consultation exercise was undertaken from 1 April to 31 July 2022, seeking views on how the Castle and its grounds can be used in the future to further meet the needs of the local community.
- 1.3.2 The consultation was published through press articles/ posters, press interviews with the Leader and via the Council's website. Emails were also sent to TMBC Councillors, KCC Councillors, Parish Councillors, Taxi stake holders, Resident associations, Tonbridge community groups 840 Businesses, 595 Taxi/Private Hire drivers, Youth Forum and TMBC Employees.
- 1.3.3 A total of 724 responses were submitted online. 400 one-to-one interviews were also undertaken at different Castle events as well as outside the Castle footprint (using the same questions as the online survey), giving a total of 1,124 responses.
- 1.3.4 375 respondents to the consultation have also volunteered to be part of a focus group for the Castle & grounds review. These people will be invited to participate in future online surveys and focus groups to test out concepts and ideas as we formulate our plans.
- 1.3.5 The results of the consultation exercise are set out at **Annex 2**. Key findings from the consultation are also summarised below.

- 1.3.6 **Visiting Tonbridge Castle & grounds** – just over half of respondents (52%) visited Tonbridge Castle with family members. This
- 1.3.7 Approximately 27% of respondents visited the Castle & grounds for a walk in the grounds. Other reasons given for visiting included using the Castle Lawn (21%) attending an event (20%) and visiting the exhibition (12%).
- 1.3.8 A significant majority of respondents (67%) travelled to the Castle and grounds on foot. 27% used a private car and 14% used a taxi. Only 4% of respondents used public transport to visit the Castle and grounds.
- 1.3.9 Just under half of respondents (49%) live within 1 mile of Tonbridge Castle. A further 31% live within 2-3 miles of the Castle, with only 11% living more than 5 miles away.
- 1.3.10 **Attendance at events/ activities** – just under half of respondents (48%) have attended events on the Castle Lawn, with a further 33% having attended events within the grounds. 16% of respondents said they had attended events inside the Castle.
- 1.3.11 **The future** – respondents were asked what types of events and facilities they would like to see at the Castle. In respect of facilities, the most popular choice was a café/ bistro (59%), followed a by bar (25%). Other suggestions included toilets, an ice rink, museum, and restaurant.
- 1.3.12 In respect of events, the most popular choice was music (245 respondents), followed by food (138), market (133) and community (84).
- 1.3.13 **Gender and age profile** – most respondents (67%) were female. 25% of respondents were aged between 41-50, with an almost identical amount aged between 31-40. Less than 7% of respondents were aged under 30, with 8% aged over 70.

1.4 Options for consideration

- 1.4.1 There are five main concepts to consider, which are shown in the table below. In total there are 40 incremental fee revenue streams that have been identified. These concepts have emerged both through discussion at the Steering Groups and through the responses to the consultation exercise. A number of these are already delivered at the Castle and grounds but Members are invited to consider whether they wish to continue to support these as future options for delivery at Tonbridge Castle. The evaluation of the identified work streams will then be considered as part of Phase 1.

- 1.4.2 It is considered that we need to have a balance of concepts in place, recognising that many may generate additional fee income, while some others may not. A critical factor to consider will be the costs incurred to TMBC in respect of each option in terms of resource and infrastructure. The concepts will also vary in their risk profile.
- 1.4.3 A final option would also be to continue to operate as we do now, making no changes to the activities at Tonbridge Castle.

Concept	Reference
Café / Bistro restaurant	A
Events and activities <ul style="list-style-type: none"> • Events on Castle and grounds • Weddings • Artisan Market • Conference and banqueting • Paranormal • Watergate concession 	B
Castle Tour – Educational <ul style="list-style-type: none"> • Castle attraction tours • Education workshop 	C
Castle shop	D
Other concepts	E
Make no changes	F

- 1.4.4 These options are considered further below. Members are asked to note that these options relate only to those aspects of the Castle operation that have an associated revenue stream. As set out in paragraph 1.1. of this report, the Castle also acts as a key location for civic events, provides the Tonbridge location for the Council's Customer Services function, Cemetery Office, and Outdoor Leisure staff, and offers space for rent to third parties such as Citizens Advice and Protection Against Stalking.
- 1.4.5 Members are asked to review the options to assess whether they wish to continue with the current range (which could include reducing or expanding elements) or explore new opportunities.

A - Café/ Bistro restaurant

- 1.4.6 The creation of a café was a clear preference identified by respondents to the consultation, with 600 respondents (58.54%) indicating that they would like to see such a service being offered at the Castle.

1.4.7 The setting up and running of a Café/Bistro restaurant is not within the current skill set of TMBC staff, and as such, we would either need to employ staff to run this on our behalf or have a third party run this for us. If Members wished to explore this opportunity further officers would investigate the likely costs/ income levels that could be achieved. For example, the costs of set up could be negotiated, in a medium-term deal, which could include fitting out, including setting up a kitchen on the outside wall, that would also service the conference and banqueting needs, as well as events.

