

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Executive
<b>Date of Meeting:</b>	20 March 2024
<b>Subject:</b>	Cooper's Edge Sports Facility Lease
<b>Report of:</b>	Interim Head of Service: Asset Management
<b>Head of Service/Director:</b>	Director: Corporate Resources
<b>Lead Member:</b>	Lead Member for Finance and Asset Management
<b>Number of Appendices:</b>	1

## **Executive Summary:**

The Borough Council has recently adopted playing pitches and changing facilities at Cooper's Edge, Brockworth. The facilities comprise of two natural turf area for football pitches, two Multi Use Games Areas (MUGAs), a changing pavilion and parking. In order to ensure that the facilities are made available to the public and to limit the expenditure and liability of the Borough Council, it is proposed to lease the facilities to a club or community group for 25 years.

In order to expedite the process, Officers have conducted a best value tender exercise to recommend the tender be awarded to the preferred bidder who demonstrated a viable business case for maintaining the asset for the S106 grant. In addition, they demonstrated how they actively promote football to the sectors of the local and wider community on the site whilst maintaining the public open space status.

The proposed disposal has been advertised in accordance with statutory requirements under section 123 of the local government act.

## **Recommendation:**

**To APPROVE the lease of the land and facilities on the plan appended to this report to the preferred bidder and AGREE that the management contract be coterminous with the lease agreement, subject to an independent valuer agreeing the tender represents best value.**

## **Financial Implications:**

The land and building have been adopted by the Council in accordance with the planning obligation. In addition to the asset, the developer has passed a sum of £406,278.76 for Public Open Space 1 to the Council to be partially used to maintain the facility over a fifteen year period. £108,000 of this commuted sum will be passed to the sports operator for the maintenance of the sports facility.

Estimates of annual net expenditure suggest that this facility would add to the budgetary deficit facing the council even after accounting for the commuted sum of £17,680

**Legal Implications:**

The Council has a general obligation under s123 of the Local Government Act 1972 to ensure that it obtains best rent for any land it lets for a term of more than seven years.

The Council has a further obligation under s123 (2A) of the Act to advertise any proposed disposal of public open space (as described in the report) and to consider objections to the proposed disposal. Whilst the Council's duty under this section is to consider objections insofar as they relate to the use of the land for public open space purposes (i.e. public recreation), the Council has a general duty to act reasonably so should bear in mind representations which do not directly relate to public open space provision.

The Council's procurement provisions are contained within the report.

**Environmental and Sustainability Implications:**

The preferred bidder is required to have an Environment and Sustainability policy and are currently committed to reduce waste and energy across all its venues

**Resource Implications (including impact on equalities):**

The facility is managed and operated by a local sports group with objectives of inclusion will give an offering that the Council is unable to resource. There will be an inclusivity clause within the preferred operator's management contract.

**Safeguarding Implications:**

The club has a safeguarding policy as part of the affiliation to the Football Association

**Impact on the Customer:**

If the proposal is not agreed the offering of the community benefit from the club and this facility will be greatly reduced

**1.0 INTRODUCTION**

**1.1** In 2005 planning permission was approved for the development of the Land South of Junction 11A of the M5 at the foot of Coopers Hill. A requirement of that planning consent was the for the development of changing rooms and playing pitches.

**1.2** The Coopers Edge sports facility site, is located to the northern end of the development and to the east of Gloucester Business Park, comprises:

- 2 football pitches
- 2 MUGAs
- 1 changing rooms building
- 1 car park

**1.3** The changing room has a footprint of approximately 1528 sq.ft and includes the provision of four team changing rooms including showers, match official changing rooms, toilets, kitchen and an equipment store.

1.4 The application was approved and formed part of the overall requirements for the development which also included a commuted sum of £108,000, index linked, to maintain the facilities including the pavilion over a 15 year period, the provision of public open space and play area provision. The Council has adopted the on-site facilities in accordance with the s106.

