

# Cabinet

Date

Report of: **Portfolio Holder for Growth & Prosperity**

## Melton Sports Village Tennis Facilities

1.0 Corporate Priority:	Decision Type
1.1 <b>PL2:</b> Developing a thriving town centre and rural offer; recognised as a great place to invest, live and visit.	Non-Key Decision
1.2 <b>PP1:</b> Helping people fulfil their potential and achieve their ambitions.	
1.3 <b>OG3:</b> Becoming a more agile and commercial Council; securing our financial future.	

2.0 Summary
2.1 The Council currently provides tennis court facilities at the Melton Sports Village. The Lawn Tennis Association (LTA) has advised that the courts require investment if they are to be retained and meet the necessary standards.
2.2 This report sets out proposals for the Council to submit a bid to enable these improvements to be delivered. It is anticipated the cost of the improvements would be in the region of £120k, with a bid of £60k being made and match funding of £40k provided by Melton Borough Council (MBC) along with a 20k contribution from a community partner. Melton Mowbray Tennis Club currently have an agreement until 2022 to utilise the facilities and the Council is currently exploring the possibility of establishing a longer term partnership to secure usage of the facilities and rental income into the future.

3.0 Recommendations
3.1 <b>To approve that Melton Borough Council submit a bid for 50% of the investment required to make improvements to the tennis courts at the Melton Sports Village subject to the identification of £20k community funding being achieved.</b>
3.2 <b>To recommend Council approve the sum of £120,000 be included within the Capital Programme 2019/20 for improvements to the tennis courts at Melton Sports Village to be funded £60k from grant funding, £20k community funding and £40k from the councils own resources.</b>
3.3 <b>That Members determine whether to fund the Council's £40k contribution from capital receipts or leisure vision capital resources.</b>

#### **4.0 Reason for Recommendation**

- 4.1 An Independent Report from the Lawn Tennis Association (Appendix 1) highlighted concerns that the courts require investment and are reaching the end of their lifespan, as the macadam has become weak and is breaking away causing cracking on the surface.
- 4.2 There is an existing agreement between Melton Mowbray Tennis Club & SLM until March 2022 for use of these courts and without investment; MBC/SLM will lose rental income due to the courts being unsafe and hazardous.
- 4.3 The Council wants to continue to provide tennis facilities at the site and therefore needs to invest in the facilities to effectively manage its assets. Pursuing a funding bid represents a cost effective way of securing investment in our assets. Working to secure a long term partner on the site will also help to generate additional community investment and usage.

#### **5.0 Alternate Options Considered**

- 5.1 Take no action to make the required investment and decommission the courts.

This option is not being considered because it will result in a loss of revenue over the short and long term through the loss of rent. In the short term this will be a risk to SLM whilst after March 2022 it will be the Council who will lose the opportunity to achieve at least £5k per annum of rental income either direct or through a contractual arrangement. It is also recognised that there is a good level of participation in tennis being generated by the current incumbent, Melton Mowbray Tennis Club, who have established a good membership base and invested their own funds in the facility.

#### **6.0 Report Detail**

- 6.1 The Council provides tennis court facilities at the Melton Sports Village site. Following a Lawn Tennis Association assessment it can be concluded that these have reached the end of their operational life and to remain open they require investment and improvement. The courts are currently let until 2022 by Melton Mowbray Tennis Club (MMTC) which was formed in late 2016. MMTC approached Melton Borough Council & SLM to agree to utilise the under used tennis courts at Melton Sports Village on an initial 1 year agreement.
- 6.2 The club has grown quickly and as of September 2019 has club membership of 179.
- 6.3 MMTC has invested circa £25,000 of their own funds in court cleaning and painting, erecting a clubhouse, interior décor/lighting, new tennis nets and slabbing. With a further £3,500 pending electricity connection. There is extensive use of the courts on the site, including much that is of real benefit to the local community, such as free coaching for local primary school children.

- 6.4 In May 2018, MMTC agreed a 4-year Service Level Agreement with SLM until March 2022 to use the courts for £5,000 per annum (additional RPI per Annum), which was facilitated by the Council, as SLM have the Tennis Courts included in their contract. They have agreed this even though the courts are of very low quality.
- 6.5 In order for the council to continue to provide tennis court facilities at the sports village, and for them to be available to community partners, the courts need to be upgraded. An independent report from the Lawn Tennis Association, and confirmed by other experts, highlighted concerns in May 2018, that the courts were becoming unsafe and were reaching the end of their operational lifespan, as the macadam has become weak and is breaking away causing cracking on the surface. The court surface has likely not been replaced since it was built circa 30/40 years ago.
- 6.6 The poor state of the courts is a Health & Safety concern and will shortly no longer be an acceptable standard to play any tennis on.
- 6.7 Without court improvements, it is highly likely that the £5K rent would be lost and tennis participation in Melton will reduce.
- 6.8 Quotes have been obtained for the court replacement, which would cost approximately £120k; these will be validated as part of the process. It is anticipated that £60k could be secured from either the Sport England Community Asset Fund or the Lawn Tennis Association. A £60k match fund is therefore required and MMTC have indicated their willingness to contribute £20k to help to achieve this. The Council would therefore be required to contribute £40k.
- 6.9 Melton Borough Council is currently undertaking a master planning exercise of its key sites, one of which is the Melton Sports Village on Burton Road. Initial high level appraisals have identified that retaining the tennis court's current location within the Melton Sports Village boundary would not present any issues to any broader development of that site. It has further been identified that the site of the tennis courts is not particularly useful for commercial development opportunities. As a result there is nothing to prevent a decision now being made on the future of tennis on that site with appropriate investment to create the required standard of courts for the future.

