



Policy and Resources Committee

Date: Thursday, 27 July 2023
Time: 1.00 p.m.
Venue: Committee Room 1 - Birkenhead Town Hall

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AGENDA

1. WELCOME AND INTRODUCTION
2. APOLOGIES
3. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members are asked to consider whether they have any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

4. PUBLIC AND MEMBER QUESTIONS
 - 4.1 Public Questions

Notice of question to be given in writing or by email by 12 noon, Monday 24 July 2023 to the Council's Monitoring Officer (via the online form here: [Public Question Form](#)) and to be dealt with in accordance with Standing Order 10.

Please telephone the Committee Services Officer if you have not received an acknowledgement of your question by the deadline for submission.

For more information on how your personal information will be used, please see this link: [Document Data Protection Protocol](#)

4.2 Statements and Petitions

Notice of representations to be given in writing or by email by 12 noon, Monday 24 July 2023 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 11.1.

Petitions may be presented to the Committee if provided to Democratic and Member Services no later than 10 working days before the meeting, at the discretion of the Chair. The person presenting the petition will be allowed to address the meeting briefly (not exceeding three minute) to outline the aims of the petition. The Chair will refer the matter to another appropriate body of the Council within whose terms of reference it falls without discussion, unless a relevant item appears elsewhere on the Agenda. If a petition contains more than 5,000 signatures, it will be debated at a subsequent meeting of Council for up to 15 minutes, at the discretion of the Mayor.

Please telephone the Committee Services Officer if you have not received an acknowledgement of your statement/petition by the deadline for submission.

4.3 Questions by Members

Questions by Members to dealt with in accordance with Standing Orders 12.3 to 12.8.

- 5. COMMUNITY ASSET TRANSFER - BRACKENWOOD GOLF COURSE (Pages 1 - 36)**
- 6. COMMUNITY ASSET TRANSFER - WOODCHURCH LEISURE CENTRE (Pages 37 - 44)**
- 7. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

RECOMMENDATION: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

8. COMMUNITY ASSET TRANSFER - WOODCHURCH LEISURE CENTRE - EXEMPT APPENDICES (Pages 45 - 86)

Policy & Resources Committee Terms of Reference

The terms of reference for this committee can be found at the end of this agenda.

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POLICY & RESOURCES COMMITTEE

Thursday 27 July 2023

REPORT TITLE:	COMMUNITY ASSET TRANSFER – BRACKENWOOD GOLF COURSE RECOMMENDATION FROM TOURISM, COMMUNITIES, CULTURE AND LEISURE COMMITTEE ON 22 JUNE 2023
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

This report considers the transfer of Brackenwood Golf Course to Brackenwood Community Golf Limited based on the Heads of Terms set out in this report. This proposal includes an improved rental offer and the provision of two mini 5-a-side pitches and two-full size playing pitches on the golf course following further discussions with Brackenwood Community Golf Limited.

The alternative option is not to transfer the asset and pursue a strategy to create a hub of 8-12 playing pitches which will significantly contribute towards the identified shortage of pitches within the Local Plan.

If a transfer is agreed, the intention to do this will need to be advertised as it is public open space and any representations will need to be dealt with before a lease can be entered into. (Paragraph 5.8 below)

This report meets the following priorities in the Wirral Plan 2021-26

- Safe, vibrant communities where people want to live and raise their families.
- A prosperous inclusive economy where local people can get good jobs and achieve their aspirations.

There is the potential for the reopening of Brackenwood golf course to adversely impact the income generation at other Council facilities.

The reduction in provision of playing pitches from the Brackenwood site will still need to be addressed and may require the acquisition of additional land to deliver the strategy. This will have a capital cost that will need to be considered within the overall capital programme and the associated asset disposal strategy.

This matter has the potential to affect all wards.

This is a Key Decision.

Brackenwood Community Golf Limited and RM Estates have given their written consent to the Council to put into the public domain all their financial information contained in this report and appendices.

RECOMMENDATION/S

It is recommended:-

- (1) That the Committee consider the transfer of Brackenwood Golf Course to Brackenwood Community Golf Limited (BCGL) on the basis of the Heads of Terms set out in this report, noting the improved rent offer and the required provision of two mini 5-a-side pitches and two full-size playing pitches.
- (2) That, if agreed, the intent to transfer is advertised as the asset is public open space. If no objections are received, then delegated authority be given to Director of Neighbourhoods in consultation with the Director of Law and Governance to proceed to transfer the identified land. To note that if objections are received then the matter will return to Committee for consideration as set out in paragraph 5.8.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1** As the value of Brackenwood Golf Course is over £500,000, any decision regarding it must be taken by the Policy and Resources Committee as set out in the Council's Constitution.
- 1.2** The recommendation reflects the initial direction provided by the Tourism, Communities, Culture and Leisure Committee on the 22nd June 2023. The original proposal from Brackenwood Community Golf Limited has been improved since the Committee meeting in terms of both the financial implications to the Council and the contribution towards the Local Plan priorities in respect of the provision of playing pitches.

2.0 OTHER OPTIONS CONSIDERED

- 2.1** The options considered by the Tourism, Communities, Culture and Leisure Committee (22 June 2023) , in addition to the transfer for an 18-hole golf course, Biodiversity Net Gain and continued community access were:-
1. the use of the site for playing pitches and Biodiversity Net Gain to support Local Plan priorities, and continued community access, and;
 2. a nine-hole golf course, playing pitches and Biodiversity Net Gain to support Local Plan priorities, and continued community access.
- 2.2** The committee report at Appendix 1 of this report provides information on these options.

3.0 BACKGROUND INFORMATION

- 3.1** The Tourism, Communities, Culture and Leisure Committee at its meeting on 22 June 2023 considered a report on Brackenwood Golf Course and made a recommendation to Policy and Resources Committee which is as follows: The Director of Finance be authorised to conclude negotiations on the heads of terms in exempt Appendix 2, for the transfer of Brackenwood Community Golf Limited, once an increase in the rent proposal from the company is agreed, and some provision for very small football/tennis pitches has been explored. This should form part of the recommendation to Policy and Resources Committee as the Asset value is £950,000 which is over the value that can be agreed by this Committee or the Director of Finance.”
- 3.3** Following the recommendation of that Committee, officers discussed these matters further with Brackenwood Community Golf Limited and a revised Heads of Terms is included at Appendix 2 of this report. They show an increase in the rent proposal (from £7,500 per annum to £16,250 per annum and a reduced lease period of 30 years to meet Subsidy Control requirements. They also propose two very small (5m x 5m) playing pitches.

- 3.4 The market rent for Brackenwood Golf Course, as advised by the Council's independent consultants, Avison Young, is £25,000. Over the 30-year lease period this would give a rental income to the Council of £750,000.
- 3.5 Brackenwood Community Golf Limited have submitted an increased rental proposal which offers £16,250 per annum in rent from year 4 to 30, following a request for an introductory rent offer of year 1 – nil, year 2 - £5,500 and year 3 £10,725. The introductory rent request is due to them being a new company start-up and requiring three years to establish the business. The implications of this increased rent proposal on their cashflow and the delivery of the community benefits are contained in appendix 5 of this report. For the first five years of the lease, RM Estates are providing a rental guarantee to the Council. Over the 30-year lease period this would give a rental income to the Council of £438,725. This is £311,275 below the market rent.
- 3.6 The rent may not fully compensate the Council for the probable reduction in its golf income from the competition that would result from reopening Brackenwood Golf Course, which would be a direct competitor to the Council's two existing municipal courses.
- 3.7 The Brackenwood Community Golf Limited proposal is below the Subsidy Control threshold of £315,000 at £295,025 over the 30-year lease period. This may however be exceeded if any further economic advantages are given to the company e.g. discretionary business rate relief which is not also given to its competitors. Brackenwood Community Golf Limited have advised that they will not exceed the £315,000 threshold.
- 3.8 The Council must obtain the best price reasonably obtainable for the disposal of any interest in land which includes obtaining a market rent. However, the Secretary of State has given a general consent to disposals where the undervalue is £2million or less; and the Council considers the disposal will secure the promotion of the economic, social, or environmental well-being of its area. The social and environmental wellbeing impacts of this proposal provided by Brackenwood Community Golf Limited for the transfer of the golf course are set out at Appendix 4 of this report for Members to consider but should be compared with the social and environmental benefits which would accrue if the site were used for community playing pitches and bio diversity net gain, and thereby also enable the Green Belt to be preserved from residential development.
- 3.9 The Council decided to close Brackenwood Golf Course (and Hoylake Municipal Golf Course) in 2022 for two reasons. First, there was an over-supply of golf courses in Wirral and the Council considered there would remain, after closure, a sufficient number of golf courses in Wirral (11 in number) to meet all the needs of the community (from elite players to beginners). There remains adequate availability within the remaining municipal courses (Arrowe Park and The Warrens) to accommodate any current and increasing demand for such facilities. (Brackenwood Golf Club currently play on a course outside of the Borough). Second, was to reduce significant financial losses and this has proved to be very successful with the service now producing a surplus (see paragraph 4.2 below). If the Committee approves the transfer of the Golf Course on the terms offered, it would have to be satisfied that the reopening of the golf course would produce greater community benefits than its

alternative use as playing pitches (for a variety of sports including football, rugby etc) for all sections of the community. It should be noted that reopening the golf course does not contribute towards Local Plan priorities. It is only the playing pitches and Biodiversity Net Gain aspects of the proposals which contribute to Local Plan priorities.

- 3.10 The Playing Pitch Strategy identifies a current shortfall of new playing pitches – 17 in number. In addition, the Local Plan is a plan for growth with an all-member agreed Brownfield First Strategy. It is difficult to say how many new pitches will be required in relation to the Local Plan, at this stage, because this will depend on the exact details of the requirements in relation to the housing trajectory. However, from residential applications currently in discussion with developers and Sport England, it is the view that all of the currently available sites are likely to be required over the plan period (to 2037). Many of these brownfield sites are in urban locations and because of their size and location do not have the ability to provide on-site requirements in relation to playing pitch provision which would be required by Sport England to make them policy compliant. Without being policy compliant, the Council could not grant planning permission, and this would put pressure on Green Belt sites for development. Retaining Council land for playing pitch hubs and developing a proactive strategy for delivering on them will reduce the risks to the Council in delivering its Brownfield First Strategy.
- 3.11 A few days before the Tourism, Communities, Culture and Leisure Committee on 22 June 2023, Officers completed work looking at sites for new playing pitch hubs. The information was given to that Committee verbally and it is now documented below. A review of all Council owned assets, and school sites for their suitability to provide playing pitch hubs (two or more pitches) has been undertaken by a cross-Council working group comprising of officers from assets, schools, parks and countryside, planning, legal) The Playing Pitch Strategy recommends hub sites as single pitch sites are not efficient and are expensive to maintain. In addition, a hub site, can have joint facilities for several pitches making such an approach cost-effective. The conclusions of the work undertaken to date are: -
- a. there remains a significant deficit of new playing pitches, for all sports, across all areas of the Borough. If not comprehensively addressed this will impact on the Council's delivery of its Local Plan Brownfield First Strategy
 - b. There are a limited number of identified sites for the provision of new playing pitch hubs in Wirral. These include Brackenwood Golf Course and Hoylake Municipal Golf Course (where the Royal and Ancient and Royal Liverpool Golf Club have confirmed they will be proposing playing pitches alongside the golf area to support future Open Championships at Royal Liverpool)
 - c. While the number of sites is limited, the advantage is that these sites are in Council ownership and that gives control over delivering new playing pitch hubs. This will be important to demonstrate support for the Brownfield First Strategy over the Plan period (i.e until 2037). It would be possible for the Council to consider future land acquisition for new playing pitches, on an as and when basis, but this would require a budget to acquire them and be dependent upon the land being available at the time it was required.
 - d. Brackenwood Golf Course can provide between 8 to 12 pitches alongside Biodiversity Net Gain and community access, and this is one of the largest sites for new playing pitch facilities that the Council currently has available. If it is leased for 30 years (i.e

until 2053) it will not be available for new playing pitch consideration within the Plan period.

