

Chichester District Council

THE CABINET

9 July 2019

Football Club Lease, Oaklands Park, Chichester

1. Contacts

Report Authors:

Vicki McKay – Divisional Manager, Property & Growth
Telephone: 01243 534519 E-mail: vmckay@chichester.gov.uk

Sarah Peyman – Divisional Manager, Culture & Sport
Telephone: 01243 534791 E-mail: speyman@chichester.gov.uk

Cabinet Members:

Tony Dignum - Cabinet Member for Finance, Growth, Place & Regeneration
Telephone: 01243 514034 E-mail: tdignum@chichester.gov.uk

Roy Briscoe - Cabinet Member for Community Services & Culture
Telephone: 01243 514034 E-mail: rbriscoe@chichester.gov.uk

2. Recommendation

2.1 That officers be authorised to take the action detailed in paragraph 5.1.

3. Background

- 3.1 In September 2017, officers recommended to Cabinet that the lease to the Football Club be terminated, due to concerns over continued breaches of the lease. This recommendation was agreed and the lease was brought to an end in March 2018. In order to enable the Club to continue to use the site and facilities as their home football ground, a short term lease was put in place that expires at the end of July 2019.
- 3.2 With an objective of ensuring the continued use of the site for playing football and football development, an informal tender exercise took place offering a new lease from 1st August 2019. Details of those organisations that expressed an interest in the opportunity and those that subsequently submitted a tender offer are set out in Appendix 1 (exempt).
- 3.3 Granting a lease of this nature is within the delegated powers of the Director of Growth & Place, however due to the complexities and profile of this particular matter it is felt appropriate to bring the officers' recommendation to Cabinet for approval.

- 3.4 Following on from the production of an updated playing pitch strategy for the Local Plan review, Local Football Facility Plans have also been developed for every local area in the country. These plans identify projects to enable investment in football facilities to be accurately targeted to deliver more and better football facilities for the grassroots game.
- 3.5 Within the Chichester District plan, Chichester City Football Ground in Oaklands Park has been identified as a priority project for the development of a 3G pitch. The Premier League and the Football Association have launched a facilities fund to support such projects but this is a grant application process so there is no guarantee of success. The Council intends to work on a feasibility study with the Football Club to establish the viability of applying for such a grant. A separate report will be brought to Cabinet in the future.

4. Outcomes to be Achieved

- 4.1 An effectively run, sustainable football club making effective use of the facilities provided by the District Council for the development of football in the District and for beneficial use by the community.
- 4.2 A tenant that fulfils its financial and contractual lease obligations to the Council in a timely way.

5. Proposal

- 5.1 That the Council grant a lease to the Chichester Community Football Club Management Limited on the terms as set out in Appendix 2 (exempt), subject to receipt of satisfactory referencing.
- 5.2 Officers consider that the proposed tenant is able to fulfil the obligations of the lease and has a sufficiently robust business plan to enable it to remain a viable entity for the duration of the lease term.

6. Alternatives Considered

- 6.1 Not to recommend granting a lease as recommended by this report. This would either necessitate the facilities being managed directly by the Council, or approaching other organisations to seek interest in the facility.
- 6.2 Managing the facilities 'in house' would require significant officer resource and ongoing management time and is not considered a cost or time effective solution.

7. Resource and Legal Implications

- 7.1 A continued rental income from a lease of these facilities has been provided for in the Council's current year revenue budget. In order to ensure rental levels remain reflective of market conditions, the proposed lease contains a five yearly rent review provision. Any future applications for a concessionary rent as a result of those rent reviews would be considered in the usual way in accordance with the Council's Constitution.
- 7.2 The tender process was an informal one, meaning that the Council is not obliged to accept any offers made under this process. Should it be decided not to proceed as proposed, additional resources from the Estates, Sport & Leisure Development and Legal teams will be required to deliver an alternative.
- 7.3 Should it be decided to proceed with the recommendation of this report, there will be a need for management time from both the Estates and Sport & Leisure Development teams to ensure the letting operates in accordance with the lease terms.

8. Consultation

- 8.1 Consultation has been carried out through advertising the opportunity to the market, seeking expressions of interest.
- 8.2 Ward members have been briefed on the background and the proposals and any views received by them prior to the Cabinet's meeting will be relayed orally.
- 8.3 The supporting financial information has been considered by the Council's Accountancy team who have commented that the Club at present turnover could not afford a market rental. They further comment that the proposed rental appears to be at the margins of what the company can afford if it does not either increase its income or reduce areas of its expenditure.
- 8.4 The rent concession was considered by the Grants and Concessions Panel at its meeting on the 25th June 2019 and the Panel agreed with the proposal from the Club for a concessionary rent.

9. Community Impact and Corporate Risks

- 9.1 The Football Club provides an important community facility and provides for the development of football in the District and there would be a significant impact on the Community if a new lease cannot be successfully completed.
- 9.2 Management of the lease will be overseen by officers from the Estates and Sport & Leisure Development teams to ensure early identification and rectification of any issues arising that could pose either a financial, reputational or operational risk.

10. Other Implications

	Yes	No
Crime and Disorder Provision of sport and activities for young people could help to reduce crime and disorder. Loss of the facility could have the opposite impact.	x	
Climate Change and Biodiversity		x
Human Rights and Equality Impact		x
Safeguarding and Early Help There are safeguarding implications relating to the football club and particularly the coaching of young people and it is essential that the club is managed in such a way that safeguarding requirements are fully met.	x	
General Data Protection Regulations (GDPR)		x
Health and Wellbeing Provision of community sports facilities provides an opportunity for the local community to participate in sporting activity which can have a positive impact on the health and wellbeing of individuals.	x	
Other (please specify)		x

11. Appendices

11.1 Appendix 1 – Expression of Interest and Informal Tender return details (exempt).

11.2 Appendix 2 – Proposed lease terms (exempt).

12. Background Papers

12.1 None