



# Delegated decision report

## **DECISION UNDER DELEGATED POWERS**

**DECISION CANNOT BE TAKEN BEFORE 29 AUGUST 2023**

Title **BROWNS GOLF, SANDOWN – CONFIRM THE AWARD OF 5-YEAR LEASE**

Report to **CABINET MEMBER FOR ECONOMY, REGENERATION, CULTURE AND LEISURE.**

### EXECUTIVE SUMMARY

1. The paper seeks approval to confirm the award of a 5-year lease for Browns golf, putting and clubhouse.

### RECOMMENDATION

2. That the Cabinet Member for Economy, Regeneration, Culture and Leisure agrees the award of a 5-year lease for Browns Golf, putting and clubhouse; the lease will have a mutual six-month break clause allowing for its early termination if required.

### BACKGROUND

3. The initial lease offer was for the front putting green and clubhouse with a lease period of 5 years and whilst 29 expressions of interest were received in total, only eight submissions were received by the deadline of 2pm on 5 May 2023. Out of the eight submissions, only two included a financial offer and none of the responses were compliant with the requirements set out in the information/application pack.
4. On 10 May 2023 it was agreed with the Director of Neighbourhoods and the Cabinet member for Climate Change, Environment, Heritage, Human Resources and Legal and Democratic Services to contact each of the eight parties that made a submission and offer a five-year lease for the clubhouse, putting green and part of the area to the north of the clubhouse which incorporates the pitch and putt courses. The revised area, subject of a proposed lease, is shown edged in red on the plan which forms Appendix 1.

5. The revised lease opportunity was sent to each of the eight parties on Friday 12 May, with a deadline for response of 2pm on Friday 26 May. Four formal offers were received; these varied significantly, and it was necessary to issue supplementary questions to obtain further information to allow the offers to be evaluated.
6. The submissions were independently evaluated by three staff; Strategic Manager Commercial Services, Leisure Facility Manager, Leases and Licences Manager; they were evaluated on a range of criteria – rental sum, operating hours and proposals, waste management, food hygiene, relevant experience, and references.
7. An evaluation consensus meeting took place on Friday 9 June and the submission from bidder number two came out on top scoring 29 out of a possible 35; their submission was very thorough and set out how they would manage and develop the facility to promote awareness, use and increase income.
8. The table below sets out the evaluation scores for all submissions:

Bidder number	Evaluation score (maximum total 35)
One	27
Two	29
Three	9 - extremely limited information was provided; the bid was considered non-compliant and not considered further.
Four	18

9. On 4 July, the Assistant Director for Neighbourhoods and Cabinet Member for Economy, Regeneration, Culture and Leisure were briefed on the outcome of the process as well as the condition of the clubhouse and extent of priority 1 and 2 repairs that are required.
10. It was agreed by the Director of Neighbourhoods and Cabinet member that a lease should be offered to bidder number 2 as it was the most financially advantageous offer and would ensure that the facility could open for the majority of the remainder of the 2023 season. However, in order to minimise expenditure on the building this would initially be limited to the putting greens, pitch and putt course and the front (southern) section of the pavilion which would allow the sale of ice creams, beach, and tourist goods, hot, and cold refreshments.
11. The potential tenant was made aware of this and was happy to proceed on the basis that the lease would initially be limited to the putting greens, pitch and putt course and the front (southern) section of the pavilion. However, they are keen to see the rest of the building repaired and refurbished so that the full potential of their business plan can be realised.

12. Accordingly Heads of Terms for the lease were issued to bidder number 2 who has signed and returned these to enable the lease to be produced; staff met them on site to run through operational details and they commenced trading on Saturday 29 July.

## STRATEGIC CONTEXT

### Responding to climate change and enhancing the biosphere

13. The recommendation supports the UN sustainable development goals for: (8) Decent Works and Economic Growth by supporting local growth of a business that employs local staff and supply chain (11).

### Economic Recovery and Reducing Poverty

14. The proposal provides a short-term economic benefit and the opportunity for the Isle of Wight Council and the new tenant to progress long-term investment plans with the aim of sustaining and growing the facility which would benefit the local economy of Sandown and the visitor economy of the Island.

### Impact on Young People and Future Generations

15. The proposed lease ensures that the facility is open and would sustain and create additional job opportunities for young people in this area of the Island. It also compliments the existing range of leisure and social activities available for young people in Sandown which include those provided by the Sandown Youth Forum.

