

CABINET

6 FEBRUARY 2018

DEANGATE RIDGE

Portfolio Holder:	Councillor Howard Doe, Deputy Leader and Portfolio Holder for Housing and Community Services
Report from:	Richard Hicks, Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive
Author:	Tomasz Kozlowski, Assistant Director Physical and Cultural Regeneration

Summary

The report sets out a proposal to close Deangate Ridge golf course on the basis of ongoing financial instability.

The report also sets out a proposal to begin detailed planning for the development of a new sports centre on the Hoo Peninsula, which meets the modern needs of residents.

1. Budget and Policy Framework

- 1.1 The provision of leisure services is an executive function, therefore, a decision to reconfigure service provision is a matter for Cabinet, in accordance with the budget and policy framework.
- 1.2 The proposal to close Deangate Ridge Golf Course is consistent with the Council Plan (policy framework) with regards to giving value for money.

2. Background

- 2.1 Deangate Ridge has been a Council-owned golf course for more than 40 years. It is operated in-house by the Sport Leisure, Tourism and Heritage service with all grounds maintenance/course preparation undertaken by Medway Norse.
- 2.2 In addition to the main golf course there is a Par3 course, a driving range, football pitches, tennis courts and an athletics track. The total area is in excess of 180 acres.

- 2.3 Although there is multi-sport provision it is of limited standard with small customer usage. The overwhelming majority of income is derived from the golf course.
- 2.4 Over the past years there has been a national decline in numbers playing golf and the frequency with which golfers play. This is reflected in municipal courses, golf club memberships and Sport England annual participation surveys.
- 2.5 There is an annual net cost to the Council for operating Deangate Ridge. The following are the annual actual total net budget costs for operating Deangate in the past seven completed financial years.

Year	Income (£)	Expenditure (Norse) (£)	Total (£)
2010/11	353,996	512,060 (0)	-158,064
2011/12	381,056	530,678 (0)	-149,622
2012/13	319,300	633,111 (0)	-313,811
2013/14	373,931	638,762 (160,049)	-264,831
2014/15	435,199	631,804 (192,059)	-196,605
2015/16	376,964	653,728 (192,059)	-276,764
2016/17	341,191	544,251 (192,059)	-202,841

- 2.6 While the dry weather of spring and early summer has seen an improvement in income projections for the current financial year, the level of income is still considerably below budget levels.
- 2.7 Given income generated at Deangate currently compared to the running costs of the course and the national decline in golf participation, it is not possible to project a scenario where the annual net cost situation for the Council will improve materially.
- 2.8 A requirement of Medway's ongoing working relationship with Sport England is that an independently-compiled Sports Facilities Strategy needs to be in place. Medway's is currently at draft final report stage.
- 2.9 As part of the strategy the consultants were asked to consider what will be appropriate sports facilities for the peninsula in future years, taking into account Local Plan proposals for the area.
- 2.9.1 The Consultants' report states "Due to falling participation rates in golf, owners and operators finding it increasingly difficult to sustain the operation in the face of falling membership numbers and revenues. There is no evidence of need for increased golf provision in the area. Indeed, the Council should consider the long term sustainability of the golf facilities it operates, in particular Deangate Ridge Golf Course, which operates at a revenue deficit and provides for a relatively small number of members (282). There is a range of alternative affordable provision within and outside the area, with seven courses within a 20 minute drive from Deangate Ridge Golf Course. Many of these offer golf on a pay and play basis, for non-members, at comparable prices to those of Deangate Ridge Golf Course".

3. Options

- 3.1 The future use of the site will need to be considered in line with the emerging Local Plan.
- 3.2 The Council recognises the need for a larger, more modern sports centre on the Hoo Peninsula, which will address the modern needs of residents and reflect the growing population in this area in future years.
- 3.3 Due to physical constraints, a new centre will not be possible on the site of the current centre in Main Road, Hoo, so it will be necessary to identify a new, suitable place as part of the Local Plan development and consultation.
- 3.4 The Bowls Club will be unaffected by the proposal to close the golf course and will continue to operate from its current location.

