

# Cabinet

14 October 2015



<b>Title</b>	Proposed self-management of Fordbridge Park Tennis Courts		
<b>Purpose of the report</b>	To make a Key Decision		
<b>Report Author</b>	Mary West and Claire Moore		
<b>Cabinet Member</b>	Councillor Mrs Jean Pinkerton OBE	<b>Confidential</b>	No
<b>Corporate Priority</b>	Value for money Council		
<b>Cabinet Values</b>	Community and Opportunity		
<b>Recommendations</b>	<b>Cabinet is asked to:</b> <ul style="list-style-type: none"><li>• Authorise self-management of Fordbridge Park Tennis Courts</li><li>• Authorise the grant of a lease of Fordbridge Park Tennis Courts and land adjacent to the tennis courts within Fordbridge Park to Community Tennis Ltd subject to the negotiation of the heads of terms including appropriate lease length.</li><li>• Authorise the sole rights for the sale of refreshments in Fordbridge Park to be included as part of the lease for Community Tennis Ltd</li><li>• Authorise the Head of Sustainability and Leisure in conjunction with the Head of Asset Management and the portfolio holder to negotiate and finalise the heads of terms so the lease can be granted</li></ul>		

## 1. Key issues

1.1 There are currently 69 full size tennis courts and 6 mini tennis courts in Spelthorne. Of these, 24 full size and 6 mini courts are under ownership of Spelthorne Borough Council and are free for the public to use on a turn up and play basis. The other courts are on school or club sites. None of the council owned courts are currently floodlit. There are currently no public floodlit courts in the borough.

1.2 Spelthorne Borough Council have received a proposal from a company called Community Tennis Ltd and now have the opportunity to improve the tennis

offer in the borough whilst at the same time reducing the council's maintenance costs.

- 1.3 Community Tennis Ltd, have expressed an interest in leasing the tennis courts and land adjacent to the tennis courts at Fordbridge Park, to offer a community tennis centre.
- 1.4 Community Tennis Ltd are a not for profit company and are the parent company of Tennis Focus Academy (TFA) who have been running coaching activity in Fordbridge Park since April 2014.
- 1.5 Since April 2014 TFA have hired the tennis courts at Fordbridge Park from the Council. Since then they have built up a successful operation with over 1,000 registered subscribers to the TFA programme. TFA and their parent company Community Tennis Ltd are keen to develop the project further and allow more year round play with the addition of floodlights and additional facilities through building a pavilion at Fordbridge Park.
- 1.6 The terms of the lease will need to be negotiated however; Community Tennis Ltd will be responsible for the maintenance and repair of the property demised under the lease. Tennis Focus Academy will deliver the tennis coaching under contract from Community Tennis Ltd.
- 1.7 Planning permission has been approved to add floodlights to three of the four adult tennis courts and build a pavilion which will include an office, toilets and a kitchen in order to provide a café facility for members of the public. Residents were consulted prior to the planning application and no objections were received. It will be a condition of the lease that the floodlights are installed and a pavilion is built which gives access to a public toilet. External funding will be sourced by Community Tennis Ltd for these additional facilities. The company also have some of their own funds to invest in the project if required.
- 1.8 In addition to the additional facilities there will other benefits to the public of the project. These include an outdoor tap for dog walkers, a first aider on site and access to a defibrillator. The regular presence of people in the park will also reduce the risk of antisocial behaviour. Further benefits to the council and the public are listed in **Appendix 1**.
- 1.9 The Council undertook a public consultation exercise from 17 July – 16 August 2015. The consultation revealed that 73% of residents were in favour of the proposal (**Appendix 2**).
- 1.10 Approval is therefore sought to grant a lease of Fordbridge Park Tennis Courts and land adjacent to the tennis courts to Community Tennis Ltd. for a negotiated term for the purpose of a community tennis centre. It will be a condition of the lease that tennis coaching for the community is provided on site for the term of the lease, together with a pavilion.
- 1.11 Approval is also sought to grant the sole rights to the sale of refreshments in Fordbridge Park to Community Tennis Ltd as part of the lease as the sale of refreshments will help subsidise the tennis activity. Consideration can be given in the lease as to the type of refreshments that can be served on the premises.
- 1.12 The courts at Fordbridge Park which Community Tennis Ltd are looking to lease represent one sixth of the Council's full size tennis courts and two thirds

of the Council's Mini Courts. Community Tennis Ltd have mentioned that they may also be interested in looking at coaching agreements for other courts in the borough at a later date so there may be the possibility of extending this model in future.

## 2. Options analysis and proposal

The options for Fordbridge Park are included in the table below. The proposed option is self-management of Fordbridge park tennis courts by Community Tennis Ltd.