- e. The initial proposal from Brackenwood Community Golf Limited is for two mini 5 a side playing pitches (around 27m x 30m). In the context of this recently completed work it is considered to be insufficient to significantly support the Brownfield First Strategy.

3.12 On 17 July 2023, following further discussions, Brackenwood Community Golf Limited proposed that in addition to the two mini 5 a side pitches they could consider two full-size playing pitches on the golf course site (four pitches in total) alongside an 18-hole golf course. This would better support the Brownfield First Strategy and provide some benefits from playing pitches alongside the golf course. They have made this conditional on several issues which are summarised below.

- the CAT process to continue without significant further delay.
- further investigation on feasibility, financial support and capital funding will be required.
- sports pitches would not reduce the biodiversity on the whole site, that there is community support for such projects given it is an open greenspace in a residential area.
- key decision timescales
- an assurance that other options for sports pitches have been exhausted.
- A three-year grace period to enable the golf course to reopen before any pitch developments.

3.13 Officers have considered the issues raised and believe that they can largely be addressed within the proposed lease agreement. The options for sports pitches at other locations has already been considered in detail and community consultation will be undertaken in relation to the biodiversity of the site.

4.0 FINANCIAL IMPLICATIONS

4.1 The following table sets out the capital value and market rent for the asset as advised by the Council's consultants, Avison Young.

ASSET	Asset Value	Market Rent
Brackenwood Golf Course	£950,000	£25,000

4.2 In the 2022/23 budget, the Council agreed to close two 18 – hole municipal golf courses (Brackenwood and Hoylake) to address a significant budget deficit in the operation of the service (circa £335,000 per annum). This decision has been very successful, and the service is now in surplus, achieving over £60,000 above its income target for 2022/23.

4.3 Reopening Brackenwood golf course will potentially undermine this achievement and lead to competition and loss of income, incurring financial pressures on the Council's budget, that could potentially jeopardise the viability of the remaining sites (Arrowe Park 18-hole course and The Warrens nine-hole course).

5.0 LEGAL IMPLICATIONS

- 5.1 The terms of reference for the Policy and Resources Committee include to, amongst other matters, consider disposals of assets above £500,000 in value.
- 5.2 In general the Committee in reaching a decision must consider all relevant considerations and disregard irrelevant considerations and come to a reasonable conclusion. That would include considering any potential uses for the assets which are alternative to that proposed by Brackenwood Community Golf Limited. Not to consider alternative uses would expose any decision to legal challenge.
- 5.3 A relevant consideration is the Council's fiduciary duty to the Council Taxpayer to take account of its interests in maximising income or savings and obtaining the best price reasonably obtainable for the disposal of any asset. The Committee should therefore consider any income or capital receipt forgone because of transferring an asset for community use. Any financial loss would have to be clearly outweighed by the strength of the community benefits. The Council's current financial position is a relevant factor.
- 5.4 In this regard it is important to ensure that the terms of a community asset transfer do not significantly reduce the savings made, or increased income achieved as a result of the measures already taken by the full Council to fulfil its legal duty to balance its budget.
- 5.5 If the community benefits are unlikely to be realised by a CAT transfer because, for example, of a lack of financial viability or necessary expertise, then they should be given little or no weight in the decision-making process.
- 5.6 The Council is under an additional duty under section 123 of the Local Government Act 1972 to obtain the best price reasonably obtainable for the disposal of any interest in its land unless the disposal is for a lease for less than seven years. If the proposed lease is for a longer term, then a less than market rent would be lawful if the value of the community benefits outweighed any loss of income.
- 5.7 A further consideration is the Subsidy Control Act 2022 which prohibits subsidies by public bodies to an enterprise (even if not for profit) that offers goods or services on a market. If the financial assistance (e.g. charging a below market rent in a lease) conferred an economic advantage on the selected enterprise that might distort competition with other providers, it would be unlawful unless the advantage were below the "de minimis" level of £315,000 (measured over the length of the proposed lease) or the rigorous requirements for a lawful subsidy under the Act were satisfied. The figure of £315,000 includes any previous financial assistance provided to the recipient by a public body during the past three financial years. Financial assistance would include any future discretionary business rates relief which is not given to its competitors.
- 5.8 Any proposed disposal by the Council of an interest in land that is public open space (i.e. land held for the purpose of public recreation such as public parks or golf courses that are open to the public and not restricted to a private membership) must be advertised in local newspapers for two successive weeks. Any objections

received would have to be considered by the Committee before any decision were made on the disposal.

- 5.9 The grant of a lease to a CAT transferee would confer exclusive possession of the land to the organisation. The Council could impose covenants on the lessee e.g. to keep the property in good repair or not to use it for any purposes other than those specified. Those covenants would be enforceable but any decision by the Council to forfeit the lease for non-compliance could be overturned by the Court in its discretion if the lessee sought relief from forfeiture. The Council would in effect lose control of the land for the duration of the lease (and the lessee would have the right to a renewal of the lease on its expiry unless its right were excluded pursuant to the Landlord and Tenant Act 1954).
- 5.10 Any disposal of the land for a different use than the one formerly established by the Council would have to be compliant with any legally enforceable covenants imposed by previous owners or current landlords and with any requirements for planning permission.
- 5.11 If the Committee decided not to proceed with a CAT transfer, the property would be used for playing pitches, Biodiversity Net Gain to support Local Plan priorities and continued community access.

6.0 **RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 The Council has existing resources in place to progress the decision of this Committee with regard to this asset.

7.0 **RELEVANT RISKS**

- 7.1 Transferring any asset carries a risk that it may not be successful. To reduce this risk, the Council has undertaken a very thorough process in terms of assessing each business plan, the funding required and considering all other relevant factors as detailed in this report. Brackenwood Community Golf Limited is a new company with no assets or track record. In establishing any new business venture, the first three years of operation are critical for establishing the business. To mitigate the start-up risks, RM Estates are providing a five-year rental guarantee (total value £48,725) and an introductory rental arrangement has been agreed in the Heads of Terms. However, risks remain in terms of the competitive golf market but having RM Estates involved (a company experienced at running golf courses) will assist the new company at least during the first 5 years of the Lease. In the longer term the company may have challenges with the resources to invest in the course (estimated at 1.4m in the STRI condition report and now with inflation increases estimated around £1.7m). The drainage will have to be improved on the course as it can only be played on for a limited number of months each year due to water logging and these drainage improvement costs are significant.
- 7.2 In addition, under the CAT proposals the Council would be leasing the assets to the relevant organisation and if any transfer failed the asset would return to the Council but only after possible litigation and the Court or the lessee agreeing to the forfeiture of the Lease. Consideration could then be given to the options for the future of the site.

- 7.3 A communications strategy is in place to manage any reputational risks associated with the CAT project.
- 7.4 Any post transfer risks (e.g. ensuring compliance with the lease, maintaining the property etc) will be dealt with by lease provisions and regular annual monitoring of these matters.
- 7.5 A register of all assets transferred will be kept by the Asset Management Team. The annual report to members on the Asset Strategy 2022-27 will report progress on CAT.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Extensive engagement has taken place with Brackenwood Community Golf Ltd as it prepared its business plan and in all the further discussions required around the Heads of Terms document.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 It is not considered that the proposed transfer or its alternative will adversely affect any section of the community having protected characteristics.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 While they are green, golf courses require intensive amounts of manicuring, use large amounts of water, fertilisers and pesticides which can have significant ecological implications for surrounding land. The lawnmowers that manicure the grass make significant contributions to greenhouse gas emissions. The same considerations, to a lesser extent, relate to playing pitches.
- 10.2 Brackenwood Community Golf Limited have proposed a Biodiversity Net Gain Strategy for the course which will have to be balanced against the operational environmental impacts of the golf course.
- 10.3 The Council is currently waiting for guidance from DEFRA in relation to Biodiversity Net Gain as the Council continues to develop its Biodiversity Net Gain Strategy which is out for consultation and closes at the end of July 2023.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Transferring the asset has several community benefits which are set out in Appendix 4 of this report. This will provide new opportunities within those communities for

community wealth building. The local focus of activity within those communities has the potential to complement existing facilities and create new economic opportunities for local groups.

11.2 There are also community benefits which would accrue to a wide and numerous section of the community if the site were used for playing pitches as outlined above.

**REPORT AUTHOR: Matthew Bennett
Director of Finance**

APPENDICES

Appendix 1 Tourism, Communities, Culture and Leisure Report on CAT dated 22 June 2023

Appendix 2 Heads of Terms document dated 23 June 2023

Appendix 3 Brackenwood Golf Course – Plan of land to be transferred outlined in red

Appendix 4 –Community Benefits

Appendix 5 Revised cashflow showing implications of increased rental proposal from Brackenwood Community Golf Limited

Appendix 6 Letter setting out implications of increased rent proposal from Brackenwood Community Golf Limited.

BACKGROUND PAPERS

1. Community Asset Transfer Policy 2022

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Tourism Communities Culture and Tourism Committee Report on CAT (stage 1)	16 June 2022
Report on CAT	25 October 2022
Report on CAT	2 February 2023
Report on CAT	9 March 2023
Report on CAT	22 June 2023

TOURISM, COMMUNITIES, CULTURE & LEISURE COMMITTEE**Thursday, 22 June 2023**

REPORT TITLE:	COMMUNITY ASSET TRANSFER HOYLAKE MUNICIPAL GOLF COURSE (UPDATE) BROMBOROUGH CIVIC CENTRE WOODCHURCH LEISURE CENTRE BRACKENWOOD GOLF COURSE
REPORT OF:	DIRECTOR OF RESOURCES

REPORT SUMMARY

This report updates on the community asset transfer (CAT) of Hoylake Municipal Golf Course, and makes recommendations on community asset transfer (CAT) matters relating to Bromborough Civic Centre, Woodchurch Leisure Centre and Brackenwood Golf Course.

It builds upon the CAT decisions made by this committee at its meetings of 16 June 2022, 25 October 2022, 2 February 2023 and 9 March 2023.

This report meets the following priorities in the Wirral Plan 2021-26

- Safe, vibrant communities where people want to live and raise their families.
- A prosperous inclusive economy where local people can get good jobs and achieve their aspirations.

This matter has the potential to affect all wards.

