

Report to:	Cabinet Council	Date of Meeting:	6 February 2020 27 February 2020
Subject:	Green Sefton: Golf Driving Ranges Development		
Report of:	Head of Locality Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To propose the construction of two driving ranges within the Council's two Municipal Golf Courses in Bootle and Southport during 2020/21.

Recommendation(s):

Cabinet:

1. Subject to Council approving the inclusion of the development of the two driving ranges in the capital programme and the Council obtaining planning permission, approval is given to the Head of Locality Services to conduct a procurement exercise to appoint a contractor or contractors to build the new facilities and provide machinery and maintenance thereafter.
2. That the Head of Locality Services in consultation with the Cabinet Member for Health & Wellbeing be granted delegated authority to award the contract or contracts resulting from the procurement.
3. That the outcome of the community engagement for the Southport Golf Links will be reported to the Cabinet Member for Health & Wellbeing in due course and should the Cabinet Member consider that it should change the above recommendations a further report will be presented to Cabinet before Phase 2 of the project is commenced.

Council:

- (1) Approve that the construction and the purchase of associated equipment for the two new driving range facilities at Bootle Golf Course and Southport Golf Links be included in the Capital Programme; and
- (2) Approve a Supplementary Capital Estimate for the scheme of £0.536m which is to be funded by prudential borrowing on an invest to save basis.

Reasons for the Recommendation(s):

The new facilities will enable much needed growth and improvement in the two municipal golf courses encouraging new people to play the sport and be active and have improved

wellbeing.

The project will assist in meeting the council's budgetary requirements and income targets for Green Sefton – initially contributing to meeting the £212k increase already accounted for in 2019/20, but over time to be increased as outlined in the enclosed report.

Alternative Options Considered and Rejected: (including any Risk Implications)

Undertake no investment into the sites that would result in Green Sefton not hitting the required income targets and for the existing facilities to further degrade over time.

What will it cost and how will it be financed?

(A) Revenue Costs

The cost of running these new facilities have been captured within the business case. Existing shops and staff at both sites will run the new facilities. However due to increased opening hours this will require 1 new additional FTE within the shop and 0.5 FTE within the Grounds Maintenance team to collect balls and maintain the new playing surface between the two courses. These costs have been budgeted including additional running costs of the facilities, and these costs can be met from within the proposed Business model.

Any additional running cost and borrowing and repayments will be covered by the income generated by proposal. Any surplus generated will contribute towards budget savings already built into the medium term financial plan. The projected surplus for the two sites over 10 years is £1.1 million.

(B) Capital Costs

Capital investment is required for the Construction of the new golf driving bays and associated costs for ongoing management and maintenance. This will cost £536k and will be repaid over 10 years. Provision for the repayment costs for this capital investment is also contained within the Business model.

Implications of the Proposals:

<p>Resource Implications (Financial, IT, Staffing and Assets): Funding for Procurement of machinery, equipment and the construction of the golf driving range will be via Prudential borrowing over 10 years. Repayment costs are to be met via new income from the facilities and based on the business case produced it estimated that there will be sufficient funding to cover these costs in each year of operation with a surplus of £1.1 million over both sites over a 10 year period. Planning permission will be required at both sites. There may also be staff resource implications for HR eg payroll / job evaluation / etc following new staff.</p>
<p>Legal Implications: There are no legal implications</p>
<p>Equality Implications: There are no equality implications</p>

Contribution to the Council's Core Purpose:

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: Parks and Green Spaces in Sefton, including the two golf courses, hold a special place for a number of residents and visitors to the Borough. Well presented facilities improve confidence amongst communities and improved health and wellbeing.
Commission, broker and provide core services: Investment in existing Council facilities provides additional opportunities for economies of scale and supports the delivery of core services.
Place – leadership and influencer: The golf courses are seen as an integral part of the local 'place' infrastructure for Green Sefton. This process will support this view in a positive manner.
Drivers of change and reform: N/A
Facilitate sustainable economic prosperity: The new facilities will open up a number of opportunities for additional local employment, additional training opportunities, new apprenticeship programmes and opportunities for organisations such as the Council's 'Natural Alternatives' scheme.
Greater income for social investment: N/A
Cleaner Greener: The nature of the service, coupled with the way in which it will be delivered, will contribute to providing a cleaner, greener Borough.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5921 /20) has been consulted and notes that any additional cost for the proposal including repayment of borrowing will be met from income generated by the driving ranges and any surplus will contribute towards existing savings in the medium term financial plan. Similarly in the event that income levels do not provide sufficient capacity to meet the borrowing repayments this will be met from the services existing budgets. Any other comments have been incorporated into the report. The Chief Legal and Democratic Officer (LD4105/20) has been consulted and any comments have been incorporated into the report.

(B) External Consultations

A phase one site user consultation was undertaken in October/ November 2019 at Bootle Golf Course that supported the building of a driving range in Spring/ Summer 2020. Further engagement is planned for Southport Golf Links in Spring 2020 as part of phase 2 of this project with the planned construction of a driving range over Winter 2020.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

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Appendices:

Please see attached business case

Background Papers:

There are no background papers available for inspection.

1. Summary

- 1.1. The Council manages two commercially operated golf courses at Bootle Golf Course and Southport Golf Links.
- 1.2. Golf is a popular sport in Sefton which benefits the health and well being of people of all ages and abilities. A golf driving range is an essential facility for people to learn and practise playing golf.
- 1.3. Municipal courses have a role in the golfing community to encourage new players to begin the sport, to provide 'feeder' facilities into private clubs, and also to provide affordable golf for people who wish to simply 'pay and play', and don't want the membership commitment of a private club.
- 1.4. The business case seeks approval for investment in the development of two driving ranges at the Council's two Municipal Golf Courses. It is anticipated that these will provide a surplus to the council following the first year of operation.
- 1.5. The business case has assessed four different options based on different facilities and capital spend. This has allowed a preferred option to be identified based on the need for the golf courses and the best return on investment.
- 1.6. Capital funding of £536,360 based on a best cost estimate of works is now being requested for formal approval to finance and progress both phase 1 (Bootle) and phase 2 (Southport) of this project.
- 1.7. Option 3a (Silver with lights) outlined in the attached business case provides the biggest opportunity to generate maximum surplus over 10 years with a projected figure of £1.1 million over both sites. This option will allow the sites to be open for longer hours into the evenings to maximise footfall.

- 1.8. Research has been undertaken to confirm that there is scope in both the North and South of the Borough for additional golf driving range facilities. There is no other facility within 15 minutes (7 miles) of our Southport Golf Links and only one competing for Bootle Golf Course in Aintree 10 minutes away (2.5 miles) in the South of the Borough which is low for such a high population.
- 1.9. The new driving ranges will serve the existing golf users as well as the wider area as practice and warm-up facilities. Research with existing members has confirmed that most of them do currently use golf driving ranges but as the Council currently do not offer these facilities they travel to alternative sites. There is demand for these facilities at Council golf courses.
- 1.10. It is proposed that the two driving ranges will be developed at the same time but, with a plot already identified at the Bootle site, this course will be a phase 1 development and Southport phase 2 Subject to the outcome of community engagement which will be reported to Cabinet Member before steps are taken to commence Phase 2.
- 1.11. The projected timeframe for this project runs from Spring 2020 to Spring of 2021.
- 1.12. For a more detailed analysis and further information see attached business case.