

PERTH AND KINROSS COUNCIL**Executive Sub Committee of the Environment Committee****5 March 2014****NORTH INCH GOLF COURSE****Depute Director (Environment)**

This report appraises options in relation to the North Inch Golf Course. The report recommends that the Council continue to operate the North Inch Golf Course.

1. BACKGROUND / MAIN ISSUES

- 1.1 The North Inch Golf Course is one of the oldest in Scotland, offering a mix of links and parkland golf course. The course is relatively short with a total distance for the 18 holes of 5442 yards off the medal tees, for a par of 68 shots. This together with a relatively flat topography, caters to the beginners, less mobile and golfers with a high golf handicap.
- 1.2 The course is currently owned and operated by the Council as municipal “pay and play” course. The North Inch Golf Course historically offers golf at a very low cost as it is the only municipal course in Perth and Kinross. There are a number of local golf clubs associated with the North Inch, and these act as the core market for the Course. The clubs are represented by North Inch Golf Course User Group.
- 1.3 The course maintenance is undertaken by an appointed fixed-term contractor. The course itself is situated on Common Good Land. At the Perth Common Good Fund Committee of 26 June 2013 (Ref: 13/328) the golf course, as part of the wider North Inch park, was included in the designation as a Queen Elizabeth II Field. The Queen Elizabeth II Fields Challenge was promoted by Fields in Trust (FiT) to celebrate the Diamond Jubilee of Her Majesty Queen Elizabeth in 2012. The main purpose of the designation is to protect areas of open space for public enjoyment in perpetuity, with a view to increasing physical activity, promoting social cohesion and improving the environment.
- 1.4 Perth and Kinross Council, in partnership with SportsScotland and Live Active Leisure, commissioned Torkildsen Barclay, Leisure Consultants, to undertake a local Leisure Needs Analysis in 2010. The content of the analysis was reported to the Lifelong Learning Committee on 31 October 2012 (Ref No. 12/487).
- 1.5 The external evaluation was based on a comprehensive audit of sports and recreation facilities in Perth and Kinross.

- 1.6 The conclusion of the Leisure Needs Analysis (LNA) report was that there is a strong supply of golf facilities in Perth and Kinross. The issue, both locally and nationally, is the continued development of the sport and the introduction and encouragement of younger participants to the sport.
- 1.7 Sport Tayside and Fife believed that Perth and Kinross would benefit from the provision of a dedicated facility for coaching and coach education. The LNA suggested this would include a 9 hole course, the provision of a covered driving range with facilities for changing and meetings, and an indoor coaching room to accommodate swing analysis, indoor sessions etc. This would enable the effective delivery of coaching programmes throughout the year.
- 1.8 The LNA suggested that such a facility may best be provided in partnership with one of the bigger, well established clubs, it also indicated that discussions would need to take place with clubs to identify the practicality and interest in such partnership working.
- 1.9 Beyond this, the LNA said that clubs should be encouraged to develop and improve their facilities, where possible, for Junior Golf.
- 1.10 The LNA went on to say that it is unlikely, given the current level of supply, that further golf course provision will be required. As the only public course, the report stated that the North Inch facility should be retained.
- 1.11 The Scottish Golf Intelligence 2012 National Golf Tourism Monitor highlighted that visitor numbers to golf courses in Scotland for 2012 are down by 2.52%, with revenue falling by only 0.75%.
- 1.12 The decrease in both visitor numbers and members at the North Inch Golf Course, has seen the Council increasingly subsidising memberships and rounds of golf on the course.
- 1.13 In February 2011, a budget saving was accepted for 2013/14 by the Council for the North Inch Golf Course of £88,000, with the intention to review North Inch Golf Course operations.
- 1.14 A presentation was made to the North Inch User Group at a meeting on 16 November 2011, outlining the budget savings required and asking the User Group to consider 7 options, namely:
 - (i) The status quo
 - (ii) Transfer to the private sector
 - (iii) Transfer to Live Active Leisure (LAL)
 - (iv) Partnership arrangement with a Links Trust
 - (v) Transfer to the Fife Golf Trust
 - (vi) Closure
 - (vii) Reduction to 9 holes.