This is a Key Decision

The Heads of Terms, Business Plans and commercial advice referred to in this report are confidential for commercial reasons. Therefore, Appendices 1, and 2 of this report are exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

RECOMMENDATION/S

The Tourism, Communities, Culture and Leisure Committee is recommended to:

- (1) Agree to the use of Brackenwood Golf Course for playing pitches, Biodiversity Net Gain, and community access to support Local Plan priorities;

- (2) Recommend to Policy and Resources Committee, disposal of Bromborough Civic Centre for the best achievable consideration towards repaying the Capitalisation Directive
- (3) Authorise the Director of Regeneration and Place to invite demolition tenders for Woodchurch Leisure Centre and explore future uses for the site to support Local Plan priorities.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The recommendations within this report enable the Committee to make decisions on the assets that are in scope for Community Asset Transfer (CAT).
- 1.2 If this Committee resolves to transfer Brackenwood Golf Course to Brackenwood Community Golf Limited, and Bromborough Civic Centre to one of the two groups who have submitted business plans, then under the Constitution, this must be a recommendation to the Policy and Resources Committee, for their decision, as the asset values are over £500,000.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The CAT process has been a primary consideration for this report which follows on from resolutions agreed by this Committee at its meetings of 16 June 2022, 25 October 2022, 2 February 2023 and 9 March 2023.

3.0 BACKGROUND INFORMATION

Hoyle Municipal Golf Course (update)

- 3.1 The Royal and Ancient (R&A) and Royal Liverpool Golf Club are working on their business plan for a community asset transfer of the Hoyle Municipal Golf Course. This will secure Hoyle as a future venue for The Open Golf Championship and include short form golf formats, technologically enhanced driving range facility, playing pitches, Biodiversity Net Gain and community access. It is anticipated that the business plan will be submitted by December 2023 and then reported to this committee.

Bromborough Civic Centre

- 3.2 This Committee, at its meeting on 2 February 2023 invited business plans from the Neo-Community Group and Bromborough Civic Community Group Limited. These business plans have been independently assessed by C.co who provided the same support to the library business plans.
- 3.3 Their conclusions are that both submissions are viable in terms of asset transfer and that against the CAT criteria, Neo scored 83.5 and Bromborough Civic Community Group Limited 74.5. The detailed C.co assessment is in the exempt Appendix 1 of this report.

- 3.4 In the Committee report on 2 February 2023, it was identified that this property has a commercial value of over £500,000 and that this matter needed to be considered alongside any CAT transfer. Both groups were advised of this at the outset of the business plan process. CBRE have provided commercial advice to the Council on this matter which is in the exempt appendix 1 of this report.
- 3.5 The Director of Finance has advised that given the challenging financial position of the Council, the requirement to repay to Government the sum borrowed through the Capitalisation Directive (£13.2m) by the generation of capital receipts, and the commercial advice received from CBRE, that this property should be part of a strategic disposal programme to meet these objectives rather than be transferred through the community asset programme.

Woodchurch Leisure Centre

- 3.6 Woodchurch Leisure Centre was opened in the late 1960s. It is a very dated, and complex asset which comprises of a swimming pool and a variety of rooms and spaces that have been used for a range of leisure related activities over the years. The Leisure Centre was closed during Covid and never reopened, and as a result it was agreed to close permanently in March 2022 due to its being surplus to requirements and to reduce significant operating deficits. The asset was then put into the CAT process. In the last month, the building has been subject to significant vandalism which will increase the costs for bringing it back into use.
- 3.7 Following, an expression of interest process, the submission of two business plans was agreed by this Committee. These submissions have been made by Helen Diamond Swimming Limited and Woodchurch Well-being.
- 3.8 It has been necessary, on several occasions, for officers to enter very detailed discussions and clarifications with both organisations given the complexity of the asset. It requires significant skills and costs to bring it back into use to meet all the health and safety and operational requirements for such buildings. The proposals are dependent on grant funding applications. There are rising energy costs (which are difficult to forecast and present a significant risk). Income assumptions are considered optimistic. The issue of generating income not just to repair but to maintain a building which is over 60 years and beyond its economic life is very challenging.
- 3.9 It must be said that both organisations, in their respective areas have much to offer in terms of running services and they do this already in other parts of Wirral. They have worked with the Council to seek to address the issues set out above. Updated versions of the business plans have been submitted and assessed objectively based on the evidence produced by both organisations. There are still some gaps in the information provided. Given the significant holding costs for the asset (set out in paragraph 4.4 below) and the opportunities that have been given to explore this CAT option, it is necessary to bring this process to a conclusion by seeking a decision.
- 3.10 It is considered that both business plans present significant risks in terms of
(1) optimistic income projections;
(2) calculation of energy costs;

- (3) dependency on grants;
- (4) the ability to generate sufficient income to maintain the asset in the future given its age (and the recent vandalism will incur additional costs for the project).
- (5) and because of the above factors, viability

3.11 It is therefore recommended that this asset is not transferred, but that it is demolished and that options for the site are reviewed to support Local Plan priorities.

Brackenwood Golf Course

- 3.12 This Committee, at its meeting on 2 February 2023, resolved that “The Director of Resources be authorised to start negotiating Heads of Terms with Brackenwood Community Golf Limited on the basis of their business plan, to seek to agree Heads of Terms to transfer the course and report back on the outcome of the negotiations and options, which support Local Plan priorities for decision by this committee.”
- 3.13 Heads of Terms have been negotiated with Brackenwood Community Golf Limited (BCGL). The Heads of Terms are included in the exempt Appendix 2 to this report. BCGL is a newly formed not for profit company for the purpose of this asset transfer. For the avoidance of doubt Brackenwood Golf Club is a separate legal entity.
- 3.14 In the Business Plan submitted by BCGL a 99-year lease term was being sought. For this length of lease, the property market would normally expect a premium to be paid in relation to the capital value of the asset in the sum of £950,000. The company could not afford this and so a lease period of 40 years was negotiated to reflect the term of years it requires having regard to the investment required in the course.
- 3.15 For this length of lease, the Council has assessed a market rent through an independently commissioned commercial -in- confidence report which has been shared with BCGL for the sole purpose of the negotiations. The company have challenged this market rent. BCGL advise that “their business plan illustrates that if they paid this level of rent, they would not be able to invest in the golf course, or the various community and environmental benefits, to the level required.” So, they have made a proposal in relation to rent which is below the market rent identified in the report. If members were minded to support a transfer of this asset, then a view on this proposal would need to be taken. As these matters are commercial, they are set out in the exempt Appendix 2 to this report.

Local Plan priorities – Biodiversity Net Gain

- 3.16 The proposals set out in the business plan from BCGL support the Local Plan by providing opportunities for Biodiversity Net Gain.

Local Plan priorities – Playing Pitches supporting Brownfield First Strategy

- 3.17 Wirral already has a significant deficit of playing pitches across all sports (rugby, football, hockey etc) in all areas of the Borough as set out in the Playing Pitch Strategy. This Strategy recommends a focus on HUB sites as one pitch sites are not efficient and expensive to maintain. In addition, the Local Plan is a plan for growth which requires the identification of additional new playing pitches sites to support

development on brownfield land which is a key priority agreed by Members in the Local Plan. There are a limited number of such sites which can accommodate playing pitches in Wirral. Without identified land for new playing pitches, the Council will have significant difficulty in demonstrating that the Sport England requirement for new pitches to meet growth can be accommodated and as such planning applications on brownfield sites would not be policy compliant and could not be approved. This will add to the argument that Green Belt sites should be released as these locations can provide new pitches to meet the demand.

- 3.18 These matters have been discussed with BCGL and in correspondence with the Council they have advised that they cannot consider a nine-hole golf course and playing pitches for viability reasons. They have advised that they could consider a hybrid model making changes to the course structure, using funded capital expenditure or grant funding as part of sports pitch provision, but retaining an 18-hole golf course and not affecting their proposals for Biodiversity Net Gain. From the Council's perspective it is unlikely that such a proposal would provide the number of pitches required from this site to contribute towards the present and future deficit for playing pitch provision.
- 3.19 The other alternative is not to transfer the course and to use it for playing pitches, Biodiversity Net Gain, and community access. At 115 acres, it represents one of the largest sites for a hub of playing pitches (defined as two or more pitches on the same site) in Wirral and could accommodate between 8 and 12 pitches which would make a significant contribution (along with the other limited number of hub sites sites) towards providing land to meet the deficit. It is estimated that all the currently potential hub sites for playing pitches will be needed to support the Local Plan over the plan period. Biodiversity Net Gain and continued community access to the area will be provided alongside the playing pitches.
- 3.20 There are currently 11 golf courses in Wirral catering for all levels of golf. There remains adequate availability within the remaining municipal courses (Arrowe Park and The Warrens) to accommodate any current and increasing demand for such facilities.

Local Plan priorities – land use designation

- 3.21 Brackenwood Golf Course is in the Green Belt and will remain as open space accessible to the public.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The following table sets out the capital value of each asset:

ASSET	Estimated Asset Value	Estimated Capital Investment Costs
Brackenwood Golf Course	£950,000	£1.4m
Woodchurch Leisure Centre	£1 (nominal value given the condition of the asset)	£1.1m over ten years
Bromborough Civic Centre	£600,000	Not yet assessed

The estimated capital investment costs come from surveys and reports which have been completed over the past few years. Such investment is required over several years. The costs are likely to have increased given the increase in construction, material costs and rises in inflation. This information is given for information purposes.

- 4.2 In the 2022/23 budget, the Council agreed to close two 18 – hole municipal golf courses (Brackenwood and Hoylake) to address a significant budget deficit in the operation of the service (circa £335,000 per annum). This decision has been very successful, and the service is now in surplus, achieving over £60,000 above its income target for 2022/23. Reopening Brackenwood golf course will undermine this achievement and lead to competition and loss of income, incurring financial pressures on the Council’s budget, that potentially could even jeopardise the viability of the remaining sites (Arrowe Park 18-hole course and The Warrens nine-hole course).
- 4.3 If Brackenwood Golf Course is used for playing pitches, Biodiversity Net Gain, and community access, Officers will prepare an implementation strategy for the site which will seek funding from developer contributions and National Sporting bodies to provide the pitches, and identify arrangements, potentially with external organisations, for them to use revenue income to meet future running and maintenance costs. If successful, this would not require any Council funding. The work on Biodiversity Net gain will be led by the Climate Change Team in the Neighbourhoods Directorate.
- 4.4 There are significant, unbudgeted, holding costs for Woodchurch Leisure Centre which amount to approximately £200,000 per annum (£16,667 per month). These pressures will need to be mitigated in year.
- 4.5 The Council has an allocated sum of £320,000 to demolish Woodchurch Leisure Centre. Officers, following local consultation, will prepare an implementation plan for this site which will consider future uses and funding for delivery.

5.0 LEGAL IMPLICATIONS

- 5.1 The terms of reference for the Tourism, Communities, Culture and Leisure Committee are to consider applications for transfers of assets to organisations that will provide community benefits e.g. main uses which would further the social well-being and interests of the local community. Examples would include cultural,

recreational and sporting uses. Outside the definition would be use that was predominantly educational. Any appropriation of land from use as a library to educational use would require the approval of Policy and Resources Committee. The Tourism, Communities, Culture and Leisure Committee should refer to Policy and Resources Committee surplus assets for which the Committee saw no alternative community use.

