

TENTERDEN TOWN COUNCIL – EXTERNAL COMMITTEE

CINEMA FOCUS GROUP

MINUTES OF A MEETING ON 23RD JANUARY 2020

Present: Colin Campbell, Cllr. Sue Ferguson, Claire Gilbert (Deputy Town Clerk), Tom Evans (Chair), Alan Bates, Paul Hale, Barbara Lawrence, Elaine Mahoney, Carol Parkin, Nic Phillips, Fran Sharp, Bob Somerscales, Gill Topley and Wilfred Watters.

1. **Apologies for Absence.** Chris Head. Tom Evans reported that Chris had unfortunately resigned from the Cinema Focus Group for personal reasons. The Group noted the tremendous amount of work that Chris had done for the project and the Group's thanks were recorded.
2. **Minutes** of the meeting held on 21st November 2019 were agreed.
3. **Matters Arising.** None.
4. **Building Feasibility Study Operation Update**

(a) Feasibility Study Timescale and Activities.

Tom reported that a progress report had been received from Stefanie Fischer and will be circulated with minutes, which indicated that the full building feasibility study will be ready by the end of March 2020. Following a resolution by the Town Council, Tom has been liaising with BFF direct and copying in the Town Council. The Report from Stefanie also included highlights from a report received from Wessex Archaeology.

(b) Questions for Stefanie Fischer and Ron Inglis.

Tom requested that members formulate any questions that they think Stefanie and the team need to answer and pass them onto Tom no later than Thursday, 30th January.

5. **Working Groups Reports and Next Actions**

(a) Route Map.

Tom reported that Version 6 has been produced of the Route Map. The main changes are as follows.

- (i) There was an assumption that we would go to full planning application at the end of the feasibility study. This would not be the case; it would not be until the architects develop the design.
- (ii) The formation of a company was required as soon as possible. An agreement with the operator also needed to be considered.

- (iii) Tom is trying to keep same completion date. The feasibility study will be completed by the end of March. Following the study, the Council will be approached to consider the next stage. A Memo of Understanding needs to be produced by the end of April 2020. Ron Inglis from Craigmount Consulting recommended 'Heads of Agreement' with the preferred operator by the start of June 2020. It is hoped that a sufficient first tranche of external funding will be committed by the middle of July 2020 to propose to the Council to release the funding for the preparation of the developed design of the cinema.

Applications for listed building consent and full planning permission would then be submitted in January 2021, on completion of the developed design. Tom reported that Ron and Stefanie have approved the Route Map.

The Group thanked Tom and his Team for their work on providing an impressive Route Map.

(b) Legal and Financial Issues.

Colin Campbell reported that the group had pressed ahead with forming the Company. There is a need to start looking at funding and speaking to the Council formally. Tom reported that a firm of solicitors, Halletts in Ashford, had been engaged and they gave advice on the formation of different types of companies. Two weeks ago, the final conclusion was reached and a standard company was set up. The new company required Directors and they are Alan Bates, Tom Evans, Paul Hale, Carol Parkin and Colin Campbell. Each have been issued 20 shares to get the company off the ground; to help get the bank account sorted, each Director has put in £200.00. Colin reported that the Town Council agreed to act as interim bankers and the current balance is £800 in after paying the company formation agent's fee. The new company is called 'Tenterden Cinema Ltd' and the registered office is Gibbons, Mannington & Phipps in Tenterden; they are acting as auditors. The next step will be opening a bank account.

Alan had kindly provided his home address as the temporary business address. Office space within Tenterden is being investigated.

A brief discussion took place on voting shares, etc. No director of the Company may be paid by the Company: they will be on the same financial terms as any other private investor. It was suggested that a logo for the Company needs to be designed as soon as possible.

Colin suggested that a website needs to be set up as soon as possible. Claire will check with the Town Clerk if the Tenterden Cinema website could be handed over to the Company at cost.

Tom reported that there were questions that needed to be answered by the Town Council.

- (i) The availability of a lease on the building needs to be guaranteed (subject of course to the outcome of the feasibility study and financial provision). Claire reported that legal advice was being sought about non-renewal of White Stuff's current lease.
- (ii) The Town Council should set up a small working group of councillors and Town Clerk to negotiate with the Cinema Company on the nature of the Council's involvement, lease terms and whether the Council would have a shareholding, be a bond holder or simply charge rent to the Company. Options would then need to go to full Council for discussion.
- (iii) There should be clarity about the expected lease terms from the Town Council to the Cinema company by the end of the feasibility study, with a memorandum of understanding between the Town Council and Company to be followed by Heads of Agreement with a preferred operator.
- (iv) It was noted that the Town Council cannot charge rent and be a shareholder in the Cinema Company. There are strong arguments that the Town Council should not charge rent for the building but treat it as a community benefit; a return could be obtained from equity or a bond. Craigmount can cite precedents where Councils have gone considerably further than the Town Council is yet offering in support of cinema projects for the benefit of residents and visitors (which is the aim of Alice Wood's bequest) and the development of the town's economy.

Colin reported that it was not uncommon for a Council to appoint a director to the board of a company in which they have an investment. Tom reported that the Town Council would need to be an investor not a landlord in this case.

(c) Fund-raising preparations.

