

WIRRAL COUNCIL

CABINET
4 JUNE 2015

SUBJECT:	Review of the Wirral Municipal Golf Course Offer
WARDS AFFECTED:	Directly: Pensby and Thingwall, Bebington, Hoylake and Meols, Wallasey Indirectly: All
REPORT OF:	Clare Fish, Strategic Director – Families and Wellbeing
RESPONSIBLE PORTFOLIO HOLDER:	Councillor Chris Meaden Leisure, Sport and Culture
KEY DECISION:	Yes

1.0 EXECUTIVE SUMMARY

1.1 This report aims to provide an overview of the current position of the municipal golf courses managed and operated by Wirral Council and a recommendation on the future operation of the Council's golf offer.

1.2 The courses managed and operated by Wirral Council are:

- Arrowe Park – 18 hole course, 9 hole pitch and putt
- Brackenwood – 18 hole course
- Hoylake – 18 hole course
- The Warren – 9 hole course
- Wallasey Beach – 18 hole pitch and putt
- Kings Parade, - mini golf

N.B. This report will not include the municipal golf course at Hoylake, as this is currently part of a separate review.

1.3 During the financial year 2014–2015 the subsidy for golf operation was budgeted at £330k (excluding Hoylake).

1.4 A set of principles underpin our approach to reviewing the future of the Council's golf offer:-

- that the service will operate at a nil subsidy to the Council and will seek to generate an income stream.
- that the requirement for affordable and accessible 'pay and play' golf is maintained.
- that investment in the courses and facilities is secured.

1.5 The report seeks approval to undertake a procurement process to seek a delivery partner for the Council's golf offer.

2.0 BACKGROUND AND OVERVIEW

2.1 The Council needs to decide upon a prudent future management and operation option for its courses. It recognises that whilst golf plays a role in encouraging people to exercise and stay fit, it is not a core part of the Council's activities.

2.2 A joint soft market test and procurement exercise was undertaken in 2014 with Cheshire West and Chester Council. It was decided that the golf operation for Wirral would not be outsourced at that time due to a poor supplier response and that a further report would be brought back to Cabinet regarding the future of the Golf offer.

2.3 A number of the historical factors have impacted upon the operation of the service locally which include;

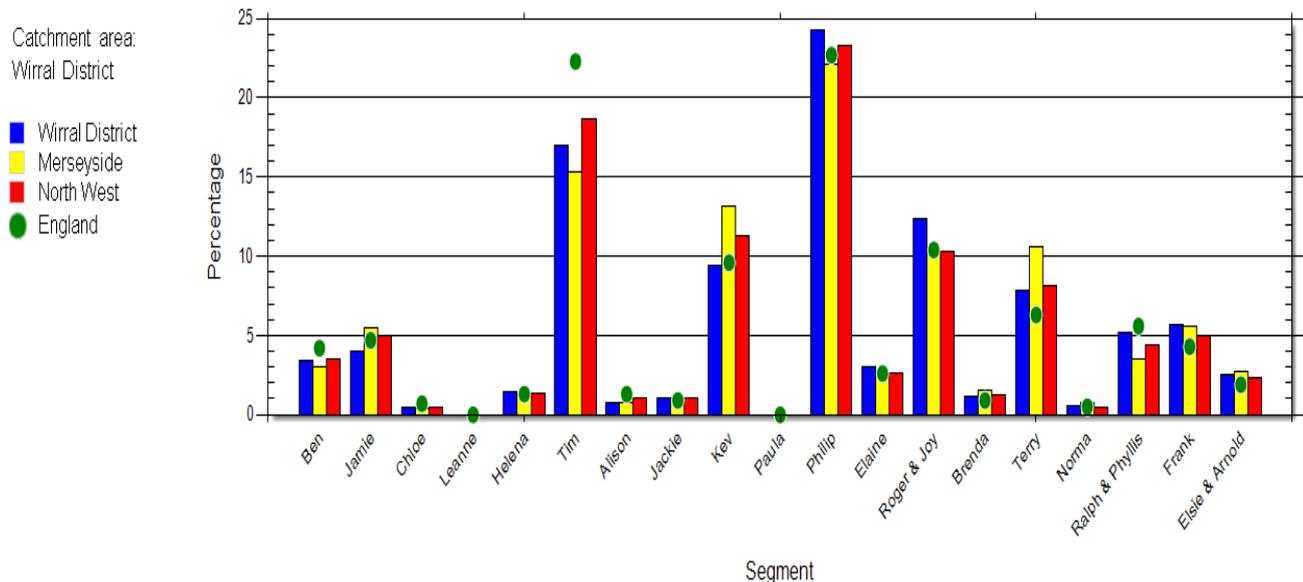
- Condition of the courses and limited planned capital investment
- Lack of harmonisation and standardisation of policies and procedures
- Poor general infra-structure including I.T systems & data management
- Downturn in usage and footfall
- Poor control and management of courses (particularly around access to the courses and course security)
- Limited promotion and marketing

2.4 Throughout the financial year 2014-2015, the Leisure team have been addressing these issues but it has become increasingly evident that there needs to be a radical shift from the current operational arrangements.