- 5.2 In general the Committee in reaching a decision must consider all relevant considerations and disregard irrelevant considerations and come to a reasonable conclusion. That would include considering any potential uses for the assets which are alternative to those being proposed by the applicants for CAT transfers. Not to consider alternative uses would expose any decision to legal challenge.
- 5.3 A relevant consideration is the Council's fiduciary duty to the Council Taxpayer to take account of their interests in maximising income or savings and obtaining the best price reasonably obtainable for the disposal of any asset. The Committee should therefore consider any income or capital receipt forgone because of donating an asset for community use. Any financial loss would have to be clearly outweighed by the strength of the community benefits. The Council's current financial position is a relevant factor.
- 5.4 If the community benefits are unlikely to be realised by a CAT transfer because, for example, of a lack of financial viability or necessary expertise, then they should be given little or no weight in the decision-making process, particularly if the CAT transfer would commit the Council to capital or revenue support which would be wasted if the community benefits were not realised.
- 5.5 The Council is under an additional duty to obtain the best price reasonably obtainable for the disposal of any interest in its land unless the disposal is for a lease for less than seven years. If the proposed lease is for a longer term, then a less than market rent would be lawful if the value of the community benefits outweighed any loss of income. If, however, the value of the land free of any restrictions imposed by the Council would be £2million or more, then the Secretary of State's consent would be required.
- 5.6 A further consideration is the Subsidy Control Act 2022 which prohibits subsidies by public bodies to an enterprise (even if not for profit) that offers goods or services on a market. If the financial assistance (e.g. charging a below market rent in a lease) conferred an economic advantage on the selected enterprise that might distort competition with other providers, it would be unlawful unless the advantage were below the "de minimis" level of £315,000 (measured over the length of the proposed lease) or the rigorous requirements for a lawful subsidy under the Act were satisfied.
- 5.7 Any proposed disposal by the Council of an interest in land that is public open space (i.e. land held for the purpose of public recreation such as public parks or golf courses that are open to the public and not restricted to a private membership) must be advertised in local newspapers for two successive weeks. Any objections received would have to be considered by the Committee before any decision were made on the disposal.

- 5.8 The grant of a lease to a CAT transferee would confer exclusive possession of the land to the organisation. The Council could impose covenants on the lessee e.g. to keep the property in good repair or not to use it for any purposes other than those specified. Those covenants would be enforceable but any decision by the Council to forfeit the lease for non-compliance could be overturned by the Court in its discretion if the lessee sought relief from forfeiture. The Council would in effect lose control of the land for the duration of the lease (and the lessee would have the right to a renewal of the lease on its expiry unless its right were excluded pursuant to the Landlord and Tenant Act 1954).
- 5.9 Any disposal of the land for a different use than the one formerly established by the Council would have to be compliant with any legally enforceable covenants imposed by previous owners or current landlords and with any requirements for planning permission.
- 5.10 If the Committee were to agree in principle to a CAT transfer, Asset Management team would negotiate heads of terms with the transferee. Those terms would then be referred to the Tourism, Communities, Culture and Leisure Committee for approval and to Policy and Resources Committee if the value of the land exceeded £500,000 whereupon the legal documentation and processes would be undertaken. Any capital works by the Council would have to be completed prior to the grant of the lease. Pending completion of the CAT transfer, any costs incurred in maintaining the asset would have to be met by the Council.
- 5.11 If the Committee decided not to proceed with a CAT transfer, the property would either be considered for an alternative use by the Council or put on the market for sale or rent in accordance with the Council's Asset Disposal Strategy.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The Council has existing resources in place to progress the recommendations set out in this report.

7.0 RELEVANT RISKS

- 7.1 Transferring any asset carries a risk that it may not be successful. To reduce this risk, the Council has undertaken a very thorough process in terms of assessing each business plan, the funding required and considering all other relevant factors as detailed in this report.
- 7.2 In addition, under the CAT proposals the Council would be leasing the assets to the relevant organisation and if any transfer failed the asset would return to the Council but only after possible litigation and the Court or the lessee agreeing to the forfeiture of the Lease. Consideration could then be given to the options. Most of the assets have a prospect of an alternative use, so the Council could market the sites to realise a rent or capital receipt after any court process has been completed.
- 7.3 A communications strategy is in place to manage any reputational risks associated with the CAT project.

- 7.4 Any post transfer risks (e.g. ensuring compliance with the lease, maintaining the property etc) will be dealt with by lease provisions and regular annual monitoring of these matters.
- 7.5 A register of all assets transferred will be kept by the Asset Management Team. The annual report to members on the Asset Strategy 2022-27 will report progress on CAT.
- 7.6 Without identified land for new playing pitches, the Council will have significant difficulty in demonstrating that the Sport England requirement for new pitches to meet growth can be accommodated and as such planning applications on brownfield sites would not be policy compliant. This has significant risks for the delivery of the Brownfield First Strategy that Members have agreed in the Council's Local Plan. To manage this risk, it is proposed to use the former golf course site for playing pitches along with preparing a pitch implementation delivery plan.
- 7.7 For the reasons set out in this report, there are significant risks in transferring Woodchurch Leisure Centre. To manage these, it is proposed not to transfer the asset and to demolish it thereby also removing the risk of increasing holding costs and additional costs from any future vandalism. Future options for the site will then be considered with the local community.
- 7.8 The Council is required to repay to Government the sum of £13.2m borrowed through the Capitalisation Directive. This must be funded through the generation of capital receipts as there is no other means of repaying this amount. If assets with a significant value are transferred, then this will significantly impact on the Council's ability to achieve the repayment required.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Engagement has taken place with each of the organisations as they prepared their business plans. Following the assessment process, further engagement took place with each group to provide feedback and to discuss the issues and options as set out in this report.
- 8.2 Following the decision of this Committee, the outcome will be discussed further with each organisation as appropriate.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 As part of due diligence, the Council has checked all the organisations mentioned in this report have, or will have, all the relevant policies and procedures in place to address Equality Legislation

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The assets referred to in this report are existing and vary in age and construction. In considering the business plans consideration was given to reduce carbon emissions and securing environmental improvements where this was possible, Discussions have taken place about the possibilities and benefits of carbon reduction from building retrofit and low carbon heating systems.
- 10.2 The Council has provided energy certificates and Energy Performance Certificates as we are obliged to do when leasing a property. These detail potential interventions to reduce energy consumption.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 Transferring the assets has several community benefits which are set out in the Business Plans and Heads of Terms document. A number of new organisations will be formed to run the assets, and this will provide new opportunities within those communities for community wealth building. The local focus of activity within those communities has the potential to complement existing facilities and create new economic opportunities for local groups.

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APPENDICES

- Appendix 1 Bromborough Civic Centre – C.co assessment and CBRE commercial advice (Exempt)
- Appendix 2 Brackenwood Golf Course – Heads of Terms document (Exempt)
- Appendix 3 Brackenwood Golf Course – Site Plan

Appendices 1 and 2 of this report are exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

BACKGROUND PAPERS

- 1. Community Asset Transfer Policy 2022

TERMS OF REFERENCE

This report is being considered by the Tourism, Communities, Culture and Leisure Committee in accordance with Section (c) of its Terms of Reference, in considering options and develop proposals for neighbourhood arrangements, including capacity building, use of assets and devolving powers and services to neighbourhoods;

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
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Tourism Communities Culture and Tourism Committee	16 June 2022
Report on CAT (stage 1)	
Report on CAT	25 October 2022
Report on CAT	2 February 2023
Report on CAT	9 March 2023

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HEADS OF TERMS

TRANSFER OF BRACKENWOOD GOLF COURSE TO BRACKENWOOD COMMUNITY GOLF LIMITED

Date 18 July 2023

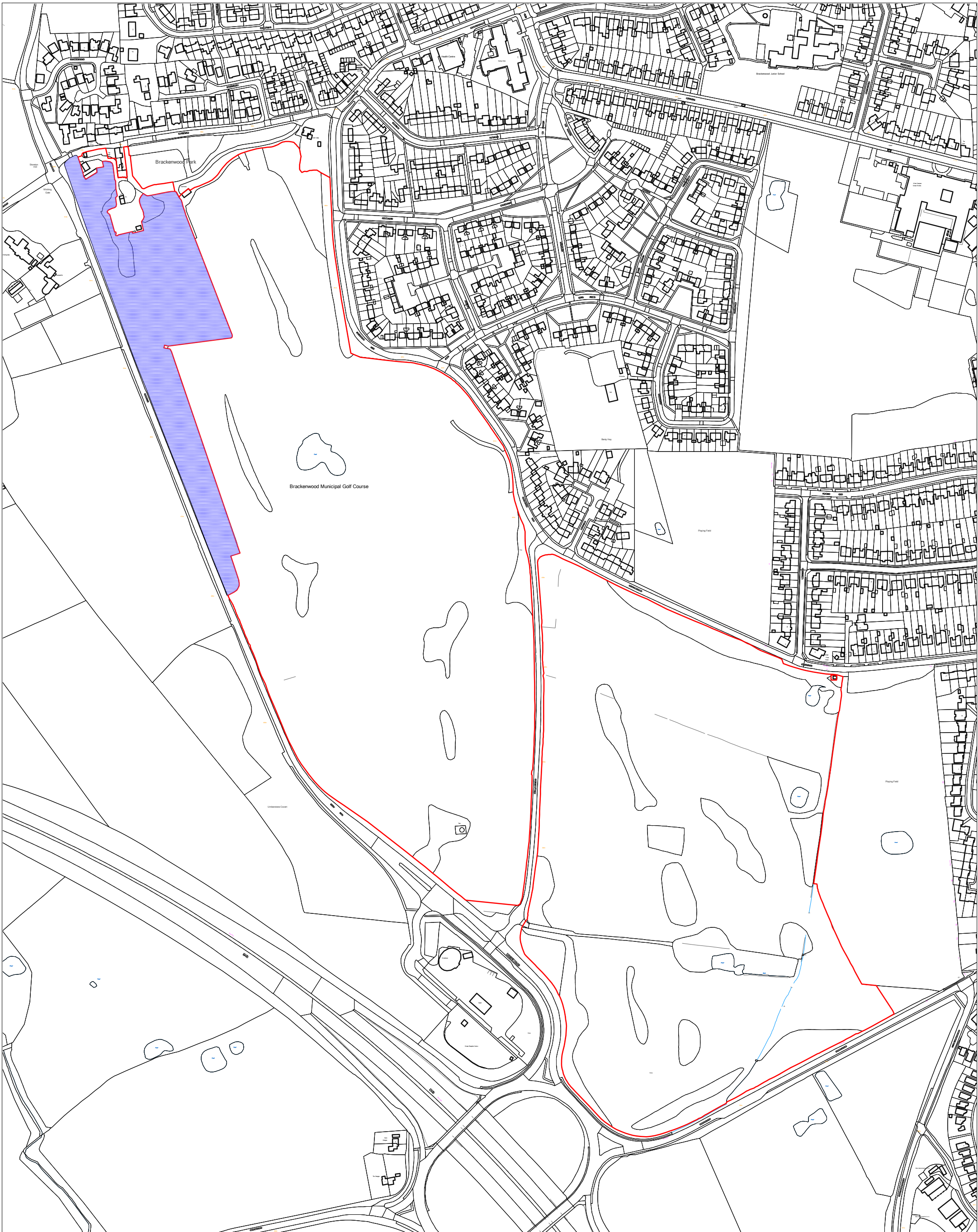
1. **Lessor** - Wirral Borough Council
2. **Lessee** – Brackenwood Community Golf Ltd (BCGL)
3. **Building** – Brackenwood Golf Course together with the associated buildings, to include the golf shop, mess room and maintenance sheds.
4. **Premises** – As shown edged red on the attached plan.
5. **Term** – 30 years
6. **Rent** – Year 1 – Nil, Year 2 - £5,500, Year 3 - £10,725, Year 4 to 30 £16, 250 and rent reviews based on CPI uplift at years 10 and 20. (R&M Estates are providing a rental guarantee to the Council for the first three years of the lease)
7. **Use** – An 18-hole golf course, areas for Biodiversity Net gain and continued community access in addition to two mini size 5-a-side pitches and two full-size playing pitches subject to the conditions set out in the P&R report of 27 July 2023.
8. **Assignment** – Any request for assignment will require the written consent of the Council.
9. **Sub-letting** – Sub-letting of the whole or part is expressly prohibited.
10. **Alterations** – Structural alterations to buildings on the premises, including the golf shop, mess rooms maintenance sheds etc., may not be carried out, except with the prior written consent of the Council.