Option	Advantages	Disadvantages
<p>Self-Management of Fordbridge Park Courts by Community Tennis Ltd</p>	<p>Responsibility for maintenance and repair transferred from council</p> <p>The Council receive an annual rental income</p> <p>Improved tennis facilities</p> <p>Increased participation</p> <p>Improved public facilities including a café, toilet and an outdoor tap for use by dog walkers</p> <p>Increased footfall to park and borough</p> <p>Decreased risk of antisocial behaviour in the park due to increased presence.</p>	<p>Public no longer have unlimited free access to courts</p> <p>Risk of the site not being maintained properly. This will be mitigated by officers monitoring the site and exercising its obligations as landlord</p> <p>Leaseholder could have financial pressures due to lack of participants. Where appropriate the council will offer support to promote the facility</p>
<p>Tennis courts remain free of charge to public</p>	<p>Residents continue to benefit from free access to a public facility</p> <p>The Council may still be able to hire out the courts for coaching</p>	<p>Maintenance and repair costs remain with council and courts may have to close if budget cannot be found for maintenance/repairs</p> <p>No improvement to</p>

		facilities unless council can find funds
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### 3. Financial implications

Currently the cost to the council of providing the tennis courts at Fordbridge Park is approximately £6,500 – 7,000 per annum. This figure is based on the current expenditure minus the current income. The Council are unable to reduce expenditure costs on day to day maintenance of the courts e.g. weeding, moss removal until 2019 as it forms part of the grounds maintenance contract. It should be noted that the costs per tennis court could increase due to repairs being required from vandalism or wear and tear. If leased, the day to day maintenance costs to the council will remain similar due to incorporation in the grounds maintenance contract in 2019. However, as repairs would be over and above the contract there will be no additional costs as of now for repairs. Beyond 2019 and the courts are removed from the grounds maintenance contract the council will see an income of £3000+ per annum if a lease is granted. Rent reviews will be made every 5 years so income will increase over the term of the lease.

The table below highlights the financial implications for the current situation and if the courts are self-managed.

Financial implication	Current situation	If self-managed
Day to day repair and maintenance costs	The council bear all costs. Approximately £10,000 per annum for each set of courts in borough although exact cost difficult to establish due to inclusion in grounds maintenance contract.	£0.00 for Fordbridge Park after 2019 when grounds maintenance contract ends. There will be no cost saving until 2019 as the Council will need to continue paying this until the contract is renewed/re-negotiated. Community Tennis Ltd will have a full repairing lease. Costs for other park courts will remain similar to the current costs although Community Tennis have offered to provide specialist advice on repairs and maintenance of all of the boroughs Council owned courts so this may help reduce

		maintenance costs in future
Repair and refurbishment costs	The council bear all costs unless grants can be found. Over £162,000 costs since 2011 for all courts in the borough. Fordbridge courts were refurbished in 2011 at a cost of £49,500. Breakdown of expenditure in <b>Appendix 3</b>	£0.00 for Fordbridge. Community Tennis Ltd will have a full repairing lease.
Income	£5 per hour for adult courts, £3 per hour for mini courts. Income for 2014/15 was £3,770 but if courts cannot be hired there will be no income	£3,000 per annum starting rent with reviews every 5 years throughout lease term but also avoided maintenance costs

The approximate year on year income versus expenditure figures for The Council if the courts are self-managed are shown below

Year	Expenditure	Income	Overall cost to council (Grounds maintenance expenditure minus income generated)
2015/16	£10,000	£3000 - £3500	£6500 - £7000*
2016/17	£10,000	£3000	£7000
2017/18	£10,000	£3000	£7000
2018/19	£10,000	£3000	£7000
2019/20 – 2141/42	£0	£3000+ subject to rent reviews	£0 cost. £3000+ income generated

**\*repair costs will be in addition to this figure**

#### **4. Other considerations**

- 4.1 The Council's Legal department will prepare a lease of the tennis courts and adjacent land to Community Tennis Ltd.
- 4.2 Heads of Terms in respect of the lease are to be agreed between the Council's Head of Asset Management and Head of Sustainability and Leisure and Community Tennis Ltd in conjunction with the portfolio holder.
- 4.3 Due to the level of financial input in relation to building the new pavilion and cafe Community Tennis Ltd are seeking a lease of appropriate length and

sole rights to the sale of refreshments in Fordbridge Park. The term of the lease is to be negotiated.

- 4.4 Fordbridge Park is an open space, as defined in Section 336(1) of the Town and Country Planning Act 1990.
- 4.5 The Council has the power under Section 123 of the Local Government Act 1972 to dispose of land held (i.e. sell, lease etc.) by the Council in any manner the Council wishes. However, a Council cannot dispose of land consisting or forming part of an open space unless the following procedures have been followed:
  - (a) Advertise the Council's intention to dispose of the land for 2 consecutive weeks in a local newspaper for that area;
  - (b) The advert must specify the land in question; and
  - (c) The Council must consider any objections to the proposed disposal.
- 4.6 As the Council is proposing to lease an area of open space currently available to the public free of charge, to become a privately self-managed business, the Council is required to follow the procedures specified in paragraph 4.5.

## **5. Timetable for implementation**

- 5.1 If Members were mindful of authorising the self-management of the Fordbridge Park tennis courts and granting the lease for a negotiated term to Community Tennis Ltd, officers will place a notice in a local newspaper of its intention to dispose of the land and consider any objections to the proposed disposal. Members should be aware that this procedure is separate to the consultation exercise that took place earlier this year.
- 5.2 Negotiations of the Heads of Terms for the lease will commence after the Council considers any objections it receives following advertisement of the public notice.

### **Background papers:**

There are no background documents.

### **Appendices:**

**Appendix 1 Fordbridge Park consultation frequently asked questions**

**Appendix 2 Analysis of the Fordbridge Park consultation**

**Appendix 3 Breakdown of previous repair and refurbishment costs**

**Appendix 4 Tennis participation figures for Fordbridge Park**