3.0 USAGE

3.1 Sport England data from the Active People Survey would indicate that there are a significant number of people within the Wirral who would still like to play golf. The graph below indicates the Wirral percentage population compared to Merseyside, the North West and England.

Population within catchment area wanting to participate in: Golf



The definitions of the predominant groups above are:

- Phillip – Comfortable mid-life males - Mid-life professional, sporty males with older children and more time for themselves - 9% of all adults; 18% of adult men
- Tim – Settling down males - Sporty male professionals, buying a house and settling down with partner - 9% of all adults; 18% of adult men
- Roger and Joy – Early retirement couples - Retired singles or widowers, predominantly female, living in sheltered accommodation - 8% of all adults; 2% of adult men, 14% of adult women

3.2 The table below shows recorded attendance across the facilities over a 5 year period. It highlights both the highest annual recorded attendance (green) and the lowest (pink). It would appear that 2011 was a peak year for golf and 2014 was the lowest recorded which is surprising bearing in mind the Open championship was played at the Royal Liverpool and we would have expected to see a significant upward trend in participation following a global event.

Year	Arrowe	Brackenwood	Hoylake	The Warren	Grand Total
2010	35,841	20,582	22,408	17,139	95,970
2011	38,109	23,077	24,609	26,149	111,944
2012	29,626	15,149	18,466	26,858	90,099
2013	23,831	19,066	18,688	21,558	83,143
2014	22,803	17,415	16,797	17,674	74,689
Total by Course	150,210	95,289	100,968	109,378	455,845

4.0 STAFFING AND RESOURCES

4.1 The grounds maintenance function is controlled and managed through the Parks and Countryside section which recharges their costs on an annual basis.

4.2 The existing structure has a Community Golf Coach at Arrowe Park, a number of Golf 'Professionals' spread across the other sites and a team of patrol officers who are currently managed through the sports development function.

4.3 The current operational arrangements are being reviewed as part of an immediate restructure exercise.

5.0 COMPETITOR ANALYSIS

5.1 Within the Wirral peninsular there are a total of 17 golf courses (10 privately owned) which are a mix of membership and pay and play ranging from the Royal Liverpool in Hoylake, which has hosted the Open Championship through to the municipal courses owned and operated by Wirral Council.

5.2 Currently there are two privately owned driving ranges and a fun/crazy golf course at New Brighton which is owned by Wirral Council, but operated successfully by a private operator on a lease basis.

5.3 The private clubs within the Wirral have a variety of membership packages which range from £1,250.00 per annum to £408.00, and a summer green fee for a single round varies from £240.00 to £10.00.

5.4 Analysis indicates that the municipal courses are the best placed in terms of price and also offer 7 courses (4 courses plus 3 pitch and putt) for the price of one, as well as having the most accessible pricing points for casual usage.

5.5 The current Wirral Council offer is incorporated within the 'Invigor8 Inclusive' membership package and includes gym, swim classes etc. at £34.00 per month or £408.00 per annum.

6.0 FINANCIAL BACKGROUND

6.1 The Council is facing further significant reductions to its net budget and therefore needs to prioritise its areas of spend.

6.2 Leisure has been tasked with reducing its subsidy levels by £1m in 2014-2015 and a further £1.4m in 2015-2016. Savings of this magnitude are not possible without major transformation (service redesign) and or significant increases in revenue streams.

6.3 Each course requires capital investment to respond to issues including:

- Drainage.
- Tee area and green improvement works.
- Club house and golf professional shop.
- Infra-structure and IT.
- Site security.

The total estimated capital investment equates to circa £0.5M.