Major alterations to the golf course will only be permitted with the prior written consent of the Council.

Minor alterations will be permitted.
11. **Services** - The lessee shall be responsible for all services to and from the premises.
12. **Planning** – The lessee shall be responsible for ensuring that all necessary Planning consents are in place.
13. **Rates and taxes** – The lessee shall be responsible for any Rates payable.

14. **Repairing Obligations** - The lessee shall be responsible for keeping the property in good repair.
15. **Insurance** – The lessee will insure the asset in the joint names of the lessee and the lessor.
16. **Fees** – Each party to be responsible for their own fees arising from the transaction.
17. **Other matters** – As part of the business plan a Biodiversity Net Gain proposal was submitted. This was a “high-level” document. During the negotiations a more detailed strategy was submitted and this has now been agreed between the parties. It is understood that the Cheshire Wildlife Trust will advise on this aspect of the work and their advice will need to be included as part of the transfer obligations. Brackenwood Community Golf Limited will seek to use the principles of a Suitable Alternative Natural Green Space (SANG) for environmental works on the course. However, this will not include seeking a formal designation of a SANG as it is not possible to meet all the criteria for such a designation from the golf course.
18. An Investment Plan for surpluses to be re-invested in the course has been agreed.
19. An annual monitoring template has been agreed for reporting progress post transfer
20. A table showing the community benefits to be provided by Brackenwood Community Golf Limited has been agreed.
21. A maintenance plan for the golf course once transferred has been agreed.
22. Playing Pitches – 2 number mini 5-a-side pitches and two full-size playing pitches (subject to the conditions set out in the P&R report dated 27 July 2023) to be provided on Brackenwood Golf Course. The location(s) to be identified and agreed in the lease. The sites to be appropriate for pitches with parking facilities or use of existing on-site parking facilities. The pitch construction will be phased from year 3 of the lease onwards to allow the new company to establish itself.

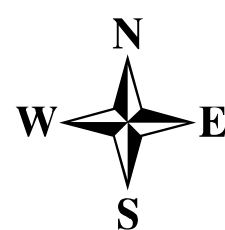
The documents referred to above, and agreed between the parties, will form part of the lease.



Brackenwood Municipal Golf Course
Bracken Lane
Higher Bebington
Wirral

Scale:
1:4000

Date:
28.04.2023



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An overview of community benefits

It is important to stress that the community asset transfer of Brackenwood Golf Course is fundamental to the community benefits listed below. Without an asset transfer the below community benefits cannot be realised for the future as neither Brackenwood Community Golf Ltd or Brackenwood Golf Club will exist as a community entity.

Benefits from Brackenwood Community Golf Ltd	
<ul style="list-style-type: none"> A large greenspace for local community access (as per community access plan) for leisure and recreation 	<ul style="list-style-type: none"> A golf facility that is affordable and accessible to the local community. Typical average private members clubs on the Wirral now are in the range of £1280 Brackenwood would ensure that its pricing structure would be similar to that of Wirral Council course to maintain its affordability objective. It also provides free golf to under 16's ensuring family golf affordability.
<ul style="list-style-type: none"> Additional maintained walkways throughout the course 	<ul style="list-style-type: none"> Accessibility to the sport at key 'Peak periods' for working people (Weekends and mornings)
<ul style="list-style-type: none"> A potential for a SANG that can mitigate developments and also support the protection of various environmentally sensitive areas such as Mersey SPA, Thurstaston common & other woodland areas on the Wirral. 	<ul style="list-style-type: none"> Support the community desire to keep the land as a golf course (Petition on change.org with 3469 with a further 600 on a paper based petition submitted to Wirral council already). Community voice is heard
<ul style="list-style-type: none"> Local site for people to support their physical and mental well being and being active in the outdoors 	<ul style="list-style-type: none"> Access to a 'Warm hub' in the current economic crisis where fuel poverty is on the rise.
<ul style="list-style-type: none"> Local facility for leisure and Golf reducing car journeys and carbon footprint in Wirral's current declared climate emergency. 	<ul style="list-style-type: none"> 'Growing the game' through coaching and focus events (eg Junior coaching, Ladies events, beginner days, open events).
<ul style="list-style-type: none"> Free Golf for under 18's, especially important when introducing the sport at grass roots and families on low income. Reducing the barriers to access the sport. Reduction in anti-social behaviour. 	<ul style="list-style-type: none"> Can provide apprenticeship schemes for young people into the field of agronomy and landscape & ecological management and the potential for local employment.
<ul style="list-style-type: none"> A local site to support other volunteer and sporting groups in their activities for improved health and well being. 	<ul style="list-style-type: none"> Work in collaboration with outside agencies to further develop the land for the community.
<ul style="list-style-type: none"> Maintains and improves the biodiversity of the area which 	<ul style="list-style-type: none"> Can be used to support rehabilitation of patients through gentle exercise and sport reducing NHS costs and

<p>supports the declared climate emergency and also the loss locally and nationally of biodiversity as a result of developments & intensive farming methods.</p>	<p>promoting recovery</p>
<ul style="list-style-type: none"> • Maintains and improves the community aesthetics of the area and prevents a decline in house prices 	<ul style="list-style-type: none"> • Support for local and national charities through key events throughout the year.
<ul style="list-style-type: none"> • Supports an improvement in air quality especially with increased 'green canopy' objectives. 	<ul style="list-style-type: none"> • Creates community cohesion and supports local people to have pleasure and pride in their local areas.
<ul style="list-style-type: none"> • Contributes to the local economy and local business including a cost saving to Wirral council. 	<ul style="list-style-type: none"> • Allows local people to have a direct influence and say in how local spaces are used and developed.
<ul style="list-style-type: none"> • Protecting greenbelt land with a leisure use that can also protect species richness and natural ecological corridors 	<ul style="list-style-type: none"> • Supports community wealth building by supporting local business by buying local, employing local and giving local people the opportunity to run public assets by local people for local communities for local benefits.

As well as being members of Brackenwood Golf Club, members are also members of the community and as a result receive the community benefits from their membership. Without a community asset transfer, it is highly likely that

Brackenwood Golf Club, with all its current benefits will cease to exist. It is therefore important to understand that these benefits in their current form are inherently linked to the existence of Brackenwood Golf Course.

Benefits from Brackenwood Golf Club	
<ul style="list-style-type: none"> Promotes the sport and an active lifestyle for people of all ages. 	<ul style="list-style-type: none"> Provides a community hub for community use.
<ul style="list-style-type: none"> Develops the participation levels of the game with special emphasis on key minority groups (Eg ladies, youth, under 40's). 	<ul style="list-style-type: none"> Organises community events for the local community – eg August family funday, Race night, Halloween event, Christmas grotto, Grand national day, New Years eve to name just a small selection.
<ul style="list-style-type: none"> Provides a competitive environment for the sport. 	<ul style="list-style-type: none"> Raises money for local charities through fundraising and charity golf days – Brackenwood's long standing main chosen charity is Wirral Hospice St Johns but money has been raised for various charities.
<ul style="list-style-type: none"> Supports the sport within the local (Merseyside), regional (Cheshire) and national level (England Golf). 	<ul style="list-style-type: none"> Works closely with sporting and volunteer groups (eg scouts, Brighter Bebington, Love Bebington, Higher Bebington football club, Brackenwood Junior School PTA, WarriorSpac running club, Fit for all Bootcamp to name a few.
<ul style="list-style-type: none"> Provides a social hub for a more cohesive and supportive community of people. 	<ul style="list-style-type: none"> Provides social activities for members and the community.
<ul style="list-style-type: none"> Provides social interaction and companionship especially for more elderly people and those living alone. 	<ul style="list-style-type: none"> Organises residential trips for members and guests.
<ul style="list-style-type: none"> Direct health and well being benefits of being a Club member 	<ul style="list-style-type: none"> Provides income for Wirral council through long term lease on the Clubhouse without any liability of maintenance. However, no club, no requirement for a clubhouse.
<ul style="list-style-type: none"> Highly organised Club that has the promotion and development of the sport for the community as a principle aim. 	<ul style="list-style-type: none"> Provides social value through improved physical and mental health and well being, more active more often individuals, an improved environment, more cohesive and collaborative communities that provide support to each other are just a few examples. Golf and group workouts have shown to have the largest social impact upon health and well being² Community leisure contributes more than £3.3bn to UK society² Increase in the prevalence of social prescribing which supports the NHS rehabilitation programmes especially
<ul style="list-style-type: none"> Providing volunteering opportunities to maintain an active interest for people of all ages. 	
<ul style="list-style-type: none"> Promotes and improves leadership qualities by providing volunteer and management roles. 	

	for cardiac, cancer, diabetic and elderly patients
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APPENDIX C