4. Advice and analysis

- 4.1 Analysis of the annual trading position of Deangate Ridge over past years, together with the decline in the number of golf participants nationally do not indicate a position where the facility will be financially sustainable without substantial ongoing subsidy from the Council.
- 4.2 Given the increasing demands on the Council's annual budget, it is considered a prudent time to consider alternative options which will not require ongoing subsidy by the Council.
- 4.3 At the same time, it is considered an opportune time for Members to consider the need for a new sports centre, which more accurately reflects the needs of residents. As such, officers have started initial work on proposals for a new sports centre, taking into account the needs analysis identified within the recently commissioned Sports Facilities Strategy. Once initial proposals have been developed officers are planning to undertake public consultation to ensure residents' needs are fully considered, the outcome of which will be reported back to Cabinet
- 4.4 Therefore, taking into account the financial situation of the golf facility at Deangate Ridge, and the opportunity to consider a new sports facility, it is recommended that the golf course and associated golf facilities are closed on 31 March 2018. A Diversity Impact Assessment has been carried out on this proposal and is set out in Appendix 1 to the report. The remainder of the sports facilities at Deangate Ridge will remain open.

5. Risk management

- 5.1 Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Staffing	Medway Council will no longer require staff to work at Deangate Ridge	There are vacancies within the Sport Leisure, Tourism and Heritage service, which enable the Council to offer redeployment to staff affected, subject to each individual's suitability for the roles available.	A3
Norse	The number of grounds maintenance staff employed by Norse will be affected by the closure of the course and any subsequent plans for the land	Along with any budgetary implications for the Council associated with the reduced SLA, the reduced requirement from Norse will need to form part of an ongoing discussion.	B3
Golf customers	Golfers will no longer be able to play at Deangate Ridge	There are a number of golf courses in Medway and surrounding areas, which will offer alternative playing options for affected customers.	A3
Site security	A vacant site may attract anti-social behaviour	Discussions are ongoing with Council colleagues to identify the most appropriate method for securing the site pending a decision about its future	A2

6. Consultation

- 6.1 Public consultation will form part of the needs analysis and planning for the proposed new sports centre on the Hoo Peninsula. It is envisaged this will take place at the same time as Local Plan consultation is undertaken.
- 6.2 Working with colleagues in HR, officers will undertake formal consultation with all Council staff affected should Members decide to close the golf course. As outlined in the risk management report above there are vacancies within the Sport Leisure, Tourism and Heritage service to enable the Council to offer redeployment to staff affected, subject to each individual's suitability for the roles available.

7. Financial and legal implications

- 7.1 Based on the 17/18 budget, the following saving of £78,829 is projected to be achieved if the facility were to close.
- 7.2 However, Members are asked to consider that, while the saving based on budget is as above this is forecast on an income target which is not being achieved. Even allowing for what has been a relatively good summer for golf income compared to the past couple of years and there is additional income from return of the catering function to Medway Council the actual shortfall for the current financial year is estimated to be circa £130,000.
- 7.3 This saving is net of the maintenance cost of £7,000 after closure (based on Norse figure). Projected seasonal maintenance is estimated at £25-£30,000 per annum, plus additional costs for security provision to safeguard the site and also future demolition costs for the buildings.
- 7.4 There is an additional income target of £136,000 to meet the £1m, 3 years savings target, agreed at the budget-setting round for in 2015, which will no longer be deliverable if the facility were to close. This would need to be reconsidered during the 18/19 budget setting process.
- 7.5 Any decision to close a facility such as Deangate is likely to generate a degree of public interest and raise the possibility of challenge, however given the financial position it is clearly something that the Council can consider. Additionally there may be claims made around the redeployment of staff, but provided the consultation and other steps are carried out these should not represent a significant risk.
- 7.6 There is no contractual requirement in the membership terms and conditions to provide golf club customers with a set period notice of closure.
- 7.7 A percentage of golf club members pay annually in advance and have expiry dates later than 31 March 2018. They would thus be entitled to a proportionate refund. The total sum of refunds is estimated at less than £2,000.

8. Recommendations

- 8.1 Cabinet is asked to approve the closure of Deangate Ridge Golf Course and associated golf facilities on the basis of ongoing substantial financial loss, which is unsustainable, on 31 March 2018.
- 8.2 Cabinet is asked to instruct officers to begin detailed planning for consultation and development of a new sports centre for the Hoo Peninsula.