B - Events and activities

1.4.8 We have grouped several key activities within this option, covering all the events and activities taking place within the Castle and grounds. As Members will note from the table at 1.4.3, there are a range of activities and events that take place at Tonbridge Castle, some within the Castle itself and others on the lawn and grounds. A number of events utilise space both inside and outside the Castle. Events on the lawn accounted for 7.70% of income during 2021/22, with events inside the Castle accounting for 13.39%.

1.4.9 The Castle Chamber and large meeting room now have the flexibility of being used for art classes, training rooms, meetings, weddings etc, fully supported with the conference equipment you would expect to see in any business venue. The meeting rooms inside the Castle are frequently used in connection with events on the Castle Lawn and grounds.

C- Castle Tour & Educational

1.4.10 The interactive Castle Tour offers an oversight of medieval life, with escorted tours for school trips. Private tour guides can also be booked.

1.4.11 Castle staff run interactive activities with school children in the Castle Chamber, learning about life in the past e.g., dressing up; brass rubbing; understanding trebuchet.

1.4.12 The audio tour takes people around the Gatehouse and grounds, and is available in multiple languages, which is being updated to a digital platform.

1.4.13 The tour accounted for 9.67% of income during 2021/22.

D - Castle shop

1.4.14 The Castle shop has transitioned from a fully stocked Tourist information Centre, offering brochures to all parts of the UK, to stock quality merchandise, associated with the Castle and Tour.

1.4.15 The shop is currently also selling large volumes of bottles of water and teas/ coffees with light snacks.

1.4.16 The shop accounted for 2.52% of income during 2021/22.

E- Other concepts

- 1.4.17 Other concepts for consideration and evaluation to consider incremental revenue opportunities, are primarily taken from the feedback from the consultation.
- 1.4.18 These concepts will be considered by the Steering Group, which has Member representation through the Cabinet Member for Community Services, Cabinet Member for Finance, Innovation & Property and Deputy Leader, and the local Councillors of Castle Ward, in which Tonbridge Castle and grounds are located.
- 1.4.19 Members of the Scrutiny Select Committee are also asked to consider what existing services they wish to see retained at Tonbridge Castle. Currently there is a Customer Services/ Cemetery Services/ Outdoor Leisure Services presence, together with Castle Tours, flexible and adaptable meeting rooms, Weddings (the facility is licenced for this purpose by Kent County Council), and Castle shop, all of which generate income.
- 1.4.20 The current tenants on the first floor are Citizens Advice (CAB) of, and a charity called Protection against stalking (both generate rental income of £25,200), and The Historical Society. The first floor also has one hot desk office and one office used by the Outdoor Leisure Services staff.
- 1.4.21 Members will need to be mindful of the space required to accommodate additional concepts to generate incremental revenue. Whilst there will be a reduction in the Gateway footprint to free up some space from July 2024, the exact space available for new activities will be contingent upon the nature and extent of other services that Members wish to retain within the Castle and grounds. Furthermore, members will no doubt wish to understand the potential additional revenue associated with new concepts before determining whether to reduce the space occupied by other existing services/ activities at the Castle. This can be investigated as part of Phase 1.
- 1.4.22 At this stage Members are not asked to consider governance arrangements for the various options. These will be considered as part of Phase 2, and will include:
- - continuing to deliver services in-house
 - setting up a Trust to run Tonbridge Castle and grounds
 - contracting with one or more third parties
- 1.4.23 The model that will be used to test any concepts agreed by Members for further evaluation is attached as **Annex 3**.

1.5 Legal Implications

1.5.1 None arising at this stage. Legal Services will be involved at the relevant times during Phases 2 & 3.

1.6 Financial and Value for Money Considerations

1.6.1 The financial and value for money considerations are set out elsewhere in the report.

1.7 Risk Assessment

1.7.1 Each option within this report will have a different risk profile. At this stage Members are being asked to identify which options they wish officers to consider further. Each of those options will be subject to a detailed risk assessment prior to any final decision being taken by Members about the future activities at Tonbridge Castle.

1.8 Equality Impact Assessment

1.8.1 The recommendations in this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users. However, as the options agreed by Members are subjected to evaluation, consideration will also be given to any associated equalities implications.

1.9 Policy Considerations

1.9.1 Asset Management

1.9.2 Community

1.10 Recommendations

1.10.1 Members are requested to

(a) consider the outcome of the public consultation exercise; and

(b) consider the options set out at paragraph 1.4 and **AGREE** which options are to be recommended to Cabinet for further investigation and evaluation.

Background papers:

contact: Anthony Garnett

Nil