Cash flow Forecast - Year 1

INCOME	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	
Memberships Annual	21,750	6,525	6,525	4,350	4,350	0	0	0	0	0	0	0	43500	100 members @ £435
DD	1,350	1,800	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	25650	50 members @ 45.00 per month
Joining Fees Members Club	0	0	0	0	0	0	0	0	0	0	0	0	0	
Green Fees & Society Packages	9,870	14,040	19,260	19,260	19,260	9,870	3,300	2,310	990	990	990	2,640	102780	£16.01 Green fees £19 summer, £11 winter/twilight
Shop sales	1000	1500	1500	1500	1500	1000	750	250	250	250	450	750	10700	
Buggy/trolley hire	2,040	4,590	4,590	4,590	4,590	3,060	2,040	1,530	0	0	0	0	27030	Buggies £17 per buggy
Key Fund Grant/Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	
Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	
Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sale of assets	0	0	0	0	0	0	0	0	0	0	0	0	0	
RM Estates - Loan	75000	0	0	0	0	0	0	0	0	0	0	0	75000	Loan
Total Receipts	111010	28455	34125	31950	31950	16180	8340	6340	3490	3490	3690	5640	284660	
EXPENDITURE														
Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	
Stock Materials	2300	2300	2300	2300	2300	2300	2300	2300	2300	2300	2300	2300	27600	
Buggy Lease	1200	1200	1200	1200	1200	1200	1200	0	0	0	0	1200	9600	
Shop cost of sales	300	450	450	450	450	300	225	75	75	75	135	225	3210	
Wages / NI	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	90000	
Management	2084	2084	2084	2084	2084	2084	2084	2084	2084	2084	2084	2084	25008	
Pension Contributions	150	150	150	150	150	150	150	150	150	150	150	150	1800	
Heat /light /power	1345	1345	1345	1345	1345	1345	1345	1345	1345	1345	1345	1345	16140	
Water	702	702	702	702	702	702	702	702	702	702	702	702	8424	
Equipment Maintenance	250	250	250	250	250	250	250	250	250	250	250	250	3000	
Repairs & Renewals	250	250	250	250	250	250	250	250	250	250	250	250	3000	
Marketing/Promotion	400	400	400	400	400	400	400	400	400	400	400	400	4800	
Transport/travel	200	200	200	200	200	200	200	200	200	200	200	200	2400	
Print/stationery	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Postage/carriage	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Telephone/fax	150	150	150	150	150	150	150	150	150	150	150	150	1800	
Professional fees	200	200	200	200	200	200	200	200	200	200	200	200	2400	
Insurance	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000	
Other loan payments	0	0	0	0	0	0	0	0	0	0	0	0	0	
Bank charges	0	0	0	0	0	0	0	0	0	0	0	0	0	
Leases/HP/Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayment of RM Estates Loan	0	0	0	0	0	0	0	0	0	0	0	0	20000	
Total Payments	19164	19314	19314	19314	19314	19164	19089	17739	17739	17739	17799	39089	244778	
														Total
Net cashflow	£91,846	£9,141	£14,811	£12,636	£12,636	(£2,984)	(£10,749)	(£11,399)	(£14,249)	(£14,249)	(£14,109)	(£33,449)	£39,882	
Opening Bank Balance	£0	£91,846	£100,987	£115,798	£128,434	£141,070	£138,086	£127,337	£115,938	£101,689	£87,440	£73,331		
Closing Bank Balance	£91,846	£100,987	£115,798	£128,434	£141,070	£138,086	£127,337	£115,938	£101,689	£87,440	£73,331	£39,882		

The Assumptions used in the construction of the forecast are an essential element and should be documented below

Assumptions:

Month 1 is 1st April
 Year 1 Membership income assuming 100 annual members @ £435 & 50 DD members @ £45 per month
 Green Fees £19 per round in Summer....£11 in Winter / twilight. Society Packages introduced
 Buggy rental @ £17 per buggy
 Water costs assumed in the region of £8k
 Rates assumed £11k
 Buggy lease - 10 buggies for 8 months. 4 months no cost due to seasonal changes.
 Shop cost of sales @ 30% - this is a 18th green shop/reception. The clubhouse is run by the members & is not part of this.
 Heat/light/power £1345/mth sufficient servicing 1 building as reception/shop 8m x 6m plus sheds.
 Marketing through parent company RM Estates & will be incorporated within Ian Woosnam Branded Golf Courses - increased spend during year 1.

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APPENDIX 5

Cash flow Forecast - Year 2

INCOME		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	
Memberships	Annual	28,200	8,460	8,460	5,640	5,640	0	0	0	0	0	0	0	56400	120 members @ £470
	DD	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	34200	60 members @ 47.50 per month
Joining Fees Members Club		0	0	0	0	0	0	0	0	0	0	0	0	0	
Green Fees & Society Packages		12,600	17,640	24,720	24,720	24,720	12,240	4,320	2,880	1,440	1,440	1,440	3,240	131400	£17.04 Green fees £20 summer, £12 winter
Shop sales		1200	1800	1800	1800	1800	1200	900	300	300	300	540	900	12840	
Buggy/trolley hire		3,240	4,860	4,860	4,860	4,860	3,240	2,160	1,620	0	0	0	0	29700	Buggies £18 per buggy
Driving Range		0	0	0	0	0	0	0	0	0	0	0	0	0	
Key Fund Grant/Loan		0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees		0	0	0	0	0	0	0	0	0	0	0	0	0	
Grants		0	0	0	0	0	0	0	0	0	0	0	0	0	
Donations		0	0	0	0	0	0	0	0	0	0	0	0	0	
Sale of assets		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other income		0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Receipts		48090	35610	42690	39870	39870	19530	10230	7650	4590	4590	4830	6990	264540	
EXPENDITURE															
Rent		458	458	458	458	458	458	458	458	458	458	458	458	5500	
Stock Materials		2415	2415	2415	2415	2415	2415	2415	2415	2415	2415	2415	2415	28980	
Buggy Lease		1200	1200	1200	1200	1200	1200	1200	1200	0	0	0	0	9600	
Shop cost of sales		360	540	540	540	540	360	270	90	90	90	162	270	3852	
Wages / NI		7800	7800	7800	7800	7800	7800	7800	7800	7800	7800	7800	7800	93600	
Management		2167	2167	2167	2167	2167	2167	2167	2167	2167	2167	2167	2167	26008	
Pension Contributions		156	156	156	156	156	156	156	156	156	156	156	156	1872	
Rates		980	980	980	980	980	980	980	980	980	980	980	980	11756	
Heat/light/power		1399	1399	1399	1399	1399	1399	1399	1399	1399	1399	1399	1399	16786	
Water		730	730	730	730	730	730	730	730	730	730	730	730	8761	
Equipment Maintenance		250	250	250	250	250	250	250	250	250	250	250	250	3000	
Repairs & Renewals		250	250	250	250	250	250	250	250	250	250	250	250	3000	
Marketing/Promotion		300	300	300	300	300	300	300	300	300	300	300	300	3600	
Transport/travel		200	200	200	200	200	200	200	200	200	200	200	200	2400	
Print/stationery		100	100	100	100	100	100	100	100	100	100	100	100	1200	
Postage/carriage		100	100	100	100	100	100	100	100	100	100	100	100	1200	
Telephone/fax		150	150	150	150	150	150	150	150	150	150	150	150	1800	
Professional fees		200	200	200	200	200	200	200	200	200	200	200	200	2400	
Insurance		1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	13200	
Other loan payments		0	0	0	0	0	0	0	0	0	0	0	0	0	
Bank charges		0	0	0	0	0	0	0	0	0	0	0	0	0	
Leases/HP/Other		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure		0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayment of RM Estates Loan		0	0	0	0	0	0	0	0	0	0	0	20000	20000	
Total Payments		20315	20495	20495	20495	20495	20315	20225	20045	18845	18845	18917	39025	258515	
															Total
Net cashflow		£27,775	£15,115	£22,195	£19,375	£19,375	(£785)	(£9,995)	(£12,395)	(£14,255)	(£14,255)	(£14,087)	(£32,035)	£6,025	
Opening Bank Balance		£39,882	£67,657	£82,772	£104,966	£124,341	£143,716	£142,931	£132,935	£120,540	£106,285	£92,030	£77,943		
Closing Bank Balance		£67,657	£82,772	£104,966	£124,341	£143,716	£142,931	£132,935	£120,540	£106,285	£92,030	£77,943	£45,907		

The Assumptions used in the construction of the forecast are an essential element and should be documented below

Assumptions:

Month 1 is 1st April
 Year 2 Membership income assuming 120 annual members @ £470 & 60 DD members @ £47.50 per month....20% increase in numbers
 Green Fees £20 per round in Summer.....£12 in Winter.....20% increase in numbers
 10% volume inc in buggy/trolley hire
 20% inc in Shop Sales
 5% inc in water/rates
 4% inc in wages & management
 10% inc in insurance
 Other inflation between 4 - 5%

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APPENDIX C

Cash flow Forecast - Year 3

INCOME	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total		
Memberships	Annual	32,670	9,900	9,900	6,930	6,930	0	0	0	0	0	0	66330	134 members @ £495	
	DD	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	39600	66 members @ 50.00 per month	
Joining Fee Members Club		0	0	0	0	0	0	0	0	0	0	0	0		
Green Fees & Society Packages		14,550	20,280	29,010	29,010	29,010	14,160	5,070	3,510	1,755	1,755	1,755	3,834	153699 £18.08 Green fees £21 summer, £13 winter	
Shop sales		1440	2160	2160	2160	2160	1440	1080	360	360	360	648	1080	15408	
Buggy/trolley hire		3,990	5,700	5,700	5,700	5,700	3,990	2,850	1,710	0	0	0	0	35340	Buggies £19 per buggy
Driving Range		0	0	0	0	0	0	0	0	0	0	0	0	0	
Key Fund Grant/Loan		0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees		0	0	0	0	0	0	0	0	0	0	0	0	0	
Grants		0	0	0	0	0	0	0	0	0	0	0	0	0	
Donations		0	0	0	0	0	0	0	0	0	0	0	0	0	
Sale of assets		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other income		0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Receipts		55950	41340	50070	47100	47100	22890	12300	8880	5415	5415	5703	8214	310377	
EXPENDITURE															
Rent		894	894	894	894	894	894	894	894	894	894	894	894	10725	
Stock Materials		2536	2536	2536	2536	2536	2536	2536	2536	2536	2536	2536	2536	30429	
Buggy Lease		1200	1200	1200	1200	1200	1200	1200	1200	0	0	0	0	9600	
Shop cost of sales		432	648	648	648	648	432	324	108	108	108	194	324	4622	
Wages / NI		8112	8112	8112	8112	8112	8112	8112	8112	8112	8112	8112	8112	97344	
Management		2254	2254	2254	2254	2254	2254	2254	2254	2254	2254	2254	2254	27049	
Pension Contributions		156	156	156	156	156	156	156	156	156	156	156	156	1872	
Rates		1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	12344	
Heat /light /power		1469	1469	1469	1469	1469	1469	1469	1469	1469	1469	1469	1469	17625	
Water		759	759	759	759	759	759	759	759	759	759	759	759	9111	
Equipment Maintenance		400	400	400	400	400	400	400	400	400	400	400	400	4800	
Repairs & Renewals		250	250	250	250	250	250	250	250	250	250	250	250	3000	
Marketing/Promotion		300	300	300	300	300	300	300	300	300	300	300	300	3600	
Transport/travel		200	200	200	200	200	200	200	200	200	200	200	200	2400	
Print/stationery		100	100	100	100	100	100	100	100	100	100	100	100	1200	
Postage/carriage		100	100	100	100	100	100	100	100	100	100	100	100	1200	
Telephone/fax		150	150	150	150	150	150	150	150	150	150	150	150	1800	
Professional fees		200	200	200	200	200	200	200	200	200	200	200	200	2400	
Insurance		1210	1210	1210	1210	1210	1210	1210	1210	1210	1210	1210	1210	14520	
Other loan payments		0	0	0	0	0	0	0	0	0	0	0	0	0	
Bank charges		0	0	0	0	0	0	0	0	0	0	0	0	0	
Leases/HP/Other		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure		0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayment of RM Estates Loan		0	0	0	0	0	0	0	0	0	0	0	35000	35000	
Total Payments		21750	21966	21966	21966	21966	21750	21642	21426	20226	20226	20313	55442	290641	
														Total	
Net cashflow		£34,200	£19,374	£28,104	£25,134	£25,134	£1,140	(£9,342)	(£12,546)	(£14,811)	(£14,811)	(£14,610)	(£47,229)	£19,736	
Opening Bank Balance		£45,907	£80,107	£99,481	£127,585	£152,718	£177,852	£178,992	£169,650	£157,104	£142,292	£127,481	£112,872		
Closing Bank Balance		£80,107	£99,481	£127,585	£152,718	£177,852	£178,992	£169,650	£157,104	£142,292	£127,481	£112,872	£65,643		

