

SOUTH AYRSHIRE COUNCIL

**JOINT REPORT BY
DEPUTE CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR - DEVELOPMENT AND
ENVIRONMENT AND EXECUTIVE DIRECTOR - CHILDREN AND COMMUNITY
TO FULL COUNCIL OF 7th OCTOBER 2009**

SUBJECT: GOLF IN SOUTH AYRSHIRE

1. Purpose.

- 1.1 The purpose of this Report is to advise members of the potential which exists to improve on our current golf provision and ensure its future growth through the development of a clear Business Plan for golf in South Ayrshire.

2. Recommendation.

Members are requested to:

- 2.1 **Agree to the development of a strategy for golf in partnership with the Strategic Group for Golf Development in South Ayrshire.**
- 2.2 **Agree, given the opportunities detailed within this Report, that the current plan to close Dalmilling Golf Course is not conducive to the development of a future model for golf provision in South Ayrshire and should be suspended pending implementation of a strategy to ensure that golf provision is self financing by financial year 2013-14.**

3. Background.

- 3.1 South Ayrshire is recognised internationally as a world class destination for golfers due to the wide range of private and municipal facilities in the area and its rich golfing heritage. South Ayrshire is home to 8 municipal golf courses, located in Ayr, Troon, Maybole and Girvan and 10 private courses. Golf in South Ayrshire is steeped in history and tradition - the first ever Open Championship was held in Prestwick in 1860. This year's Open Championship was held at Turnberry and attracted approximately 120,000 spectators to the area.
- 3.2 South Ayrshire's Local Plan identifies the importance of developing leisure facilities and in particular encourages the safeguarding of existing golf courses and the development and improvement of golf facilities. It also recognises the importance of our international golfing reputation, and our association with the Open Championship as a means to provide an economic benefit to the area.
- 3.3 The value that sport and physical activity has on improving the quality of life and well-being of communities is well documented. There is also a growing weight of evidence of the role that sport and physical education can play in improving standards of education and health as well as its impact on the reduction of crime and anti-social behaviour. Based on this, leisure provision within South Ayrshire is capable of contributing to and supporting delivery of many of the national and local outcomes identified within the Single Outcome Agreement for South Ayrshire 2009-12.

- 3.4 South Ayrshire's Tourism and Events Strategy 2008-2013, which was approved by Leadership Panel on the 24th of June 2008, identifies golf as South Ayrshire's most significant tourism asset and recommends the development of a dedicated golf strategy. Such a strategy would ensure that the potential health and well-being, social, economic and environmental benefits of golf in South Ayrshire are maximised.
- 3.5 On the 11th of February 2009, the Council approved a recommendation by the Council's Budget Working Group, to 'review the future use of the Dalmilling Golf Course site in advance of its closure on 1st January 2010'.

4. Considerations.

Proposal

- 4.1 Golf is arguably South Ayrshire's most significant tourism asset, and changing the way we develop, manage and promote our golfing provision will quickly impact on the profitability of our courses. Attention therefore is required to be given to the development of a dedicated golf strategy to review the quality and performance of municipal golf courses to inform future investment direction and sustainability; to increase local participation in outdoor leisure pursuits, particularly by children and young people, with associated health and well-being benefits; to capitalise on the potential to boost the local economy through increased tourism and maximisation of visitor spend; and to engage and work in partnership with the private sector to develop an appropriate high quality infrastructure which meets demand.
- 4.2 The R&A, golf's governing body and organiser of The Open Championship, have confirmed their commitment to support the Council in developing such a strategy focused on a more business like approach to golf provision in South Ayrshire. The opportunity now presents itself for the Council to initiate a strategy for golf, in partnership with the R&A, which would not only review current practices but also future models of delivery.
- 4.3 It is proposed that the recently established Strategic Group for Golf Development in South Ayrshire, consisting of representation from the Council, the Scottish Golf Union, local municipal and private clubs, and supported by the R&A, be tasked with developing a strategy for golf, including a review of the inter-dependability of municipal golf courses in South Ayrshire.
- 4.4 The proposed Key Objectives of the strategy will be to:
- Establish a cost effective business model for golf provision which maximises income potential
 - Provide a professional golf service with modern, high quality golfing facilities which meet existing and increased future demand
 - Build effective partnerships which support the delivery of the vision for golf
 - Improve health and well-being outcomes through increased local participation in outdoor leisure pursuits
 - Create life-long learning and future employment opportunities for children, young people and adults
- 4.5 It is further proposed that the vision for golf in South Ayrshire will be ***"to establish South Ayrshire as a centre of golfing excellence and a model of good business practice"***.
- 4.6 The development of a new strategy which will consider the future development and growth of golfing provision in South Ayrshire is grounds on which to suspend the Council's closure of Dalmilling Golf Course, allowing the Strategic Group capacity to deliberate on issues and formalise their structured approach.