### Corporate Aims

16. The proposal will support the following aspirations of the Corporate Plan:
  - (i) Keep the council solvent and take all the measures we can to improve the financial position of the council.

## CONSULTATION

17. Consultation has taken place with the Director of Neighbourhoods and Cabinet Member for Economy, Regeneration, Culture and Leisure.

## FINANCIAL / BUDGET IMPLICATIONS

18. In terms of the works to the front of the clubhouse and to the roof of the toilets a capital budget of £65,000 is available; this is made up of a £32,000 underspend from a leisure scheme, £20,000 from the Property Services capital maintenance budget with the remainder coming from the Repairs and Renewals Fund.
19. The successful rental offer from bidder number two was: -
  - 2023 - £1,000 per month of operation plus 20% of net profits
  - 2024 to 2027 - £8,000 plus 20% of net profits

## LEGAL IMPLICATIONS

20. The council has the power to dispose of property under section 123 of the Local Government Act 1972, which requires it to achieve 'best consideration' in any disposal. The council must follow the statutory open space disposal procedure as set out in section 123 (2A) of the Local Government Act 1972.

## EQUALITY AND DIVERSITY

21. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
22. There are no direct implications for equality and diversity as a result of the specific recommendations of this report.

## PROPERTY IMPLICATIONS

23. Following the termination of the previous lease an independent property condition survey was commissioned and this showed that the following works were required to the clubhouse: -
- Priority 1 (urgent, action needed within 6 months) – £117,000.
  - Priority 2 (essential, action needed within 2 years) - £91,100.
  - Priority 3 – (long term, action needed within 10 years) - £33,100.
24. The figures shown above were based on the visual inspection which was the basis of the condition survey and standard industry rates; in order to obtain accurate figures detailed quotations are required from relevant contractors.
25. The condition survey was reviewed to split out the estimated cost of works for each of the three key areas: -
- Front section – £58.8k
  - Rear section – £74.7k
  - Toilets - £40.5k
26. Officers identified a budget of £65,000 for the front section and this included a 10% contingency for any unforeseen issues. Through obtaining fixed price quotations this enabled the majority of priority 1 works to be undertaken to the front section of the clubhouse. All of the internal works were completed by 27 July to enable the facility to open whilst the external works to the area were scheduled for completion early/mid-August.
27. It was also possible to instruct works to re-roof the toilets as well as undertaking identified works to the interior to replace water damage sections of the ceiling and the redecoration of these areas. These works are contained within the £65,000 budget and are scheduled for completion mid-September.

28. This is a proposed 5-year lease with a mutual break clause and will exclude security of tenure under the Landlord & Tenant Act; permitted use will be for pitch and putting and for the sale of beach/tourist goods, ice creams and refreshments.

### OPTIONS

29. That the Cabinet Member for Economy, Regeneration, Culture and Leisure agrees the award of a 5-year lease for Browns Golf, putting and clubhouse; the lease will have a mutual six-month break clause allowing for its early termination if required.
30. Option 2: Not to award a 5-year lease for Browns Golf, putting and clubhouse.

### RISK MANAGEMENT

31. If the council does not agree to confirm the award the 5-year lease as advertised and in accordance with the offer received or decides to vary the term, then it is possible that the tenant may walk away from the facility resulting in its closure. If this happens it is unlikely that a further tenant could be secured to enable any part of the site to reopen of the remainder of the 2023 season.
32. If the council does not agree to confirm the award the 5-year lease as advertised and in accordance with the offer received or decides to vary the term, then it is possible that the tenant may walk away from the facility resulting in its closure. If this happens it is unlikely that a further tenant could be secured to enable any part of the site to reopen of the remainder of the 2023 season.
33. Furthermore, failure to confirm the award of the 5 -year lease and closure of the site would leave the Isle of Wight Council liable for the costs of grounds maintenance costs over the winter and spring 2024 period which would cost in the region of £7k.
34. The award of a 5-year lease ensures the short-term future of the site but due to the flexibility within the lease does not adversely impact the development of longer-term plan for the site and surrounding areas.

### EVALUATION

35. The evaluation of the offers received has informed the decision to award the lease which in turn ensure that this high-profile facility is open for the remainder of the 2023 season and provides the tenant and Isle of Wight Council with security of its continued operation until the end of 2027.

### APPENDICES ATTACHED

36. Appendix 1 – Browns site plan.

## BACKGROUND PAPERS

37. The Heads of Terms which are signed by the incoming tenant used to inform Legal Services for the preparation of the lease.