The Assumptions used in the construction of the forecast are an essential element and should be documented below

Assumptions:

- Month 1 is 1st April
- Year 3 Membership income assuming 125 annual members @ £495 & 75 DD members @ £50.00 per month....11 % increase in number
- Green Fees £21 per round in Summer....£13 in Winter.....10 % increase in numbers
- 20% inc in Shop Sales
- 5% inc in water/rates
- 4% inc in wages & management
- 10% inc in insurance

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APPENDIX C

Cash flow Forecast - Year 4

INCOME	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total		
Memberships	Annual	32,670	9,900	9,900	6,930	6,930	0	0	0	0	0	0	66330	134 members @ £495	
	DD	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	39600	66 members @ 50.00 per month	
Joining Fee Members Club		0	0	0	0	0	0	0	0	0	0	0	0		
Green Fees & Society Packages		14,550	20,280	29,010	29,010	29,010	14,160	5,070	3,510	1,755	1,755	1,755	3,834	153699	£18.08 Green fees £21 summer, £13 winter
Shop sales		1440	2160	2160	2160	2160	1440	1080	360	360	360	648	1080	15408	
Buggy/trolley hire		3,990	5,700	5,700	5,700	5,700	3,990	2,850	1,710	0	0	0	0	35340	Buggies £19 per buggy
Driving Range		0	0	0	0	0	0	0	0	0	0	0	0	0	
Key Fund Grant/Loan		0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees		0	0	0	0	0	0	0	0	0	0	0	0	0	
Grants		0	0	0	0	0	0	0	0	0	0	0	0	0	
Donations		0	0	0	0	0	0	0	0	0	0	0	0	0	
Sale of assets		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other income		0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Receipts		55950	41340	50070	47100	47100	22890	12300	8880	5415	5415	5703	8214	310377	
EXPENDITURE															
Rent		1354	1354	1354	1354	1354	1354	1354	1354	1354	1354	1354	1354	16250	
Stock Materials		2536	2536	2536	2536	2536	2536	2536	2536	2536	2536	2536	2536	30429	
Buggy Lease		1200	1200	1200	1200	1200	1200	1200	1200	0	0	0	0	9600	
Shop cost of sales		432	648	648	648	648	432	324	108	108	108	194	324	4622	
Wages / NI		8112	8112	8112	8112	8112	8112	8112	8112	8112	8112	8112	8112	97344	
Management		2254	2254	2254	2254	2254	2254	2254	2254	2254	2254	2254	2254	27049	
Pension Contributions		156	156	156	156	156	156	156	156	156	156	156	156	1872	
Rates		1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	1029	12344	
Heat /light /power		1469	1469	1469	1469	1469	1469	1469	1469	1469	1469	1469	1469	17625	
Water		759	759	759	759	759	759	759	759	759	759	759	759	9111	
Equipment Maintenance		400	400	400	400	400	400	400	400	400	400	400	400	4800	
Repairs & Renewals		250	250	250	250	250	250	250	250	250	250	250	250	3000	
Marketing/Promotion		300	300	300	300	300	300	300	300	300	300	300	300	3600	
Transport/travel		200	200	200	200	200	200	200	200	200	200	200	200	2400	
Print/stationery		100	100	100	100	100	100	100	100	100	100	100	100	1200	
Postage/carriage		100	100	100	100	100	100	100	100	100	100	100	100	1200	
Telephone/fax		150	150	150	150	150	150	150	150	150	150	150	150	1800	
Professional fees		200	200	200	200	200	200	200	200	200	200	200	200	2400	
Insurance		1210	1210	1210	1210	1210	1210	1210	1210	1210	1210	1210	1210	14520	
Other loan payments		0	0	0	0	0	0	0	0	0	0	0	0	0	
Bank charges		0	0	0	0	0	0	0	0	0	0	0	0	0	
Leases/HP/Other		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure		0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Expenditure		0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayment of RM Estates Loan		0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Payments		22211	22427	22427	22427	22427	22211	22103	21887	20687	20687	20773	20903	261166	
Total															
Net cashflow		£33,739	£18,913	£27,643	£24,673	£24,673	£679	(£9,803)	(£13,007)	(£15,272)	(£15,272)	(£15,070)	(£12,689)	£49,211	
Opening Bank Balance		£65,643	£99,382	£118,296	£145,939	£170,613	£195,286	£195,965	£186,163	£173,156	£157,884	£142,613	£127,543		
Closing Bank Balance		£99,382	£118,296	£145,939	£170,613	£195,286	£195,965	£186,163	£173,156	£157,884	£142,613	£127,543	£114,854		

The Assumptions used in the construction of the forecast are an essential element and should be documented below

Assumptions:

YEAR 4 revenue and costs have not been adjusted for inflation

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Brackenwood Community Golf Bebington

29th June 2023

Business impact of the increased rent proposal

Following the Chair's comments at the Tourism, Communities, Culture and Leisure Committee on 22 June 2023, BCGL moved very quickly and in good faith to respond to the issues raised in relation to the rent and playing pitches. An improved rent proposal was submitted on 23 June along with a playing pitch proposal as identified on our hybrid model proposal.

This was followed by a revised four year cashflow report demonstrating that with the additional rent, the Business Plan is still viable and deliverable. Our revised rent proposal is the maximum that the business plan will allow.

We firmly believe that the overwhelming community and social benefits of both BCGL and those provided by Brackenwood Golf Club significantly outweigh any difference in the rent between the valuation and our revised proposal.

The business plan remains both viable and sustainable despite the rent increase and reduced term. There are some impacts as outlined below but we believe them to be manageable by BCGL

The impacts

- The increased rent will not significantly impact upon the biodiversity net gain strategy proposed in the business plan. The strategy supports sustainability in the golf business whilst also supporting the local plan in the area significantly. The investment needed to sustain the strategy remain achievable with the new terms as the majority of the strategy requires labour rather than capital investment which can be accommodated utilising our existing volunteers with support from the newly appointed greenstaff. There may well be an opportunity to work with volunteers from outside agencies/organisations such as the CWT and local volunteers groups to support
- The increased rent will also not affect in anyway the host of community benefits identified in our business plan. The deliverability of the business plan even with an increased rent, does not affect the community benefits as many of the benefits are linked to the greenspace land which will be maintained as part of the maintenance programme or linked to aspects that



c/o RM Estates Ltd
Malkins Bank Golf Course
Betchton Road
Sandbach
Cheshire CW11 4XN

Brackenwood Community Golf Bebington

are required for a successful business plan to promote the sport and all of its benefits.

- The increased rent will not impact upon either the principles of SANG or the community access plans that formed part of our business plans. These do not have significant capital investment required beyond labour which can be achieved as part of the maintenance programme required for a successful re-establishment and ongoing maintenance of the course as part of the business.
- The investment in supporting an improved golf course from the actions identified in the STRI (2021) report will remain the same. The investment will clearly be by priority depending upon the condition and infrastructure of the course upon commencement of the lease. However, given the rent increase and reduction in the term of the lease, the progress on items identified in the STRI report will be implemented over a period possibly beyond the term of the current lease.
- Investment priority initially will be on protecting the cash flow in the business plan, in order to ensure that all aspects of the business plan are fulfilled. The rent makes up 25% of gross cash flow, leaving 75% funding for investment which is sufficient to deliver the business plan as outlined.

I hope this meets with your agreement.

Keith Marsh & Robin Clarke
Directors – Brackenwood Community Golf Ltd



POLICY AND RESOURCES COMMITTEE

WEDNESDAY, 12 JULY 2023

REPORT TITLE:	COMMUNITY ASSET TRANSFER WOODCHURCH LEISURE CENTRE
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

The Tourism, Communities, Culture and Leisure Committee at its meeting on 22 June 2023, resolved that the Director of Finance should bring a report on the community asset transfer of Woodchurch Leisure Centre to Policy and Resources Committee, on 12 July 2023, for decision.

After the committee meeting and following discussions with both interested parties, Helen Diamond Swimming Limited withdrew their proposal due to their commitment to another venue and other projects.

This report reviews the business plan and recommends a transfer to Woodchurch Wellbeing, although notes that this carries some significant risks due to the underlying condition of the building and volatility around energy prices.

This report meets the following priorities in the Wirral Plan 2021-26

- Safe, vibrant communities where people want to live and raise their families
- A prosperous inclusive economy where local people can get good jobs and achieve their aspirations

This matter has the potential to affect all wards.

This is a Key Decision

The Business Plan referred to in this report were submitted confidentially, for commercial reasons. Therefore, Appendix 1 of this report is exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

RECOMMENDATION/S

The Policy and Resources Committee is recommended to authorise the Director of Finance to

- (1) transfer Woodchurch Leisure Centre to Woodchurch Wellbeing, subject to them achieving additional grant funding, on the basis that it provides the most cost-effective

option for the Council whilst continuing to provide an asset that will benefit the community in an area where there is an identified deficiency in provision.

(2) to negotiate and agree Heads of Terms for the transfer, with a target date for completion and transfer of October 2023.

(3) make available a maximum capital grant of £330,000 by way of a grant agreement with Woodchurch Wellbeing to support the transfer and

(4) provide business planning support to Woodchurch Wellbeing to ensure that the risks identified in the business plan are minimised.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To enable a decision to be made on the community asset transfer of Woodchurch Leisure Centre.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The alternative option to asset transfer is the demolition of the asset followed by a repurposing of the site for another use to support Local Plan priorities. This could be playing pitches for various sports and Biodiversity Net Gain. This would support the Local Plan which has identified a deficit of playing pitches that needs to be addressed.
- 2.2 The costs of undertaking the demolition of the leisure centre were originally estimated to be £330k – consistent with the amount that could otherwise be offered as a grant for Community Asset Transfer.
- 2.3 The costs of demolition have not yet been determined through a formal procurement process as the costs associated with the design required would be significant and would represent abortive costs if the transfer was to go ahead.
- 2.4 Given the significant increases in inflation that have been experienced over the past year, it is highly likely that the costs of demolition will have increased beyond that originally projected.
- 2.5 It is anticipated that it would take six months from the time of the decision to procure a contractor and for them to start on site. Holding costs for the site will continue to be incurred for this period, it is estimated that total holding costs of £185k would be incurred for 23/24 for this option.

