

WAVERLEY BOROUGH COUNCIL

EXECUTIVE

4 DECEMBER 2018

Title:

PROPERTY MATTER - BROADWATER PARK GOLF CLUB

**[Portfolio Holder: Cllr Ged Hall]
[Wards Affected: Godalming Farncombe and Catteshall]**

Note pursuant to Section 100B(5) of the Local Government Act 1972

Annexe 1 to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972:

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Summary and purpose:

To seek approval to grant a new lease to the current tenant following expiry of their existing lease for a period of time exceeding officers' delegated authority.

How this report relates to the Council's Corporate Priorities: People, Place & Prosperity

People: The health and well-being of our residents is an important priority. This proposal will support the focus to provide top quality leisure and recreational facilities for all ages.

Prosperity: Create a business-friendly culture in Waverley Council that supports local businesses to be successful; the club will be investing in significant improvements to the facility which will contribute to making Godalming a better place to live. The potential income in the long term will contribute to the council's revenue.

Equality and Diversity Implications:

No implications.

Financial Implications:

The proposal will see an initial reduction in rental income to enable investment, but the returns after the initial rent free period should be increased as a result, assessed annual on turnover. In addition there will be an annual increase linked to the RPI.

Legal Implications:

The tenant currently holds a lease which is protected under the Landlord & Tenant Act 1954. As the Council has no grounds to object it is legally obliged to renew, albeit on modern terms.

Background

1. The current lease, dated 1989 for a term of 30 years, is due to expire shortly. Terms have been agreed with the Broadwater Golf Club to enable significant improvements to the site, a former land fill site, with associated contamination issues. Terms are set out in Exempt Annexe 1. The site's topsoil has now eroded, substantially affecting the performance of the course; as such the club have secured investment to make significant improvements to the surface and facilities. All work will be subject to landlord's consent, and any imported materials such as top soil will be certified free of contamination.
2. The existing lease boundary will be amended at the request of Parks & Leisure to accommodate alternative footpaths, and in return the entrance roadway subject to highway approval will be adapted to accommodate the revised area, all at the expense of the club.
3. The rent passing was last reviewed in 2008 to Market Value. Estates have not commissioned an independent specialist valuation (cost circa £5,500), as on the level of rent proposed this would not deliver value for money. Golf club and course rentals have declined significantly over the last ten years. With an annual RPI-linked rent, and an adjustment to market value every 25 years, the Council will benefit from any increase in value.
4. Without considerable expense to clear, the site has limited value for alternative use. Whilst there will be a budget impact on the Parks & Countryside service for a number of years due to the rent free period and reduced rentals, the investment in the site by the Golf Club will provide a long-term solution to the contamination issues on site.

Conclusion

The owners of the golf course are making a significant investment into the golf course which will provide a new capping layer to the old landfill and prevent the problems currently experienced with holes and rubbish appearing at the surface. This will mitigate the current health and safety concerns of the site and provide a long lasting solution.

Recommendation

It is recommended that the Executive authorises officers to proceed with due legal process to grant a new lease to the Golf Club on the terms proposed in Exempt Annexe 1.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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