- 1.15 The meeting sought the views of the Group on the options which should be explored further. A further meeting was held on 11 January 2012 with LAL and members of the User Group. Whilst there was an interest from a number of members of the Royal Perth Golfing Society to form a Links Trust, any such Trust would be likely to require on-going financial support from the Council before being willing to take on responsibility for the golf course. For example Fife Council confirmed a £700,000 investment in 2012 to the Fife Golf Trust to carry out a number of major improvements to the golf courses managed by the Trust.
- 1.16 That option was therefore not considered to be feasible and there was little sign that the Group were willing to translate this interest into a fully costed and workable business proposal. The Group viewed the transfer to LAL as the only realistic option.
- 1.17 Following the meeting, LAL confirmed their willingness to work with the Council to put forward a proposal for the future management of the golf course.
- 1.18 Through these discussions, LAL confirmed that it did not consider that realising a saving of £88,000 on the current budget was a viable option. It would be prepared, if requested, to put in an initial bid to take on the golf course from the Council but a continuing financial input from the Council would be required, certainly over the short to medium term.
- 1.19 A meeting was held in November 2012 with local elected members and LAL to outline the Proposal for Partnership.
- 1.20 Following a particularly wet summer in 2012, LAL requested the membership numbers, usage and income levels for the North Inch Golf Course for the period 2012/13.
- 1.21 The review was temporarily put on hold until the budget settlements for both the Council and LAL were known in February 2013. In light of the views previously expressed by both LAL and the Council that they could not operate the golf course if the £88,000 saving was taken, the saving was reinstated in February 2013 by Council, with the intention to continue to pursue options for the golf course.
- 1.22 Following the budget settlement in February 2013, the review process was restarted. Upon reviewing the performance of the golf course in 2012/13, taking account of trends both locally and nationally in recent years, LAL revised their projections contained in the Proposal for Partnership.
- 1.23 The Proposal for Partnership provided a summarised overview of how LAL would prepare for, and manage, the operation of the North Inch Golf Course, with particular emphasis on attracting and managing use by the community and visitors. The golf course would remain in Council ownership.

- 1.24 However, LAL indicated that they did not have the expertise to specify and manage the maintenance contract. Therefore, for the period of the Proposal for Partnership, the Council would retain management of the maintenance contract and seek opportunities to reduce maintenance costs. These reductions could be achieved by revising the contract specification. LAL would manage the playing and promotion elements of the golf course operation.
- 1.25 Following a report to the LAL Board in early December 2013, it was determined that, in light of current and potentially future financial pressures and challenges being faced by the Company, the Directors felt unable at this time to commit the Company to taking on further risk exposure. There was still a genuine desire to provide sporting services such as the North Inch Golf Course.
- 1.26 Therefore, the Directors have decided that they must defer any decision on the North Inch Golf Course until greater clarity on the financial horizon exists. It is therefore highly unlikely that the Company can review this position for the 2014/15 Financial Year unless an entirely risk free solution could be found.
- 1.27 Therefore, the Council had to review its position in regard to the future of the North Inch Golf Course.
- 1.28 The impetus to reach a conclusion on the future of the North Inch Golf Course is influenced by the Ryder Cup being held at the Gleneagles Hotel in September 2014. With the Council's focus on celebrating both this event, and the golfing opportunities in Perth and Kinross, it would be a positive message to confirm the future direction of the North Inch Golf Course.
- 1.29 The remaining options for the North Inch Golf Course are:-
- Council retain the golf course
 - Closure of the golf course
 - Reduction to 9 holes and reversion of remainder to parkland
 - Continue to work with LAL to develop the potential plan for their future running of the golf course.

2. PROPOSALS

- 2.1 Realistically, the retention of the golf course by the Council is the only feasible option at the moment.
- 2.2 It is therefore proposed that the Council retain the operation of the North Inch Golf Course for up to a period of 24 months, and review the performance of the course after 18 months of operation. This will allow a future analysis of the remaining options as outlined in paragraph 1.29.
- 2.3 In order to reduce the maintenance pressures, a list of required maintenance items and improvements have been drawn together in conjunction with the North Inch Golf Course User Group. At the Council meeting on 13 February 2014 it was agreed to invest £25,000 per annum in the North Inch Golf Course in financial years 2014/15 and 2015/16. The proposed maintenance and entrance improvements can be seen in Appendix 1.

2.4 The Marketing Plan for the course can be seen in Appendix 2, with the revised pricing Schedule shown in Appendix 3.

3. CONCLUSIONS AND RECOMMENDATIONS

3.1 Based on the information provided in this report, Executive Sub-Committee of The Environment Committee is asked to agree to:

- (i) The Council retaining and operating the North Inch Golf Course from 1 April 2014 – 31 March 2016.
- (ii) Review the operation of the North Inch Golf Course after 18 months and bring forward a report to the Environment Committee.

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	Yes
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
Assessments	Not relevant
Equality Impact Assessment	Not relevant
Strategic Environmental Assessment	Not relevant
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	Yes
Consultation	Yes
Internal	Yes
External	Yes
Communication	Yes
Communications Plan	Yes

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement by supporting people to lead independent, healthy and active lives and creating a safe and sustainable place for future generations.

Corporate Plan

- 1.2 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:
- i) Giving every child the best start in life
 - ii) Developing educated, responsible and informed citizens
 - iii) Promoting a prosperous, inclusive and sustainable economy
 - iv) Supporting people to lead independent, healthy and active lives
 - v) Creating a safe and sustainable place for future generations.
- 1.3 This report relates to (iii), (iv) and (v) above.

2. Resource Implications

Financial

- 2.1 The Council's approved net budget for the North Inch Golf Course 2013/14 is £118,000.
- 2.2 The preferred option is for the Council to retain and operate the North Inch Golf Course. Maintenance and entrance improvements will be funded by the Council's decision to invest £25,000 per annum in the North Inch Golf Course in financial years 2014/15 and 2015/16.
- 2.3 The costs for creation of a dedicated post will be met by commensurate reductions in less essential maintenance activities.