- (i) Private investors were discussed and it was suggested that local businesses are consulted. Alan reported that a good idea of what packages we are offering investors needs to be decided, e.g. bond or equity. There will also be different levels of investment. Sue reported that we need to be careful of offering things that might be an operator's area, e.g. free seats; maybe suggest 'buy a brick'. This will need in depth conversations with operators before 'offering' perks.

(d) Development of Operator Terms and Memorandum of Understanding

- (i) Tom reported that Craigmount have prepared a very good draft Service Level Agreement as the basis for negotiation with potential operators. Ron Inglis's initial business advice was based on the misunderstanding that the Council would be leasing direct to the operator and therefore bound by public procurement requirements to advertise etc. He is re-working

his business advice on the understanding that the cinema company will be developing the project.

- (ii) The Group are moving to the stage of private discussions between the Cinema Company and Kino and Uckfield Picturehouse as potential operators. Other operators might be fallback options but are unlikely to be as suitable.

All discussions should be noted and it made clear that any discussions and negotiations do not imply the offer of a contract to that operator. Potential operators should be required to make a pitch to a panel of Directors of Tenterden Cinema Company and designated Tenterden Town Councillors before a preferred operator is selected.

- (iii) The Cinema Company should sign Heads of Terms of Agreement with the preferred operator by end of June 2020. This would tie them to a certain extent, although not absolutely prevent them from dropping out. It will enable the operator to work closely with BFF on design requirements. Craigmount have suitable models and can prepare a draft Heads of Agreement for us. Ron Inglis will advise on any extra cost for this work.
- (iv) Ron Inglis will liaise with Stefanie Fischer about design questions and potential impact on operator requirements.
- (v) Ron Inglis will prepare a revised draft of his business advice draft.
- (vi) Paul asked about the design of the cinema and what we want it to look like. It was agreed that being carbon neutral should be investigated, with a green roof and possibly a ground heat source as options.
- (vii) Tom reported that some cinemas have reduced the amount of seats in their auditoriums and implemented sofa style seating; Tom asked Paul if either of the operators mentioned anything about this. Paul reported that neither had mentioned this and would need verifying. Nic Phillips commented that the longevity of seating needs to be considered and Barbara Lawrence reported that wheelchair space needs to be included.
- (viii) Colin reported suggested that the SLA with operator could include the requirement for renewal of seating etc with a refresh date. It was agreed that this was a question for Ron Inglis.

6. Press and Community Relations

- (a) Preparation for Town Hall Exhibition: Content and Production of Materials.
 - (i) Tom reported that there needs to be some form of funding for materials. Claire confirmed that four sets of display boards

(double sided), which equates to 16 A1 panels, would be available. Only Velcro can be used for the boards which the Town Council should have.

- (ii) It was noted that the Town Council need to communicate to each focus group as soon as possible what they are getting for the exhibition and the positioning in the room. Further information is also required as to what we are advertising to the public. Banners and posters and the A Board will need to be used to generate interest.
- (iii) For the exhibition display, Tom suggested bullet points or narrative to kill the myths and it was suggested that photos of what the Pebbles is like now and also the information of it being gifted to Tenterden. There will also be architectural visualisations. A leaflet needs to be produced to give out on the day; Colin will look into getting it professionally done on A5 with contact details etc. The leaflet also needs to say what we're about.
- (iv) It was suggested that a member from each of the Working Groups attends the exhibition if possible, along with the Councillors. Elaine Mahoney said she could help on 21st February.
- (v) Tom agreed to contact Stefanie to find out what she is putting together for the exhibition and he will also put together some points for display.
- (vi) It was agreed that the website transfer needs to happen as soon as possible so that this information could be put on the leaflet.
- (vii) Nic suggested a local company called Gravity in Tenterden perhaps could help with logos etc. Paul reported that Alex Huntly of LunarWorks has offered to prepare some concepts.

(b) Homewood.

Carole Parkin reported that a meeting will take place on Tuesday, 28th January with the Deputy Head of Media & Film Studies at Homewood School. This is with the view to meeting with students in class groups to create awareness of project.

(c) Fundraising Presentation.

Tom reported the idea of a fundraising presentation, which will coincide with the 75th anniversary of the gifting of the Pebbles by Alice Wood to Tenterden. It was suggested that Anna Calder-Marshall and her son Tom Burke or Paul Hollywood could be invited to attend. It could be a presentation by the Cinema Company on 28th March 2020 to present the project to people who might be interested in being involved. This would be an invitation only event. It was suggested that this could be held in the Town Hall or the Woolpack

Barn; the Woolpack could be asked to do the refreshments and canapes.

It was also suggested that Waitrose or Tesco could be approached for considering in their token scheme; this would be used by the new Company to help develop the cinema project.

(d) Press, Web and Social Media.

Tom reported that it was time for another press release. The Company can do a press release and maybe announce in the paper its birth! A draft press release will be produced and cleared with the Town Council before submission. Social media will be coming online soon.

With regard to a Cinema Website, the transfer over to the Company needs to be checked by Claire with Phil Burgess.

7. Any Other Business. None.

8. Date of Next Meeting: Wednesday, 5th February at 7pm – this will be a planning meeting for the exhibition.