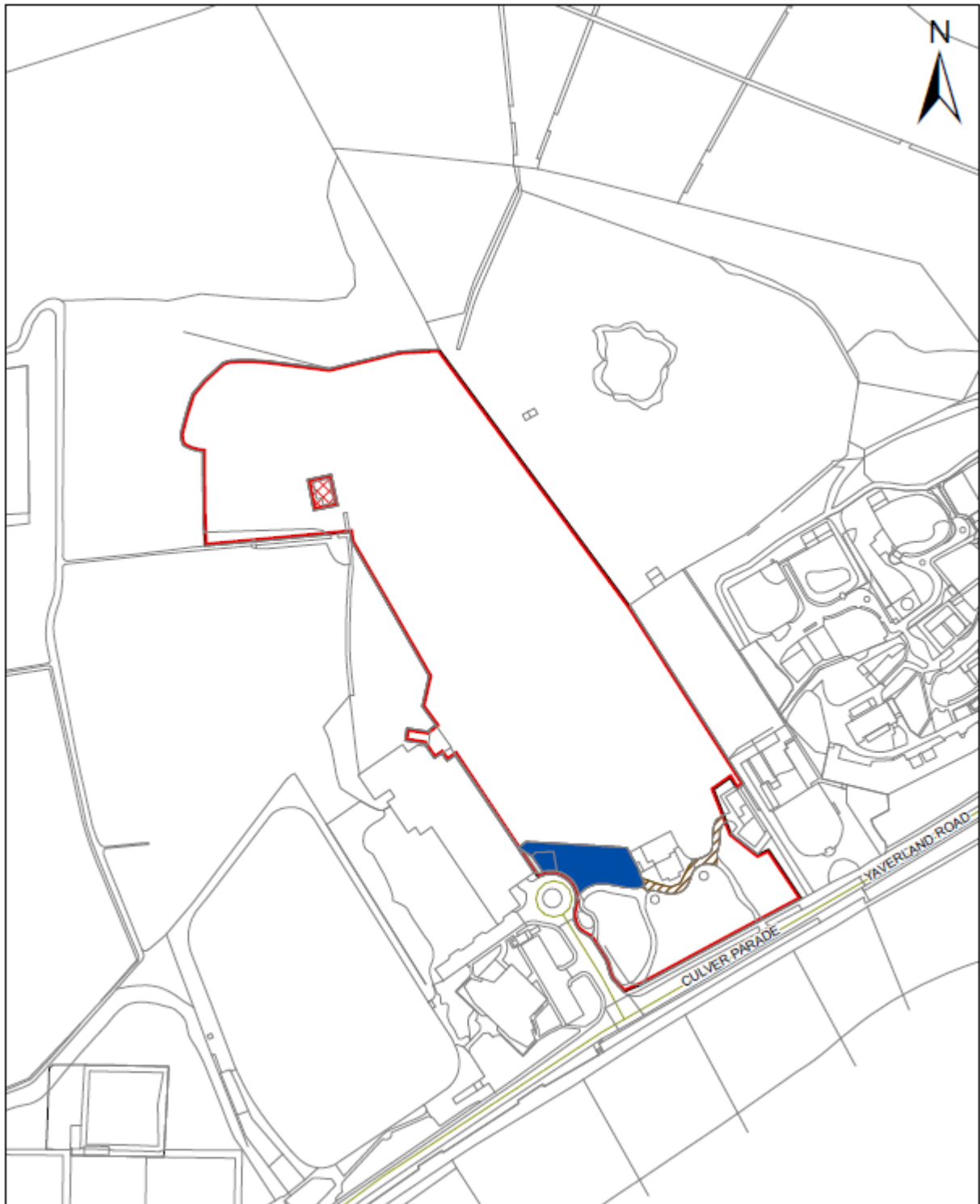
Contact Point: Sean Newton, Strategic Manager Commercial Services  
[sean.newton@iow.gov.uk](mailto:sean.newton@iow.gov.uk)

COLIN ROWLAND  
*Director Neighbourhoods*

CLLR JULIE JONES-EVANS  
*Cabinet Member for Economy, Regeneration,  
Culture and Leisure*

Appendix 1 – Browns lease site plan (excluding PLUTO building hatched)

**Browns Golf Course, Culver Parade, Sandown**  
**[Scale 1:2500 @ A4]**



Meters  
0 50 100

This map is based on Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office © Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings. 100019229 2008.

July 2023