

Decision No: CMM – 2

Forward Plan No: CRT 11054

This record relates to Agenda Item 21 on the agenda for the Decision-Making

RECORD OF CABINET MEMBER DECISION

DECISION-MAKER:	COUNCILLOR DAVID SMITH
PORTFOLIO AREA:	CULTURE, RECREATION & TOURISM
SUBJECT:	THE FUTURE MANAGEMENT OF THE COUNCIL OWNED GOLF COURSES AT HOLLINGBURY AND WATERHALL
AUTHOR:	IAN SHURROCK, KEVIN KINGSTON

THE DECISION

- (1) That approval is given for the Council to prepare tender documents and carry out a procurement process based on option 3 of the report as amended below, in accordance with the timescales set out in paragraph 5.1.

Option 3 to read “Appoint a management company or leisure trust to manage both courses on behalf of the Council.” It is further agreed that the officers shall actively encourage leisure trusts as well as management companies to bid for the management of the golf courses, to be operated in partnership with the City Council.

- (2) It is agreed that the Culture, Recreation and Tourism Overview and Scrutiny Committee should have the opportunity of receiving further updates at their meetings on 7 October and 19 November 2009.

REASON FOR THE DECISION

- (1) These are detailed in the report. It should be noted however that carrying out a procurement exercise based on option 3 may not, in the current economic climate, attract an appropriate and viable solution that the council could accept. In these circumstances the council would have to evaluate other proposals and /or alternative solutions to the management of the two courses.

DETAILS OF ANY ALTERNATIVE OPTIONS

The positive soft market testing research has indicated that there are three options to consider in respect of the future management arrangements for these two golf courses. These are detailed below :

Option 1 – Continue with current arrangements

Both golf clubs have indicated that they do not wish to manage the club houses and therefore the current arrangements cannot continue. In addition the two golf courses are operating at a loss to the council and the council does not have the capital monies to invest in improvements in the facilities (ie clubhouses, course improvements and vehicle replacements etc) and maintenance to the courses. Therefore, it is likely in the current climate that income will continue to decrease and the courses will lead to an even greater financial pressure on the council.

Option 2 – Bring management of clubhouses and course in house alongside grounds maintenance arrangements

As with option 1 the council does not have the capital monies to improve the clubhouses and grounds maintenance at the two golf courses. The two clubhouses and courses would benefit from significant capital and revenue investment to improve the quality of service. For example, there is potential for significant investment in the refurbishment of the two clubhouses and the maintenance of the two courses including tees, greens, plant, vehicles, machinery, and storage facilities. This option therefore is likely to worsen the council's financial position.

Option 3 – Appoint a management company to manage both courses on behalf of the council

A number of local authorities in the south east use a recognised management company to operate their golf courses on their behalf (including Portsmouth City Council, Horsham District Council and Crawley Borough Council). Such companies provide an integrated management approach to delivery of a golf service (they are responsible for clubhouse operation, catering, golf professional services and green keeping). It is therefore a competitive market even in the current climate, and where these arrangements are in place the management company have invested additional money in improving facilities and maintenance in return for a long term operating lease.

A small number of local authorities in the South East have appointed external operators who run their municipal golf courses as a trust. These include London Borough of Bromley and Hertsmere District Council. Trusts operate on a similar basis to management companies but can make savings on National Non Domestic rates (NNDR).

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None

CONFLICTS OF INTEREST

CONFIRMED AS A TRUE RECORD:

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision

Date:

14 July 2009

Decision Maker:

Councillor David Smith
Cabinet Member for Culture, Recreation
& Tourism

Signed:



Proper Officer:

14 July 2009

Mark Wall, Head of Democratic Services

Signed:



SCRUTINY

Note: This decision will come into force at the expiry of 5 working days from the date of the meeting at which the decision was taken subject to any requirement for earlier implementation of the decision.

Or: This decision is urgent and not subject to call-in (date of CE's agreement to urgency of decision).

Call-In Period

21 July 2009

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*