9. Suggested reasons for decisions

- 9.1 Currently, there is a need for an annual Council subsidy to operate the facility against a backdrop of a decline in the number of golf participants. On this basis, it is not possible to project a time when the centre will be self-sustaining.
- 9.2 It is the Council's intention to provide a modern sports centre for the Hoo Peninsula, which reflects the needs of present and future residents.

Lead officer contact

Bob Dimond, Head of Sport Leisure, Tourism and Heritage, Gun Wharf, 01634 338238 bob.dimond@medway.gov.uk

Appendices

Appendix 1 – Diversity Impact Assessment

Background papers

None

TITLE Name / description of the issue being assessed	Closure of the golf course at Deangate Ridge and the provision of a new sports centre for the Hoo Peninsula
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DATE Date the DIA is completed	29 January 2018
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LEAD OFFICER Name, title and dept of person responsible for carrying out the DIA.	Bob Dimond, Head of Sport Leisure, Tourism and Heritage
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1 Summary description of the proposed change

- What is the change to policy / service / new project that is being proposed?
- How does it compare with the current situation?

The proposal is to close the golf course at Deangate Ridge and associated facilities on 31 March 2018, on the basis of ongoing financial instability. It is also proposed that the Council begins detailed planning for a new sports centre serving the Hoo Peninsula, which better reflects the modern requirements of residents

2 Summary of evidence used to support this assessment

- Eg: Feedback from consultation, performance information, service user records etc.
- Eg: Comparison of service user profile with Medway Community Profile

Financial performance information, membership information, national participation statistical trends, sports facilities strategy (draft)

3 What is the likely impact of the proposed change?
Is it likely to :

- Adversely impact on one or more of the protected characteristic groups?
- Advance equality of opportunity for one or more of the protected characteristic groups?
- Foster good relations between people who share a protected characteristic and those who don't?

(insert ✓ in one or more boxes)

Protected characteristic groups (Equality Act 2010)	Adverse impact	Advance equality	Foster good relations
Age	✓	✓	
Disability		✓	
Gender reassignment			
Marriage/civil partnership			

Pregnancy/maternity			
Race			
Religion/belief			
Sex		✓	
Sexual orientation			
Other (eg low income groups)			

4 Summary of the likely impacts

- Who will be affected?
- How will they be affected?

Current golf membership analysis demonstrates a high ratio of older males, compared to other age groups. They will lose the opportunity to play golf on a council-run course

5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- What alternative ways can the Council provide the service?
- Are there alternative providers?
- Can demand for services be managed differently?

The Council does not operate any alternative full-size golf courses. However, there are a number of alternative providers within a 20-minute travel radius, as identified through the sports facilities strategy (draft) undertaken by independent consultants in partnership with Sport England.

Golf predominantly attracts male participation, and membership analysis demonstrates a higher proportion of older members compared to those under 25.

The range of activities a new sports centre will be able to offer will attract higher overall numbers of participants, with a higher ratio of women and wider age group participating, compared to golf courses.

Golf is not a sport which is accessible for a number of people with disabilities. A new sports centre will provide greater opportunities for those with disabilities to undertake appropriate sport and physical activity.

The Council offers extensive sport and physical activity opportunities for older people within its sports centres, including free swimming and discounted memberships.

6 Action plan

- Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence

Action	Lead	Deadline or review date
Undertake public consultation on the priorities for inclusion in a new sports centre	Bob Dimond	May 2018

7 Recommendation

The recommendation by the lead officer should be stated below. This may be:

- to proceed with the change, implementing the Action Plan if appropriate
- consider alternatives
- gather further evidence

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

To implement the closure of Deangate Ridge golf course and associated facilities, on 31 March, 2018.

To undertake detailed consultation and planning for the development of a new sports centre for the Hoo Peninsula.

8 Authorisation

The authorising officer is consenting that:

- the recommendation can be implemented
- sufficient evidence has been obtained and appropriate mitigation is planned
- the Action Plan will be incorporated into the relevant Service Plan and monitored

Assistant Director

Date

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC:	phone 2443	email: annamarie.lawrence@medway.gov.uk
C&A (Children's Social Care):	contact your usual P&I contact	
C&A (all other areas):	phone 4013	email: jackie.brown@medway.gov.uk
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