3.0 BACKGROUND INFORMATION

- 3.1 Woodchurch Leisure Centre was closed during Covid and then permanently closed as part of the 2022/23 Budget process due to very high operational costs and deficits. Members decided to put this asset into the community asset transfer process.
- 3.2 Following an expression of interest process, two submissions were received, and Members agreed that both should progress to the detailed business planning stage. These organisations are Helen Diamond Swimming Limited and Woodchurch Well-being.
- 3.3 The Tourism, Communities, Culture and Leisure Committee, at its meeting on 22 June 2023, resolved that “the consideration of the future of Woodchurch leisure Centre had been on-going for quite some time and now requires urgent consideration and determination. To that end, the business case is to be referred to the Director of Finance for his immediate attention, following which, a report is to be

brought to the meeting of Policy and Resources Committee on 12 July for determination, ensuring that members are acquainted with all key facts.”

- 3.4 Meetings took place with Helen Diamond Swimming Limited and Woodchurch Wellbeing in the week commencing 26th June 2023. Helen Diamond Swimming Limited withdrew their interest on the 4th July 2023 because of a commitment they have taken on with another venue and other projects.

REVIEW OF THE BUSINESS PLANS AND CONSIDERATIONS

- 3.5 Swimming pool provision within the Borough is at a premium. All the existing facilities, in the public and private sector, are over-subscribed with demand outstripping supply. Swimming lessons are expensive and not affordable for everyone, yet living on a Peninsular, surrounded by water on three sides creates an imperative for as many as possible to be able to swim. If this transfer can offer affordable, or subsidised swimming opportunities for those who cannot afford them, for example in the summer holidays, then this would be a benefit, particularly to the Woodchurch community.
- 3.6 The recommendation to transfer to Woodchurch Wellbeing is based on the business plan assumptions and the explanations around key concerns that have been provided by both groups. Woodchurch Wellbeing consists of several organisations that have been involved in previous asset transfers. The most recent of these was the former Bryne Avenue Baths in Rock Ferry.
- 3.7 The key and overriding concerns in relation to the asset in general and the asset transfer bid revolve around the ability to manage repairs and maintenance costs and assumptions around energy costs.
- 3.8 The repairs and maintenance issues are significant given the age and condition of the building. There are several issues which need to be addressed, some of which will be rectified using the grant that is to be provided.
- 3.9 The Woodchurch Wellbeing bid assumes that the grant received from the Council will be used as match funding to attract additional grants, such as the Community Ownership Fund, from other organisations. This is not considered unreasonable, although it creates a further element of risk and means that it may take five years to fully reopen the centre as work would have to be done on a phased basis subject to the funding secured.
- 3.10 Concerns remain as to how a catastrophic failure of equipment, such as the boiler plant, which is approaching the end of its life, could be managed in the short term. There are ambitions in the longer term to remove the reliance on this plant or renew it, but it will remain a risk to the business for several years.
- 3.11 The second element of concern is in relation to energy costs. The current forecast for energy costs is a continued reduction over time away from the significant peaks that have been seen over the past two years. This will however remain uncertain given the geopolitical situation and the ongoing instability within the market.

- 3.12 The overall cost effectiveness of the remaining proposal is ultimately dependent on the length of time that the company could operate the centre successfully. A period of 5 years, for example, would result in a comparatively small investment by the Council, in comparison to other in-house leisure facilities, for the provision of swimming pool facilities within this area of the Borough.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The costs of transfer are limited to the proposed capital grant of £330k and the holding costs of the site until the point at which the asset can be transferred. Woodchurch Wellbeing have indicated they would be seeking the transfer within the next 3 months. This will incur estimated revenue costs of c.£110k in 23/24.
- 4.2 The total costs will therefore be £440k.
- 4.3 The asset will be transferred for a period of 20 to 25 years on a full repairing and insuring lease. Following transfer of the asset, the Council will have no responsibilities for the operation of the facilities or any costs for the period of the lease.

5.0 LEGAL IMPLICATIONS

- 5.1 The terms of reference for the Tourism, Communities, Culture and Leisure Committee are to consider applications for transfers of assets to organisations that will provide community benefits e.g. main uses which would further the social well-being and interests of the local community. Examples would include cultural, recreational and sporting uses. Outside the definition would be use that was predominantly educational. Any appropriation of land from use as a library to educational use would require the approval of Policy and Resources Committee. The Tourism, Communities, Culture and Leisure Committee should refer to Policy and Resources Committee surplus assets for which the Committee saw no alternative community use.
- 5.2 In general the Committee in reaching a decision must consider all relevant considerations and disregard irrelevant considerations and come to a reasonable conclusion. That would include considering any potential uses for the assets which are alternative to those being proposed by the applicants for CAT transfers. Not to consider alternative uses would expose any decision to legal challenge.
- 5.3 A relevant consideration is the Council's fiduciary duty to the Council Taxpayer to take account of their interests in maximising income or savings and obtaining the best price reasonably obtainable for the disposal of any asset. The Committee should therefore consider any income or capital receipt forgone because of donating an asset for community use. Any financial loss would have to be clearly outweighed by the strength of the community benefits. The Council's current financial position is a relevant factor.
- 5.4 If the community benefits are unlikely to be realised by a CAT transfer because, for example, of a lack of financial viability or necessary expertise, then they should be given little or no weight in the decision-making process, particularly if the CAT

transfer would commit the Council to capital or revenue support which would be wasted if the community benefits were not realised.

- 5.5 The Council is under an additional duty to obtain the best price reasonably obtainable for the disposal of any interest in its land unless the disposal is for a lease for less than seven years. If the proposed lease is for a longer term, then a less than market rent would be lawful if the value of the community benefits outweighed any loss of income. If, however, the value of the land free of any restrictions imposed by the Council would be £2million or more, then the Secretary of State's consent would be required.
- 5.6 A further consideration is the Subsidy Control Act 2022 which prohibits subsidies by public bodies to an enterprise (even if not for profit) that offers goods or services on a market. If the financial assistance (e.g. charging a below market rent in a lease) conferred an economic advantage on the selected enterprise that might distort competition with other providers, it would be unlawful unless the advantage were below the "de minimis" level of £315,000 (measured over the length of the proposed lease) or the rigorous requirements for a lawful subsidy under the Act were satisfied.
- 5.7 Any proposed disposal by the Council of an interest in land that is public open space (i.e. land held for the purpose of public recreation such as public parks or golf courses that are open to the public and not restricted to a private membership) must be advertised in local newspapers for two successive weeks. Any objections received would have to be considered by the Committee before any decision were made on the disposal.
- 5.8 The grant of a lease to a CAT transferee would confer exclusive possession of the land to the organisation. The Council could impose covenants on the lessee e.g. to keep the property in good repair or not to use it for any purposes other than those specified. Those covenants would be enforceable but any decision by the Council to forfeit the lease for non-compliance could be overturned by the Court in its discretion if the lessee sought relief from forfeiture. The Council would in effect lose control of the land for the duration of the lease (and the lessee would have the right to a renewal of the lease on its expiry unless its right were excluded pursuant to the Landlord and Tenant Act 1954).
- 5.9 Any disposal of the land for a different use than the one formerly established by the Council would have to be compliant with any legally enforceable covenants imposed by previous owners or current landlords and with any requirements for planning permission.
- 5.10 If the Committee were to agree in principle to a CAT transfer, Asset Management team would negotiate heads of terms with the transferee. Those terms would then be referred to the Tourism, Communities, Culture and Leisure Committee for approval and to Policy and Resources Committee if the value of the land exceeded £500,000 whereupon the legal documentation and processes would be undertaken. Any capital works by the Council would have to be completed prior to the grant of the lease. Pending completion of the CAT transfer, any costs incurred in maintaining the asset would have to be met by the Council.

5.11 If the Committee decided not to proceed with a CAT transfer, the property would either be considered for an alternative use by the Council or put on the market for sale or rent in accordance with the Council's Asset Disposal Strategy. The asset is within the Green Belt and therefore any future use would have to comply with this planning policy.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 This transfer can be completed using existing resources.

7.0 RELEVANT RISKS

7.1 The main risk with the transfer of the asset is that it is not successful, and that the asset is subsequently returned to the Council. There is the potential for this to happen if further funding streams cannot be identified by the group to undertake the necessary works to reopen the centre. The worst-case scenario is that this takes place shortly after the centre reopens and the capital grant has already been spent.

7.2 To reduce the risk of this, the business plan has been reviewed and it is proposed that the Council provides business planning support to the organisation to enable them to mitigate the risks around their business plan.

7.3 It is highly likely that if the asset is returned to the Council, then demolition will remain the only other viable option. The costs of undertaking this demolition will then be in addition to additional holding costs for a period of 6 months while the procurement process is undertaken. The Council will therefore have spent £440k for no return. To mitigate this risk, the steps explained in paragraph 8.2 above are recommended to be taken.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Council has actively engaged with both organisations during the preparation of their business plans and the clarification stages following submission of those plans. Meetings were held with both parties following the Tourism, Communities, Culture and leisure Committee on 22 June 2023.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

10.2 Both organisations have the relevant policies and processes in place to address Equality Implications.

11.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

11.1 Woodchurch Leisure Centre was built and opened in the 1960's. It used construction methods relevant at the time, but today, these do not provide the most efficient or effective approach to energy efficiency, and the environment.

11.2 However, any energy efficiency or environmental measures undertaken can only go so far, as it is very difficult to retrofit a building of this age, condition and size.

12.0 COMMUNITY WEALTH IMPLICATIONS

12.1 Supporting local businesses brings benefits to the local economy.

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APPENDICES

Appendix 1 Woodchurch Wellbeing proposal (Exempt)

Appendices 1 of this report are exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

BACKGROUND PAPERS

Community Asset Transfer Policy 2022

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Tourism, Communities, Culture and Leisure Committee	22 June 2022

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Policy and Resources Committee – Terms of Reference

The Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.

The Committee is charged by full Council to:-

- (a) formulate, co-ordinate and implement corporate policies and strategies and the medium term financial plan (budget), which includes responsibility for any decision:
 - (i) that relates to such matters to the extent that they are not reserved to full Council;
 - (ii) on any cross-cutting policies that impact on other committee areas;
 - (iii) on policy matters not otherwise allocated to any other committee; and
 - (iv) to determine any dispute or difference between committees;
- (b) provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management, which includes responsibility for a decision:
 - (i) that has a major impact on a number of Council services or on the Council as a whole;
 - (ii) on any virement between Budget funds (revenue) requested by a Committee or officer in excess of **£500,000**;
 - (iii) on any virement between Budget funds (capital) or any amendment to the Capital Programme requested by a Committee or officer in excess of £500,000
 - (iv) regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, **£500,000**, unless the Committee has delegated this function in relation to a specified area or business plan as the Committee may determine
 - (v) regarding companies or limited liability partnerships including acquisition and disposals; and
 - (vi) which is deemed significant in terms of impact on the Council's revenue or capital (to be determined by the Head of Paid Service and/or Section 151 Officer in consultation with the Leader);
- (c) without limiting the generality of responsibility for cross-cutting policies (at (a) above), lead on behalf of the Council:
 - (i) in matters concerning relationships with HM Government, the Liverpool City Region Combined Authority and other major public and non-public bodies;
- (d) appoint Council representatives as required;
- (e) nominate councillors and other persons to outside bodies; and

- (f) undertake responsibility for developing and monitoring the enabling corporate services, including, finance and investment, project support and risk management, strategic procurement and commercial strategies, ICT, property and asset management, human resources and organisational development, law and governance, communications and public affairs, emergency planning and business continuity.