Opportunities

- 4.7 Local Demand - South Ayrshire's 8 municipal golf courses are well attended with 216,532 rounds recorded in 2008/09. During peak times, there is significant demand for tee times and course opening times have been extended in an attempt to match need. The potential closure of Dalmillig Golf Course would add to existing capacity issues and further detailed work needs to be undertaken to assess the potential impact and investigate how services can be provided more efficiently to maximise income potential. This will include a review of what growth potential is required.
- 4.8 External Demand - Visitor participation in golf in South Ayrshire accounted for 23% of total rounds in 2008/09. This was despite the fact that the 2008 golf tourism season was one of the wettest on record for Scotland as a whole, and the deepening international financial and economic crisis which has seen Scotland's key golf tourism market areas - the UK, North America and Europe - moving into recession. The potential for marketing golfing holidays in South Ayrshire, perhaps in association with other Councils or private sector organisations, is largely untapped and we must ensure we have the required high quality facilities in place to deliver on such a campaign.
- 4.9 Marketing - Adopting a co-ordinated and structured approach to the marketing and promotion of golf in South Ayrshire nationally and internationally has the potential to attract more people to the area, providing a boost for the economy and generating income for the tourist industry. Working corporately to develop the Golf South Ayrshire website will support promotional activity in this area. Improving collaboration with Prestwick Airport and the low cost airlines which operate there will create opportunities to target and attract international visitors from a considerable range of originating markets. A number of the golf clubs using the current municipal courses are keen to assist in co-ordinating marketing. There is considered huge potential for marketing through the transport hubs and through accommodation and other leisure facilities.
- 4.10 Costs/Income - A more business like approach to golf is required. Whilst demand for municipal courses in South Ayrshire is high, the current costs associated with operating this service means that we do not currently see the benefit of this demand in terms of income. The Council, as part of the 2009/10 Budget Exercise, included an additional sum of £533,493 for the Golf and Fine Turf Service and this has ensured that the budgetary position is now on an 'even keel' and provides a strong foundation for the future of golf.
- 4.11 Staffing - Adopting a more strategic approach to the recruitment, training and development of staff will ensure that golfers benefit from a motivated, customer-focused, professional workforce with a range of relevant high quality experience and skills. The current review of the Directorate structure takes into account this new approach to golfing provision, ensuring that we make the best possible use of available resources and putting in place the appropriate experience and passion to deliver a new strategy.
- 4.12 Facilities - Our municipal courses are reputed to be of a high standard in terms of both their condition and technical level. Ancillary services, however, such as clubhouses and associated facilities require significant improvement and investment particularly if they are to continue to attract existing and new players, increasing the number of rounds played and the level of expenditure in the area. Potential exists to improve the use of available Council resources, to provide a reduction in annual maintenance costs and ensure that we are making the best use of our estate and achieving maximum income and rental potential.

- 4.13 Partnerships - Our vision for golf extends to the whole of Ayrshire and we will work with neighbouring authorities in both North and East Ayrshire, and indeed with the private sector, to develop partnership models where economies of scale could be achieved. The development of a co-ordinated course maintenance strategy has the potential to improve the use of available resources throughout South Ayrshire's municipal golf courses while providing a reduction in annual maintenance costs. Officers have also been approached by representatives from the private sector who have recognised the potential which exists in this area and who are interested in working in partnership with the Council to develop new and improve existing golf courses, facilities and services, to promote and market South Ayrshire's most significant tourism asset, supporting both current and future increased demand.
- 4.14 Education and Employment - Officers have initiated discussions with Kilmarnock, James Watt and Ayr Colleges and the University of the West of Scotland, to develop opportunities to promote lifelong learning and vocational training linked to golf and other sports and leisure activities as well as tourism, and to create future employment opportunities linked to golf provision. Further opportunities within our golfing provision also remain untapped in terms of increasing the low numbers of young people currently participating in golf in South Ayrshire - only 6,335 of the 216,532 rounds recorded in 2008/09 were completed by junior season ticket holders. Linking our outdoor sporting assets to our 'Active Schools' curriculum programme, will provide pupils with the tools, motivation and opportunity to be more active and adopt healthier lifestyles throughout their school years and into adulthood.
- 4.15 Professional Support - We recognise that in order to develop a golf strategy for South Ayrshire we need to utilise proper professional expertise. The R&A have acknowledged the potential for golf which exists in South Ayrshire and have offered their services to support the Council in assessing our current provision and to support the growth of golf in South Ayrshire in a commercially and environmentally sustainable way. Best practice guidance offered by the R&A includes a review on all aspects of golf course management including the interdependency of our courses; a review of our courses and clubhouses; financial assistance to support the development of junior golf activity; green keeper training; and the provision of course machinery. In addition, Officers are also in discussion with the Scottish Golf Union (SGU) on the future of golf in South Ayrshire. We have further intentions to enter into discussions with the Professional Golfers Association (PGA).

5. Resource Implications.

- 5.1 There are direct resource implications to this report which Children and Community will require to absorb within their allocated budget. The saving identified from the closure of Dalmillig Golf Course for full year costs amounts to £40,694 however no savings from the closure of Dalmillig have been assumed in the 2009/10 budget. The impact of the decision to suspend the closure of Dalmillig Golf Course would require that the budget for Children and Community fund the full year costs as outlined in this report for 2010/11 budget and beyond.
- 5.2 As part of the review process, the objective is to ensure that golf provision is self-financing by financial year 2013/14.

6. Results of Consultation.

- 6.1 There has been no public consultation in relation to this report however the content of this Report has been discussed with the Portfolio Holder.

Background Papers.

- Reports to Council of 11 February 2009 - South Ayrshire Council Revenue and Capital Budgets 2009/10; Proposals of the Council's Budget Working Group.
- Report to Leadership Panel – Update on Tourism and Events Strategy, 24 June 2008.
- Tourism and Events Strategy Research Report, RGA Ltd, January 2008.

Person to Contact.

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Date. 28 September 2009