Workforce

- 2.4 A 23 month Golf Course Officer Post will be created within the Waste Services and Community Greenspace team. The seasonal Golf Ranger's job descriptions will require amendments to reflect the additional duties proposed in the report.

Asset Management (land, property, IT)

- 2.5 The proposals in this report do not have land and property implications as the report recommends that the Council continue to operate the North Inch Golf Course.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
 - (i) Assessed as **relevant** for the purposes of EqIA, with a positive impact, that retention of the North Inch Golf Course supports less mobile golfers, due to the Course's relatively short distance and flat topography.

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.4 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.5 The proposals have been assessed in terms of the requirements to manage the Council's Greenspace assets in a sustainable long term way.

Legal and Governance

- 3.6 The Head of Legal Services has been consulted.

Risk

- 3.7 There are significant reputational risks to the Council particularly if the closure option was the chosen option.

4. Consultation

Internal

- 4.1 The Head of Finance, Head of Democratic Services, Head of Legal Services, Head of Cultural & Community Services and local elected members have been consulted in the development of the proposals and the preparation of the report.
- 4.2 The feedback from the Head of Finance, Head of Legal Services and the Head of Cultural & Community Services are covered in the relevant sections above.

External

- 4.3 The North Inch User Group have been consulted on the ongoing options for the golf course.

5. Communication

- 5.1 The proposals will be communicated to the North Inch Golf Clubs and Users. One of the first task for the Golf Course Officer will be to implement a marketing plan for the North Inch Golf Course.

2. BACKGROUND PAPERS

There are no background papers related to this report.

3. APPENDICES

- Appendix 1 – Maintenance Improvements
- Appendix 2 – Marketing Plan
- Appendix 3 – Pricing Schedule

North Inch Golf Course Budget Proposals 2014/15 & 2015/16				
Proposed Maintenance Improvements		Costs	Costs	TOTAL
		2014/15	2015/16	
1	Dredge burn	£10,000.00	£10,000.00	
2	Artificial tee replacement	£7,000.00		
3	Entrance and path to Starter's Hut		£8,000.00	
4	Additions to the maintenance contract (drainage and repair works)	£8,000.00	£7,000.00	
Total		£25,000.00	£25,000.00	£50,000.00

Marketing Plan

North Inch Golf Course

Promotion

- **Articles in Council newsletters**
- **Utilise social media such as Facebook and twitter to promote the course through the regular provision of news and information**
- **Advertising in local newspapers and radio**
- **Review and regularly update Council web pages relating to the golf course**
- **Install an online booking system**
- **Link with Golf Perthshire initiative**

People

- **Promote and encourage junior golf in conjunction with colleagues in Educations and Children's Services**
- **Introduce reserved sessions for beginners, ladies and families**
- **Create an active volunteer programme to help with maintenance, with rewards introduced for existing and new members e.g. 3 hours of approved volunteering results in a free round of golf**
- **Come and try days/sessions**
- **Regular meetings set up and held with the User Group and wider golf club membership**
- **Investigate opportunities for training in golf course management in partnership with local colleges.**

Packages

- **Investigate links with other courses through the Perthshire Golf Forum**
- **Investigate possible stay and play deals with local hotels and other accommodation providers**

- **Negotiate more formal links with Live Active Leisure for food and play combinations/use of facilities.**
- **Explore the potential of specific Ryder Cup marketing.**

Pricing

- **Review pricing options, packages and special deals.**
- **Reserved sessions for beginners, ladies and families arranged at a reduced price.**
- **Instalment payment plans put in place via direct debit to ease the initial outlay**
- **For members who renew season tickets for the second year, a guarantee of no price increase for 2015/16**
- **Dependent on weather and course conditions reduced tariffs may be introduced. A 20% discount would be applied to day ticket prices to encourage usage.**
- **Part of the suggested increases (particularly with regard to seniors) is to narrow the gap between adults and seniors pricing and to bring the age category in to line with other clubs and normal practice.**

Environment

- **Pursue GEO certification, which is Golf's International eco label award, through the Golf Environment Organisation.**

External Funding

- **Pursue applications for external grant funding to contribute towards specific projects where applicable. For example the Scottish Golf Union GreenDrive funding for certain projects in Ryder Cup year.**

North Inch Golf Course Pricing Schedule

Ticket Type					
Seasons	Current cost		Proposed		Comment
Adult Season	£250		£275		
Senior (60+)	£150		£165		Increase to 65+
Concession	£150		£165		
Junior (17 & under)	£57		£20		Increase to under 18
Day Tickets	week	w/end	week	w/end	
Adult	£20	£24	£14	£20	
Senior	£11	£19	£10	£14	
Concession	£11	£19	£10	£14	
Junior	£7	£8	£5	£5	
Family (1 adults + 2 juniors after 2pm)	£24	£30	£20	£20	Change to (2 adults + 2 juniors after 2pm)
New Tariffs					
Twilight			£10		After 6pm
Guest			£10		
Competitions			£10		Non members

