


MELTON SPORTS VILLAGE CLUB REPORT – Update report for Communities & Social Affairs Committee 21st June 2017.

Name of Club	Melton Town Football Club
Status – Agreement/Lease	Lease 21 Years
Terms – Rental/Lease Agreement	<p>The lease was completed on 18 February 2016.</p> <p>The Heads of Terms were agreed with the Football Club and refer to the rent as £2,000.</p> <p>There was never any suggestion that there would be a rent free period</p>
Current Use	Full Football Pitch with 100 seater stand.
Current Position	<p>Melton Town Football Club is a constituted club registered with the Football Association (FA), they play in the United Counties League which is the 6th tier of English Football</p> <p>The club have been playing on site since May 2016</p> <p>Their current base is their first team squad; they have no reserve side or team at this current moment in time.</p> <p>Their primary sources of income will be sponsorship and gate money. At this level of football players do not pay subscriptions.</p>
Current issues	<p>The club was established in 2004 in its current form</p> <p>Since 2004 the club has struggled to find a permanent home until relocating to Melton Sports Village as part of phase 1 of the longer term Melton Leisure Vision.</p> <p>There are no financial reserves and there is no access to ongoing revenue streams such as bar income or subscriptions from youth football. Consequently with additional expenditure incurred this year the club have stated that they are struggling to pay the £2,000.00 rent and will struggle to do so until the new facilities have been fully developed.</p>
Points of discussion	<p>One of the key benefits of working with Melton Town Football Club is that for teams playing at step 6 and above there is likely to be significant grant funding available to help with stadium development.</p> <p>It is anticipated that when the facility is fully developed the following issues will contribute to the success of Melton Town</p>

	<p>Football Club</p> <ul style="list-style-type: none"> • Bar management arrangements renegotiated • Stadium availability evening and daytime 7 days a week • Additional income streams such as youth academy, women's football, etc. • Greater access to sponsorship <p>We understand that a 21 year lease is unlikely to be sufficient for major grant applications. In view of this we have been pursuing a deed of surrender for the existing 21 year lease and a replacement with a 25 year lease. To date this has not happened and has led to request for waiver of the rent.</p> <p>The football foundation will support clubs to meet the requirements of step 6 of the FA pyramid (united counties league) up to a maximum of 100k.</p> <p>Our applications are broken down into 2 tranches. (£50k each)</p> <p>Tranche 1 -has been fully paid except for the final 5% which we are currently chasing following submission of the documents required.</p> <p>Tranche 2- the application and supporting evidence has already been submitted however can only be assessed once tranche 1 has been signed off.</p> <p>Although we are not aware of any deadline dates we are keen to get this signed off as soon as possible.</p> <p>The Football club have also advised that some of the work has been undertaken by them, which has avoided expenditure for the council. This has been confirmed as £2.6K during 2016/17 and members are asked to note that this would cover the rent payable for this period.</p> <p>A verbal update on the progress of the Business Plan will be given at the meeting.</p>
Key Decisions	<ol style="list-style-type: none"> 1. Request to waive rent for 2 years (2017/2018 & 2018/2019), 2. Members to note that as part of any new development it will be necessary to renegotiate terms based on new facilities

Name of Club	Melton Mowbray Rugby Football Club
Status – Agreement/Lease	Agreement
Terms – Rental/Lease Agreement	50yrs ends 25 th March 2046
Current Use	See attached Map
Current Position	<p>Melton Mowbray Rugby Football Club is a constituted club registered with the Rugby Football Union (RFU),</p> <p>They currently play at step 6 of the league system (step 5 and above is considered semi professional)</p> <p>Their current membership base is circa 460 members this is broken down as:</p> <ul style="list-style-type: none"> • Senior players 80 • Mini junior players 220 • Social & VP 160 <p>The club currently does not have a business plan and have not submitted any accounts but have reported that they generally hover around the break-even position on a year to year basis.</p> <p>The club currently has exclusive right to income from the existing bar area.</p>
Current issues	<p>The club is well established.</p> <p>An in principle agreement (which includes recognition of capital investment by the club in 1996) had been reached over the immediate financial arrangements (Covering up to development of new facilities), subject to clarifying utility costs which are still outstanding. This recognises the in principle agreement with LCC negotiated by the Rugby club in 2012. At the present time (13th June 2017) the utilities figure has not been agreed and the Rugby Club are yet to finalise an agreement with the Council.</p> <p>In terms of financial implications upon the site they expect to be no worse off financially.</p> <p>Upon Discussion with the club the following core requirements were raised:</p> <ol style="list-style-type: none"> 1. The club keeps its own identity- Own bar area Noted – Not an issue for next 2 years. Beyond that will need to be part of the wider discussions once the new facilities are in place, e.g. a dedicated room has been discussed.

