

South Ayrshire Council

**Report by Depute Chief Executive and Director - People
to Leadership Panel
of 17 September 2019**

Subject: The Development of a Golf Academy

1. Purpose

1.1 The purpose of this report is to update the Leadership Panel on the proposed development of a Golf Academy at Belleisle.

2. Recommendation

2.1 It is recommended that the Panel:

2.1.1 notes that a business plan has been received from the Ayrshire Golf Trust and based on the information it contains, a Golf Academy is deemed to be viable subject to support from South Ayrshire Council;

2.1.2 notes that the proposed layout involves the development of two new holes on Common Good land and agrees that officers should now undertake the necessary work to progress a petition to the sheriff following consultation in line with the Community Empowerment (Scotland) Act 2015 and a decision thereafter by the Leadership Panel to refer the matter to the sheriff ;

2.1.3 confirms if the costs outlined at paras 6.2 and 6.4 should be included in a future budget; and

2.1.4 agrees that the request from the Ayrshire Golf Trust for £200,000 be considered as part of the proposed report allocating the VAT rebate monies to Leadership Panel in October 2019.

3. Background

3.1 A report was considered by Leadership Panel on 13 February 2018. This set out the proposal to locate the Golf Academy within Belleisle Park and Seafield Golf Course with consequential relocation of holes from Seafield onto the Old Racecourse. It provided information on the outcome of public consultation on the proposals. Based on consultation findings, some modifications to the layout were proposed. The report noted that there was no anticipated cost to South Ayrshire Council in the construction of the proposed Golf Academy and operation of the Golf Academy was anticipated to be cost neutral. The Leadership Panel decided:

- to agree in principle with the preferred location within Belleisle Park identified for the Golf Development Academy; and
- to request that the Ayrshire Golf Trust submit their finalised proposals and Business Plan which would form the basis of a report to the Panel for consideration in May 2018.

3.2 A further report was considered by Leadership Panel on 18 September 2018 providing an update on progress with the development of a Golf Academy. The Leadership Panel decided:

- to note the ongoing work to refine the draft business plan with relevant officers;
- to note the specific work now being done to crystallise the implications for the Council of the preferred location at Belleisle Park and the Old Racecourse and that a report detailing these would be reported to Leadership Panel in November 2018; and
- to agree that the Ayrshire Golf Trust could apply for capital funding without prejudice to the Council.

4. Proposals

4.1 Officers have continued to liaise with the Ayrshire Golf Trust on the proposed development. The Ayrshire Golf Trust has provided a business plan for the Golf Academy (see [Appendix 1](#)) and there has been detailed discussion on this with officers throughout the past 12 months. Some information within the business plan is commercially sensitive and its publication would be prejudicial to commercial negotiations. The attached copy therefore has detailed financial information redacted. Officers are satisfied that the business plan is robust; a comprehensive market assessment has been undertaken, management and operational considerations have been carefully assessed, project costs appear realistic and a sensitivity analysis has been carried out. Although it is not possible to be certain on uptake and future demand for golf products, based on current information and the estimated expenditure and income figures developed by Ayrshire Golf Trust, the proposal for a Golf Academy looks viable.

4.2 The Trust consulted on draft layout plans and based on feedback received, they amended the detailed layout. The proposed layout involves the development of two new holes at Seafield Course. These new holes will be on Common Good land and will displace some of the pitch capacity at the Old Racecourse. The development of a Golf Academy is anticipated to further strengthen the golf offering in South Ayrshire and thus there is merit in amending the leisure use of a portion of this Common Good land from sports pitches to golf. Some opposition to this proposal is anticipated. A petition to the sheriff is proposed to amend usage and Leadership Panel is invited to agree that officers should work with the Ayrshire Golf Trust to progress this.

4.3 There is a general requirement from Sport Scotland that overall pitch capacity will be retained even where pitch usage is below capacity. It is anticipated that the pitches displaced at the Old Racecourse will be substantially offset by new pitch provision at the Ayr Academy and Queen Margaret Academy complexes. Once a layout is finalised and it is clear what pitch retention at the Old Racecourse is

practicable, further discussions will be progressed with Sport Scotland to ensure that we are satisfying their requirements on pitch provision.

