

Report of the
Strategic Director of Neighbourhoods

Awarding of the Golf Courses Management Contract

SUMMARY

- 1.1 Over the past year, Parks has been engaged in going out to tender for a private contractor to manage and maintain the City's golf courses at Allestree Park and Sinfin. Cabinet at its meeting in April approved the awarding of a 50 year contract to a successful Tenderer subject to the satisfactory outcome of public consultation and also the Council taking steps to ensure the contract does not have any detrimental impact on the future use of Allestree Hall.
- 1.2 To gauge public opinion across the city about the proposed changes to the management and maintenance of the golf courses, a question was put to the April 2010 Derby Pointer Panel (Appendix 3), the results of which indicate that more than twice as many people agree with the proposed changes (43.3%) as disagree with them (20.1%).
- 1.3 This was reported back to Community Commission as requested on 9 June 2010. The Commission remained unconvinced that extensive enough consultation had been undertaken and requested consultation with Ward Members and Neighbourhood Forums. This is partially complete and supportive so far, with the consultation in Sinfin set to take place on 21 July.
- 1.4 Community Commission also requested a reduction in the number of years that the contract would be awarded for – see Community Commission report attached at Appendix 5.

RECOMMENDATIONS

- 2.1 To confirm that, subject to the outcome of the outstanding Sinfin consultation, Cabinet support the proposed changes to the future management and maintenance of the golf courses.

SUPPORTING INFORMATION

- 3.1 Cabinet, at its meeting on 13 January 2009, approved the seeking of expressions of interest from relevant companies to undertake the future management and maintenance of the golf courses.

- 3.2 Expressions of interest were sought and from those received an officer panel selected companies from which tenders for the management and maintenance of the golf courses would be invited. The intention was to secure sustainable, accessible and affordable use of the golf courses for all Derby residents and capital investment to improve their infrastructure and the range and quality of their facilities.
- 3.3 Tenders from these companies were assessed by an officer panel against financial and other key criteria. As a result a successful Tenderer was selected.
- 3.4 At its meeting on 20 April 2010, Cabinet approved the awarding of a 50 year contract subject to a satisfactory outcome of the public consultation. The Cabinet decision is shown in Appendix 2 of this report.
- 3.5 The recommended Tenderer is committed to encouraging use of the golf courses by young people, women and disadvantaged socio-economic groups and have made clear their commitment to close working relations with the two golf clubs.
- 3.6 Public access to both courses will not be adversely affected by the proposals nor will the awarding of this contract have any detrimental impact on the future use of Allestree Hall.
- 3.7 Before awarding the contract, consultations took place, including with golf club users, to confirm public acceptance of the proposal as recommended by the Community Commission at its meeting on 3 February 2009. To gauge the feeling of the broader community of Derby on the subject, a question was put to the Pointer Panel in April 2010. The question and details of the panel's response are shown in Appendix 3.
- 3.8 Since the meeting of the Community Commission on 9 June 2010, members and the public, via the Neighbourhood Forum, have been consulted in Allestree and have given support to the proposed way forward. Similar consultation in Sinfyn is due to take place at the Sinfyn Forum meeting on 21 July.
- 3.9 Contract negotiations are still taking place and the length of the contract, which Community Commission recommended should be reduced, will be a part of those negotiations. However, if we reduce the length of the contract, it is probable that the selected provider will put in less investment in proportion to the reduction of years of the contract – if indeed the company wishes to go ahead at all with a reduced lease. See Appendix 4 for some examples of long golf course leases and consultants' advice on length of contracts.

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Background papers:	Municipal Golf Contract Report approved by Council Cabinet on 13 January 2009 Minutes of meeting of the Community Commission held on 3 February 2009 Awarding of the Golf Courses Management Contract – report to cabinet on 20 April 2010
List of appendices:	Appendix 1 – Implications Appendix 2 – Key Decision - minute 229/09 Awarding of the Golf Courses Management Contract 20 April 2010 Appendix 3 – Allestree and Sinfyn Golf Courses question and feedback results from the Derby Pointer Panel April 2010

IMPLICATIONS

Financial

- 1.1 As set out in the confidential report to Cabinet of 20 April 2010.

Legal

- 2.1 As set out in the confidential report to Cabinet of 20 April 2010.

Personnel

- 3.1 As set out in the confidential report to Cabinet of 20 April 2010.

Equalities Impact

- 4.1 The awarding of the contract will help to secure sustainable, affordable golf for people from all groups in the community wanting access to the sport.

Corporate Objectives and Priorities for Change

- 5.1 The proposal contributes to:
- CC2 – To celebrate diversity and ensure everyone has the opportunity to take part in cultural and leisure activities
 - HC3 – To improve wellbeing and tackle health inequalities through the development of programmes and facilities that promote active recreation, participation and sport
 - COD2 – To deliver value for money across all services.

KEY DECISION BY COUNCIL CABINET – 20 APRIL 2010
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229/09 Awarding of the Golf Courses Management Contract

The Council Cabinet considered exempt information in relation to the awarding of the golf courses management contract.

Decision

1. To approve the awarding of a 50 year contract subject to a satisfactory outcome of the public consultation.
2. To take steps to ensure the contract does not have any detrimental impact on the future use of Allestree Hall.

Appendix 3

Allestree Park and Sinfin Golf Courses**Pointer Panel Question**

The Council currently manages these golf courses. However, we have not been able to invest the money needed to keep the facilities up-to-date to meet customer expectations and they are losing the Council money because people are not using them.

The most cost effective way to improve the golf courses would be to get a private company to manage and maintain the golf courses for the Council. A contract would be drawn up between the Council and the private company to make sure:

- Substantial investment is made to improve the facilities at both courses, including a driving range at Sinfin
- Golfing costs are affordable for local people
- Access to the golf courses and parks for residents will not change
- More children, women, people on low incomes, disabled people and minority groups are encouraged to use the facilities
- There would be some income for the Council.

Please tell us how much you agree or disagree with this statement ...

'I think it's a good idea for the Allestree Park and Sinfin Golf Courses to be managed and maintained by a private company'

(Please tick one box only) (N = 597)

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree	Don't Know
14.2%	29.1%	23.5%	11.1%	9.0%	13.1%

Length of leases

Other local authority golf courses managed by the selected provider

- The selected provider already manages six local authority golf courses with 40, 45 or 50 year leases.

Other local authority golf courses with 50 year leases in place

- Garon Park Golf Course (Norman Garon Trust)
- Royal North Devon Golf Course
- Reigate Heath Golf Course (Reigate & Banstead Borough Council)
- Stevenage Golf and Conference Centre (Stevenage Borough Council)
- Great Yarmouth & Caister Golf Course (Great Yarmouth Borough Council)
- Stanmore Golf Course (Harrow Council)
- Malden Golf Course (Royal Borough of Kingston)
- South Pembrokeshire Golf Course (Pembrokeshire County Council)

Our consultant's assessment about the optimum length of lease

A handful of golf operators would almost certainly be very interested in leasing the two golf courses. They are specialist chain golf operators who understand affordable pay and play golf well, together with non-profit making leisure trusts who have experience of running municipal golf courses. The length of lease that such operators require depends on the amount of capital investment that they have to make. If the level of investment from them in the early years was say £1 million plus then most would require a lease term in the order of 40 to 60 years. Occasionally the lease term can be shorter, say 25 years. – Smith Leisure Sept 2008