	<p>2. They currently have the sole right to run bar on site- they retain their current income from the bar moving forward We recognise that the historic yield needs to be recognised as part of the new agreement.</p> <p>3. Their playing facilities and pitch area is the same or greater Not an issue for the next 2 years although what they have is greater than covered in the original agreement. Beyond that will need to be part of the wider discussions once the new facilities are in place</p> <p>4. Floodlight training area and times are provided Not an issue for the next 2 years although what they have is not covered in the original agreement (we may need to have a discussion during the next 2 years regarding this area). Beyond that will need to be part of the wider discussions once the new facilities are in place</p> <p>5. They can continue to gain sponsorship through the sale of advertising boards. Not an issue in the next 2 years.</p> <p>7. A correct viable long-term rent is agreed before the project is started Agreement in principle as described above for next 2 years. Beyond this the rent will need to be renegotiated.</p> <p>8. They will be part of the management committee of the site The Rugby Club will be a key stakeholder as part of the clubs management committee.</p>
Points of discussion	<p>The position over the utility costs needs to be agreed</p> <p>The Rugby club will need to be more transparent eg sharing of account details.</p>
Key Decision	<ol style="list-style-type: none"> 1. To note that we still have to agree the rental amount due from the rugby club for 2016/2017 & 2017/2018 2. Members to note that as part of any new development it will be necessary to renegotiate terms based on new facilities 3. To note the responses to each of the points 1-8 outlined above.

Name of Club	Melton Mowbray Tennis Club
Status – Agreement/Lease	Service Level Agreement
Terms – Rental/Lease Agreement	1 Year
Current Use	See attached Map
Current Position	<p>Melton Mowbray Tennis Club is a constituted club registered with the Lawn Tennis Association (LTA), they have been on site since October 2016 using the facility on an ad-hoc basis.</p> <p>A service level agreement was signed on 1st April on a 1 year agreement, nothing is committed beyond this initial 1 year period.</p> <p>Public access is circa 90% of available time.</p> <p>Improved facilities</p>  <p>Their current membership base is circa 80 members and growing</p>
Current issues	<p>Whilst the club is in its infancy the small team of people working within the club are extremely proactive and the club has already had a positive impact on the site.</p> <p>The courts have been improved upon and painted and both members and the community alike can now benefit from first rate facilities.</p> <p>With so many youngsters attending sessions they feel that they need somewhere safe and secure when they arrive and leave</p> <p>The club is currently looking for a cabin with the following dimensions</p> <p>30'x10' or 40'x10'</p>

	<p>They are looking for a wooden cabin in chalet style that is unobtrusive and harmonious to the surroundings. They have indicated that they would level the ground, fund its cost and reinstate the site and remove the cabin if their Licence is terminated for any reason at any time.</p> <p>Aspirations are that a Veranda at the front will allow members to sit during Summer months.</p>
Points of discussion	<p>Monitoring of public usage - MSV</p> <p>Income</p> <p>Porta Cabin</p> <p>Large tree at end of courts</p>
Key Decisions	<ol style="list-style-type: none"> 1. Members to note the agreement of a 1 year contract that should take us up to the start of the new management contract. 2. Members to note that it will be for the potential bidders to determine their own arrangement for the long term tennis provision on the site which will be part of their submission. 3. Members to note that the Cabin highlighted above is to be included in the 1 year agreement on appropriate terms as discussed by the Working Party.