7.0 OPTIONS AVAILABLE

7.1 This report considers a number of options based upon local and national knowledge, statistical evidence, benchmarking and consultation. The options identified at this stage are:

1. **Service remains in house with operations staying as they currently are** – This option will mean that the risk of the Council's subsidy could increase as investment is required to maintain the existing sites. This option does not meet the principles set out at 1.4.
2. **Service remains in house with operational changes** – This would involve a series of significant changes to the operation to include, implementing a re-structure, improving and investing in the facilities, promoting and marketing over a 3-5 year period allowing time for the sport to grow and develop and capital programmes to reach fruition. Partial outsourcing/leasing of selected areas to include:
 - Shops,
 - Grounds keeping
 - Catering
 - Professional lessons
 - Patrol staff

This option will require potential investment of over £0.5M to improve existing courses, upgrade the infrastructure and improve DDA access. This option does not meet all of the principles set out at 1.4.

3. **Deliver via an alternative model** – Undertake a procurement exercise to identify a delivery partner to provide the Council's golf offer in line with the principles identified at Section 1.4. This option would meet the principles set out at 1.4.
4. **Sell the courses** – and release income from capital receipts. This option would not meet the principles set out in Section 1.4.

8.0 CONSULTATION

8.1 Consultation has been undertaken with a number of golf clubs and societies to discuss fees and charges, condition of courses and the golf operation moving forward.

8.2 Following the initial meeting, managers and officers from Wirral Council have been meeting with club and society representatives on a number of courses on an individual basis to look at the current offer and course condition. At these meetings the clubs have been made aware of this report and that the future operation of golf is being considered.

8.3 The main points from the meetings with clubs are:

- Condition of the greens
- Condition of the tees
- Drainage through the winter
- Communication and engagement
- Junior and club development

8.4 Feedback from these meetings has been shared with colleagues from the Parks and Countryside section.

8.5 The encouraging aspect of these meetings has been that the clubs and societies are keen to work with Wirral Council to ensure the future delivery of golf.

8.6 The management, sports development and operational teams having engaged with clubs and societies are keen to set up a user forum to discuss future management options.

8.7 A user survey has been conducted across all of the courses from during April and May. The highlights from the survey are as follows:

- 43% - Improved security
- 17% - On line booking - want more
- 8% - Increase staffing – want to see
- 6% - Feel drainage needs improving
- 6% - Improve shop and equipment – want to see

8.8 All of the above points will be addressed as part of the review exercise.

9.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

9.1 There are no detrimental impacts on voluntary, community and faith groups. The report does not make any recommendations which would be incompatible with the Voluntary Sector Compact.

9.2 A number of clubs and societies have indicated that they would welcome the opportunity for volunteering opportunities and to work closely with the Council to ensure the sustainability of the facilities.

9.3 Current practice sees clubs being operated from a number of sites on a voluntary basis.

10.0 LEGAL IMPLICATIONS

10.1 The Council has a major role to play in contributing to the promotion and delivery of increased participation in sport and physical activity. However, there is no statutory requirement for the Council to provide any of the facilities or services within the scope of this review. If the Council wish to provide these services, it has extensive powers to do so.

10.2 There may be a number of legal implications to the Council based around the following:

- Planning
- Procurement and contract negotiations
- Leasing and outsourcing
- Contract management and client roles and responsibilities
- HR implications and potential TUPE transfers
- Due Diligence should the operation be delivered by an external partner
- DDA compliance

10.3 Currently the Kings Parade course is on a lease and agreement will need to be reached with the current third party supplier.

11.0 EQUALITIES IMPLICATIONS

11.1 Currently the courses and facilities are not fully DDA compliant and whatever the outcome of the options appraisal, consideration in the future must be given to ensuring that all legal requirements are met.

11.2 Consideration should be given to contacting and developing working relationships with the following organisations to undertake a course by course analysis in terms of accessibility and to promote disability golf:

- The Disabled Golf Association
- England Golf – Disability Golf
- English Blind Golf Association

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no carbon reduction implications for consideration.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 The planning process surrounding the Hoylake Municipal golf course is a stand-alone issue and should not be considered as part of this report.

14.0 RISK

14.1 A risk analysis has been undertaken by officers from Wirral Council and a full breakdown of these can be made available.

15.0 RECOMMENDATIONS

15.1 Cabinet is recommended to agree to Option 3 in Section 7 of the report which is to **Deliver via an alternative model** – Procure a delivery partner to provide the Council's golf offer in line with the principles identified at Section 1.4.

16.0 REASONS FOR RECOMMENDATIONS

16.1 The reason for the preferred option set out in Section 7 is to enable the Council to secure a Golf offer on Wirral which will remove the existing subsidy, generate an income stream, retain affordable and accessible 'pay and play' Golf and secure the future investment in the courses and facilities.

REPORT AUTHOR: Simon Bellamy
telephone: 0151 929 7820 or 07713642021
email: Simonbellamy@wirral.gov.uk