



## COUNCIL CABINET 6 JULY 2010

### Report of the Community Commission

## Awarding of the Golf Courses Management Contract

### SUMMARY

On 20 April 2010 Council Cabinet received a report on the awarding of the golf courses management contract and resolved to 'to approve the awarding of a 50 year contract subject to a satisfactory outcome of the public consultation'. It was also agreed to take steps to ensure the contract does not have any detrimental impact on the future use of Allestree Hall.

On 9 June 2010 the Community Commission received a report on the proposals which explained that public opinion had been gauged by a question put to the April 2010 Pointer Panel.

### RECOMMENDATIONS

The Commission resolved to make these recommendations to Cabinet.

- 1.1 To not confirm the contract because the consultation over the proposal was unsatisfactory
- 1.2 To rectify the inadequate consultation, prior to taking any final decision, by consulting, at minimum, the ward councillors and the Neighbourhood Forums and Boards for the two wards plus the golf course users
- 1.3 To not to award this or other service management contracts for 50 years, as that is too long a period to be tied in, but instead accept the Commission's preference that such contracts should not exceed about 25 years

### SUPPORTING INFORMATION

Reasons for recommendations:

- 2.1 With regard to recommendation 1.1, the Pointer Panel consultation involves about 1000 residents. The return rate on this question was 597. The views of the 597 will include many people who do not use the

courses or play golf at all. The information relating to the Pointer Panel question did not mention that the proposed contract was of 50 years duration and had that fact been included may well have produced different responses.

- 2.2 With regard to recommendation 1.2, as this was the only consultation undertaken the views of those potentially most affected have not been captured. This includes the golf course users and local residents. When this issue had been 'called in' in early 2009 the Allestree ward councillors had told the Commission that neither they nor their Neighbourhood Forum had been consulted. The answer given was that the market testing was at an early stage and may not proceed but, if it did, full stakeholder consultation would take place at that time, including with ward councillors and the Neighbourhood Boards/Forums. That has not happened and needs to be rectified. The consultation needs to differentiate between the improvements to facilities at the individual courses and the separate views of the residents in the two wards reported back.
- 2.3 With regard to recommendation 1.3, the Commission consider that contracts of 50 years duration, which seem to be a recent phenomenon, are too long. Too much can change over such a period yet, in the absence of a clear breach of terms, the contract cannot be terminated. It is worth noting that 50 years is twice the length of many Private Finance Initiative schemes. 25 years would seem to be a duration that can ensure substantial investment while providing a return on capital employed for an operator.
- 2.4 The Community Commission has previously considered this issue. In January 2009 Council Cabinet had taken a Key Decision 'to advertise the opportunity for golf course operators to submit competitive tenders under OJEU rules for the operation of the Sinfin and Allestree golf courses'. The decision called-in by Councillors Wood, Jennings and Willoughby. The minutes, accessible through this hyperlink, show that one of the key issues was the timing and extent of public consultation both at the time and if the contract process continued.  
<http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=14053>

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<b>Background papers:</b>	Municipal Golf Contract Report approved by Council Cabinet on 13 January 2009 Minutes of meeting of the Community Commission held on 3 February 2009 (hyperlink above) Awarding of the Golf Courses Management Contract – report to cabinet on 20 April 2010
<b>List of appendices:</b>	Appendix 1 – Implications

### IMPLICATIONS

- |   |                  |   |  |
|---|------------------|---|--|
| 1 | <b>Financial</b> | ) | None directly arise from this report. Implications are however set out in the exempt report considered by Cabinet on 20 April 2010 |
| 2 | <b>Legal</b>     | ) |  |
| 3 | <b>Personnel</b> | ) |  |

### Equalities impact

- 4 The Cabinet report states that 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 Priorities 2010-11

- 5 The Cabinet report states that 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.