

TOWN COUNCIL MEETING

The purpose of this report is to provide members with information relevant for their decision about the future of Ventnor Putting Green.

No. DETAIL

- I) BACKGROUND
 - a) Ventnor Town Council's meeting of 13 September 2004 was told, in a letter from the Chairman of Wight Leisure Project Board, Councillor Peter Harris that *following a review of leisure* services the Board had concluded that the services in Ventnor Park Putting Green and Refreshment Kiosk were not part of the core leisure business of Wight Leisure or the Isle of Wight Council and took the view that the service could be better provided through the local Town Council.
 - **b**) The meeting responded with the view that *the IW Council has a duty to provide these services in support of the Tourist Industry to which it continually states it is fully committed* and invited Peter Harris to meet with them.
 - c) At its meeting of 4 March, after considering a letter from the Isle of Wight Council's Head of Cultural and Leisure Services, John Metcalfe, the Town Council resolved that *in principle the Town Council are willing to proceed with further discussions leading to an agreement between themselves and the IW Council*.
 - d) Those discussions were summarised in a letter from the Isle of Wight Council's Business Performance and Quality Manager Sean Newton to the Town Clerk dated 30 April 2005 confirming the *Town Council will initially manage the site for one season. However, the Town Council has the right to extend this.*
 - e) The Isle of Wight Council also provided a sliding scale subsidy to the Town Council for taking on the management of the Putting Green that moved from a payment of £2,000 in 2005/6, through £1,000 in 2006/7 to a final payment of £500 for 2007/8.
 - f) Although draft agreements were produced to formalise the arrangement, no signed copy of one exists in the Town Council's files.

2) **OPERATIONS**

- a) A letter from the Town Clerk of 1 May 2005 granted the initial concession for operating the Putting Green to Sue and Chris Cooper its current operators for one year only. The letter, as was the practice at that time, also contained the terms of agreement eight in this case including the charge of £30 a week for the period 1 May to 31 October 2005.
- b) Sean Newton wrote again to the Town Clerk on 21 September 2005 and confirmed *I have discussed the future operation for 2006 and 2007 with Tricia* [Stillman] *and, subject to your agreement, she is happy that this letter, together with our previous correspondence, forms the agreement.*
- c) In that context, Sue and Chris Cooper retained the concession for the 2006 season at the end of which it passed to Mrs Glover and Mrs Cutler for a rent of £60 a month for 2007.
- d) Under a signed agreement dated 12 November 2007, Sue and Chris Cooper returned as the Putting Green's operators for the three years of 2008, 2009 and 2010.
- e) Ventnor Town Council's meeting of 11 April 2011 extended that agreement for the current season. Sue and Chris Cooper have confirmed their intention not to continue their involvement beyond 2 October 2011.

3) FUTURE ARRANGEMENTS

- a) In response to Ventnor Town Council's request to consider a longer agreement for its management of the Putting Green, the Isle of Wight Council have indicated their intention to charge Ventnor Town Council a rent if it continues.
- b) In a meeting with Tricia Stillman on 25 August, it was made clear that they would be looking for a rent of up to £4,000 a year, which would equate to over £150 a week of the 26-week season.
- c) The situation is complex because, as Tricia Stillman's letter, attached with this report, claims very clearly: *The Town Council is currently operating under an agreement that was never completed or signed.*
- d) A challenge to this claim and the right to impose a rent which it carried could be based on correspondence between the two Councils in early 2009.
- e) It was prompted by the need to replace the existing refreshment kiosk at a cost of up to £2,500. The Town Clerk's letter to the Isle of Wight Council's Principal Estates Surveyor, Olive Dunne, dated 26 January 2009 states: Further to our meeting last week regarding the replacement of the kiosk at the Putting Green in Ventnor Park we agreed that Ventnor Town Council would meet the cost of the new kiosk on the understanding that they can have an agreement to continue the operating of the putting green for a period of five years.
- f) Oliver Dunne replied by email dated 3 February 2009 at 14:59: Thank you for your letter of 26 February and I confirm the Council consents to the current agreement being extended for a further five years and on the same terms and conditions as before. In return Ventnor Town Council will rebuild the kiosk. Also for your information I suspect this arrangement will continue ad infinitum.
- g) Ventnor Town Council did replace the kiosk. Consequently, it could be argued that the existing terms and conditions including the absence of rent are in force at least until 2 February 2014.
- h) In a further development, Tricia Stillman's letter also states: *Views of the Town Council are also being sought on their opinion of the Isle of Wight Council advertising the facility on the open market and subsequently leasing/licensing to a commercial operator.*
- i) This would release Ventnor Town Council from any responsibility for the facility, but also from any control over it.

4) OPTIONS

- a) The Town Council therefore has to decide between:
 - releasing the Putting Green back to the Isle of Wight Council; and
 - continuing its commitment to its operation in its own right.
- **b)** If the first option is preferred, the Town Council might want to seek formal assurances that it would continue to maintain the area as a Putting Green with the Town Council having a right to take it back should they consider withdrawing as they proposed in 2005. There should be a similar commitment to maintaining the Bandstand concerts,
- c) The second option would involve winning the argument, legally if necessary, that the correspondence of early 2009 is a sufficient basis for the claim that the Town Council has a current agreement at least until February 2014 to operate the facility and without the requirement to pay rent for doing so.
- d) If that is not a sufficient basis, Tricia Stillman's letter does make clear that the Isle of Wight Council is willing for the Town Council to continue its operation, provided they receive a yet to be negotiated rent.

5) FINANCIALS

- a) Ventnor Town Council has been receiving a rent of £60 a week throughout the season for the last four years, amounting to an average annual income of £1,500, with costs (apart from the replacement kiosk) averaging £350.
- **b)** Concessionaires are under no obligation to release financial information to the Town Council so the profitability of the facility is unknown. There is no doubt that Sue and Chris Cooper have substantially increased turnover given their commitment and 7-day week working through the season.
- c) However, an estimate would suggest that there is little margin beyond the payment of reasonable wages for two people covering 7-day week working for 25 weeks. Sue Cooper is certainly of the view that a rent of \pounds 4,000 would completely undermine the facility.

6) FUTURE CONCESSIONAIRES

- a) As word has spread of Sue and Chris Cooper's ending of their involvement, the Town Council has received three informal expressions of interest, at least one of whom is well qualified for the role.
- b) No formal process of recruitment can be launched until the issues around responsibility for operating the facility are clarified.
- c) Members will be conscious of the fact that if the Town Council was committed to continuing responsibility for the facility with a payable rent, then failure to recruit a suitable concessionaire would leave the Town Council with a new net cost.