**2.0 SPORTS FACILITIES**

2.1 The development is complete and the requirement for the playing pitches and construction of the changing pavilion has been discharged. The transfer of the sporting facilities to the Borough Council took place in February 2024 following inspection of the site and confirmation that the facilities had been constructed to an adoptable standard

2.2 In order to make the facilities available on an ongoing basis to the public, it would be necessary for the Council to make monetary provision in its base budget to cover the costs of running the building, maintenance of the building and maintenance of the playing pitches. Although some of these costs could be offset against income from hire of the facilities and there is a commuted sum available for the first 15 years of operation to assist with maintenance costs, it is envisaged that there would likely be a net deficit against the facility initially and increasing over the lifespan of the facility. An estimate of the potential annual net revenue position and over a 25 year period is shown below:

Table 1

<b>Cost Heading</b>	<b>Annual estimate</b>	<b>25 year estimate</b>
Caretaker	£6,050	£151,250
Utilities	£3,300	£82,500
Building maintenance	£8,800	£220,000
Pitch maintenance	£5,500	£137,500
Asset maintenance sinking fund	£1,650	£41,250
<b>Total gross expenditure</b>	<b>£25,300</b>	<b>£632,500</b>
Income from pitch rental	-£3,300	-£82,500
Committed sum release (15 year only)	-£4,320	-£108,000
<b>Total gross income</b>	<b>-£7,620</b>	<b>-£190,500</b>
<b>Net Expenditure</b>	<b>£17,680</b>	<b>£442,000</b>

2.3 The Council continues to face considerable reductions to public spending and any increase in cost to its net budget needs careful consideration. In relation to sporting facilities, the Council has taken a role of enablement in recent years rather than direct provision as they are deemed a discretionary service. For example, the provision of the new Leisure Centre in Tewkesbury has been outsourced since 2016 and the sports facility at Cold Pool Lane, successfully operated by FC Lakeside. With this in mind, it is recommended that the Council seek partners to provide an alternative service delivery model rather than considering direct provision.

- 2.4** In addition to the financial reason to seek a third party operator, there are a number of reasons why the running of the facility at a local level is the preferred option. These include:
- Provide local management – in line with localism agenda
  - Link with local community
  - The opportunity to engage the community and develop sport at a more local level
  - The ability to attract external finance to further develop the facilities
  - The opportunity to engage the community and develop sport at a more local level

**2.5** The financial argument and the community benefit of the proposed transfer of these facilities has been widely acknowledged since the planning permission was granted and as a result there has been a long-held expectation within the community that local organisations would have a chance to manage these facilities on an ongoing basis.

### **3.0 TENDER EXERCISE**

**3.1** In order for the Council to be assured that it is getting best value and the best option for community sport, it is necessary to carry out an open tender exercise in line with Public Contract Regulations 2015.

**3.2** An open, outcome-based specification was provided to bidders in terms of how community sport is provided so that organisations could detail how they would meet the outcomes required within their bids. There is a detailed requirement in respect of the maintenance of the land and property asset as the Council will require a full repairing lease over a minimum of a twenty-five-year period.

**3.3** Given the full repairing lease requirement, and that running costs were likely to exceed income on the facility, it was therefore assumed the lease would be on a peppercorn rental. Organisations were expected, however, to demonstrate any added value they can bring to the facility and how that may benefit the Council in the longer term. The main element of the assessment was focused on the sustainable business case and community sporting offer of each bidder.

**3.4** The formal tender process has already taken place and the contract and lease has been awarded to Barnwood United AFC. A proactive approach with the tender process was taken so that the facility can begin to benefit the community as early as possible after the legal transfer to the Council, given the history delays. Barnwood Utd AFC presented a well thought-out, professional, clear and concise business plan that detailed current finances and membership, as well as sustainable plans for the use of the facility. They also portrayed a passion for the impact the new facility could have for their club and also the community. They recognised the importance of community engagement and relationship building as a form of promotion, as well as partnership working.

### **4.0 CONSULTATION**

**4.1** The land associated with the sporting facilities is categorised as Public Open Space. In this respect, the Council has complied with its statutory duty (under the Local Government Act 1972) by advertising its intention to dispose of land consisting or forming part of an open space in the local press on two occasions for two consecutive weeks.

**4.2** Although a community organisation would manage the facility, the land would still be deemed Public Open Space and therefore remain open for public use, such as dog walking and general recreation.

**5.0 ASSOCIATED RISKS**

**5.1** There is a risk that preferred bidder cease to be financially viable or do not keep the facility in good repair. Tewkesbury Borough Council will monitor the contract on an annual basis.

**6.0 MONITORING**

**6.1** The contract conditions are monitored through the outcomes by the Asset Team who will meet annually with the preferred bidder's representatives.

**7.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES**

**7.1** None

---

**Background Papers:** None

**Contact Officer:** Interim Head of Service: Asset Management  
becca.garle@tewkesbury.gov.uk

**Appendices:** 1. Site plan