- 4.4 The February 2018 Leadership Panel report noted that the Council was not expected to contribute to the construction or the operating costs of the Golf Academy. The operation of the Golf Academy is largely automated but some reception support may be required and it is anticipated that this can be absorbed by the front of house team at Belleisle Clubhouse. However, there is an assumption within the business case that the Council will provide in-kind support in terms of maintaining the grounds of the Golf Academy. This is estimated to require a maximum of 0.8FTE grounds maintenance input and approximately £2,500 of fertilisers and related products annually. The estimated cost of this is £21,000 per annum. There is not currently provision for this within the Golf and Facilities budget and will require a resource demand to be brought forward as part of the budget process.
- 4.5 The Ayrshire Golf Trust are pursuing capital funding through Sport Scotland and through a local sports trust and they are in discussion with the Royal and Ancient in relation to their Development Fund. Sport Scotland funding and funding from the trust are anticipated to be in the order of £100,000 each but are expected to be contingent on the Council contributing a similar sum. Ayrshire Golf Trust have requested that consideration be given to a development contribution towards the Golf Academy of £100,000 and a sum of £100,000 as a contribution towards the cost of the replacement holes at the Old Racecourse from the VAT rebate monies.
- 4.6 If the decision is to proceed with the development of the Golf Academy then there will be a sequencing issues to agree in relation to the two new holes to be developed as part of the Seafield Course. The new holes would need to be established and bedded in before the old holes were removed so that there is continuity of an 18 hole golf course throughout. Discussions with Ayrshire Golf Trust on this point have been positive.

5. Legal and Procurement Implications

- 5.1 Legal services would be closely involved in the process to petition the sheriff in relation to the Common Good land following the public consultation required by the Community Empowerment (Scotland) Act 2015 and a decision by the Leadership Panel to refer the matter to the Sheriff. Ultimately, it will be for a sheriff to determine whether the leisure usage should be amended from a football pitch to holes on a golf course.
- 5.2 There are no procurement implications immediately arising from this report.

6. Financial Implications

- 6.1 The capital costs for the development of the Golf Academy to be met by the Ayrshire Golf Trust are anticipated to be between £410,000 to £465,000 plus the costs of replacing holes for the Seafield Course. Ayrshire Golf Trust has requested a contribution of £100,000 towards development costs and a further £100,000 towards the costs of replacing the holes for the Seafield Course from the VAT rebate monies ring-fenced for sport and leisure use.
- 6.2 In addition to this request for development money, there is also an assumption of on-going revenue support for grounds maintenance of the Golf Academy once established which is anticipated to cost a maximum of £21,000 per annum. There

is no provision for this within existing budgets and would require a resource demand to be considered as part of the budget process. This is likely to be in 2021/22 given the lead in times for the development of the Golf Academy.

6.3 There will be officer time involved in petitioning the court which is a form of in-kind contribution from South Ayrshire Council.

6.4 Depending on final layout, improved landscaping and path networks may be required at Belleisle Park for which there is no current provision. Any landscaping costs to be met as a consequence of the development of the Golf Academy would need to be met by the Ayrshire Golf Trust or the Council.

7. Human Resources Implications

7.1 There are no human resource implications immediately arising from this report but, if the Golf Academy proceeds, then there would be a requirement in the future to create a post to maintain the greens anticipated to be a maximum of 0.8 FTE.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 The business plan is based on current information and trends but there is a risk that demand for golf significantly downturns in the future and thus that viability of the Golf Academy is compromised.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 There is a risk that rejecting the recommendations reduces the likelihood of a Golf Academy being developed in South Ayrshire which could adversely affect the number of people and particularly young people taking up the game of golf and the opportunity is missed to strengthen the Council's golf offering.

9. Equalities

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 2](#).

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to the Council strategic objective 'Enhancing the Environment through Social, Cultural and Economic Activities' and within that to the outcome 'We will provide high quality, attractive and accessible open spaces that meet the needs of communities'.

13. Results of Consultation

- 13.1 Consultation has taken place with Councillor Brian McGinley, Portfolio Holder for Economy and Culture, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Depute Chief Executive and Director – People will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Liaise with legal colleagues and the Ayrshire Golf Trust to consult on the use of Common Good land and after a decision by the Leadership Panel in favour of proceeding to petition the sheriff	31 March 2020	Service Lead – Community Services and Facilities

Background Papers **Report to Leadership Panel of 13 February 2018 - [Golf Development Academy](#)**

Report to Leadership Panel of 18 September 2018 – [Progress with the Development of a Golf Academy](#)

Report to Leadership Panel of 14 May 2019 - [VAT Recoveries](#)

Person to Contact **Claire Monaghan, Service Lead – Community Services and Facilities**
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612757
E-mail claire.monaghan@south-ayrshire.gov.uk

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