## **7.0 Consultation and Feedback (including Scrutiny Committee)**

- 7.1 Consultation and feedback in relation to the content of the report has taken place with designated officers within Melton Borough Council.
- 7.2 Consultation has taken place with key stakeholders; MMTC & SLM.

## **8.0 Next Steps**

- 8.1 Key stakeholders will be informed in writing on the decision made at Cabinet.
- 8.2 Melton Borough Council will work with our partners to develop appropriate bids for match funding.
- 8.3 Melton Borough Council will review opportunities for establishing a longer term community partnership to enable £20k of contributions to be added to the Council's £40k contribution; and matched against the £60k funding bid.

## 9.0 Financial Implications

9.1 Provision of £40K will need to be committed as part of the Capital Programme with the appropriate source of funding being capital receipts or the Leisure Vision capital resources. The estimated balance of General fund capital receipts taking into account current commitments is £817k at 31.3.20 and the Leisure vision £785k at 31.3.20.

9.2 Should a longer term partnership arrangement be agreed it create the opportunity for future rental income streams

## 10.0 Legal and Governance Implications:

10.1 Should a bid be successful, the Council will have to agree to any terms required in accepting the bids. Authority to accept the bid and agreement to undertake the works will be sought from Cabinet.

The contribution of funds as described within the report will be agreed with a legal agreement between the parties. Specific terms will be dependent upon the funding agreed and negotiations between the parties.

If works are undertaken on the tennis courts, the contractor will be selected following a procurement process in compliance with the Contract Procedure Rules.

## 11.0 Equality and Safeguarding Implications:

11.1 None Identified.

## 12.0 Community Safety Implications:

12.1 Courts have been reported as unsafe and reached the end of their lifespan by the National Governing Body for Tennis (Lawn Tennis Association) and Independent Contractors (Euro Clay Contracts Ltd & Court Stall Service Ltd).

12.2 Melton Borough Council has a statutory obligation and general duty of care to ensure facilities under our ownership are of acceptable quality and are safe for community engagement.

## 13.0 Other Implications

13.1 None Identified.

**14.0 Risk & Mitigation:**

- 14.1 Lack of finance and court upgrade is highly likely to result in:
- The Club folding
  - Loss of income for the Council
  - Negative Community and reputational impact

14.2

<b>L I K E L I H O O D</b>	<b>A</b>	<b>Very High</b>				
	<b>B</b>	<b>High</b>		<b>1</b>	<b>2</b>	
	<b>C</b>	<b>Significant</b>				
	<b>D</b>	<b>Low</b>		<b>4</b>		
	<b>E</b>	<b>Very Low</b>		<b>3</b>		
	<b>F</b>	<b>Almost Impossible</b>				
			<b>Negligible 1</b>	<b>Marginal 2</b>	<b>Critical 3</b>	<b>Catastrophic 4</b>

**IMPACT**

<b>Risk No</b>	<b>Risk Description</b>
<b>1</b>	No investment – Reputational and financial impact for Melton Borough Council. Loss of potential increased rent and/or financial compensation to SLM for loss of existing rent.
<b>2</b>	No investment – Reputational impact for MMTC and the Community using the facilities
<b>3</b>	Failure to achieve financial return for MBC
<b>4</b>	Community funding of £20k is not achieved.

**Background Papers:**  
None.

**Appendices**  
Appendix 1 - Letter from the Lawn Tennis Association regarding inspection of the current surface of the tennis courts.

	<b>Report Timeline:</b>	<b>Date of sign-off:</b>
	<b>Equalities Check &amp; Challenge</b>	N/A
	<b>SLT Sign off</b>	13.8.19
	<b>Previously Considered by Cabinet</b>	N/A
	<b>Director Approval</b>	18.9.19 (KA)
	<b>Legal Approval</b>	13.9.19 [KS]
	<b>Finance Approval</b>	
	<b>Chief Finance Officer Sign Off</b>	17.9.19
	<b>Monitoring Officer Sign Off</b>	

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