

**AGENDA ITEM: 4**      Page nos. 1 – 6

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Meeting	Cabinet Resources Committee
Date	4 November 2004
<b>Subject</b>	<b>Interim Management of Cophall Stadium</b>
Report of	Cabinet Member for Culture, Community Engagement and HR. Cabinet Member for Resources
Summary	This report sets out <ol style="list-style-type: none"> <li>1. proposals to transfer the temporary management contract from Shaftesbury Barnet Harriers(SBH) to its own holding company, Cophall Management Services (CMS) Ltd. It would operate the stadium in a holding role until the intended transfer of Hendon Football Club (HFC) when a consortium of HFC and SBH form a trust to continue the operational management of the stadium.</li> <li>2. to amend the winter opening hours of the stadium for the period November 2004 – March 2005 inclusive, taking consideration demand and efficiency.</li> </ol>

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Officer Contributors	Andy Hatvani, Acting Leisure Services Manager
Status (public or exempt)	Public
Wards affected	Mill Hill
Enclosures	Appendix A: Risk Management Factors
For decision by	Cabinet Resources
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	N/A

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## **1 RECOMMENDATIONS**

**1.1 That, in variation of the previous decision taken by the Committee on 20 May 2004, and subject to the Borough Solicitor and Borough Treasurer being satisfied that the holding company is an appropriate company for the purposes of the transaction;**

- **the Council enters into an interim management agreement with Cophall Management Services (CMS) Ltd, the new holding company of Shaftesbury Barnet Harriers(SBH), to manage and operate the stadium, subject to it setting aside part of the management fee to resurface the track at a future date as part of the conditions of the Community Athletics Refurbishment Programme application which is currently with Sport England.**

**1.2 That the winter opening hours of the stadium for the period 1 December 2004 – 31 March 2005 inclusive be amended as set out in section 7.3 of the report.**

## **2 RELEVANT PREVIOUS DECISIONS**

**2.1 Cabinet on 9 September 2002, resolved**

- to immediately grant Hendon Football Club a licence to occupy the stadium with an agreement for a lease;
- to grant Hendon Football Club a 25 year lease at a peppercorn rent to manage Cophall Stadium and use it as their home ground;
- to agree to a disposal of the lease at Claremont Road Stadium.
- to award preferred Partner Status to Greenwich Leisure Ltd (GLL) to manage and operate Leisure Facilities, approval to negotiate and finalise the contract including provision for them to manage and operate the stadium in a holding capacity

**2.3 Cabinet Resources Committee on 20 May 2004, resolved**

- to agree the proposal to grant Shaftesbury Barnet Harriers a temporary management contract to manage the stadium in a holding role until such times as when the new consortium of Hendon Football Club and Shaftesbury Barnet Harriers, through a Youth Sport and Leisure Trust, manage and operate the stadium.
- to agree a management fee of £120,000 per annum be granted on formal establishment of a re-formed Youth Sport and Leisure Trust to manage the stadium and operate a community programme.
- to agree the utilisation of Council Section 106 monies of £97,500 to assist with the match funding element for the refurbishment of the athletics track within the Cophall public open space.

### **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 This Council is committed to Putting the Community First and by working in partnership and securing capital investment into the Copthall stadium the Leisure Service is supporting two corporate plan targets, to improve the standard of leisure facilities and to promote healthy lifestyles and participation in healthy activity.
- 3.2 This strategy supports the protection of the open green belt environment of the Copthall site by securing the future of the stadium and supporting the Council's priority of a Cleaner Greener Barnet.
- 3.3 Improving the standard of the athletics and stadium facilities currently used by schools, will support and add value to the Council's priority to provide a first class education service.

### **4 RISK MANAGEMENT ISSUES**

- 4.1 These are attached as Appendix A
- 4.2.1 To avoid potential estate management problems, before the management agreement is concluded, the status of Copthall Management Services Limited and its relationship with Shaftsbury Barnet Harriers will be fully investigated to ensure that it is an appropriate organisation for the management of Copthall stadium.
- 4.2.2 By taking the actions outlined in the body of the report and in those outlined in Appendix A, the residual risk is lessened to Low with a Medium impact, in each area.

### **5 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS**

- 5.1. The current annual holding management fee to GLL of £120,000 is apportioned on a monthly basis including an annual RPI adjustment. This amount has been market tested through the current agreement with GLL as being a commercial rate. This agreement will be terminated by way of a variation of the contract with GLL and a new management fee has already been negotiated with Shaftsbury Barnet Harriers, which will then pass on to Copthall Management Services Ltd.

### **6 COMMENTS, IF ANY, OF THE COUNCIL'S STATUTORY OFFICERS (Head of Paid Service, Chief Finance Officer, Monitoring Officer)**

- 6.1 None.

## 7 BACKGROUND INFORMATION

Copthall Management Services Ltd.

- 7.1 It is undeniable that Copthall Stadium requires significant capital investment to revitalise a deteriorating and underused asset. This is confirmed by the outcome of the Best Value Review, user groups, regular correspondence and comments in the local press.
- 7.2 The previous report presented to the Committee in May 2004 proposal would have involved Shaftesbury Barnet Harriers managing the facility in a holding capacity.

The change to the name of the holding company will allow Shaftesbury Barnet Harriers to reduce the risk against the club itself in the event of there being any difficulties arising with the partnership arrangement .

### Amending the Opening Hours.

- 7.3 Greenwich Leisure Limited has carried out a monitoring exercise over the last two months which has shown that on average, between 2 and 3 paying customers attend the stadium between 8.30am and 10.30am each week day morning in the height of summer. It is with this in mind that approval is sought for the Council and CMS Ltd to adjust the winter opening hours for the period from 1 December to March 31 2005 as detailed in the table below in the interests of efficiency and lack of demand.

<b>Current Opening</b>		<b>Proposed Opening</b>
<b>8.30am – 2.00pm</b>	<b>Mon/Wed/Frii</b>	<b>10.00am – 2.00pm</b>
<b>8.30am – 9.00pm</b>	<b>Tues/Thu</b>	<b>10.00am – 9.00pm</b>
<b>8.30am – 2.00pm</b>	<b>Sat/Sun</b>	<b>8.30am – 2.00pm</b>

- 7.3.1 That the Stadium opening hours revert back to cover the normal summer programme from 1 April 2005 to 30 September 2005 inclusive.

<b>Monday</b>	<b>8.30am – 8.00pm</b>
<b>Tuesday</b>	<b>8.30am – 9.00pm</b>
<b>Wednesday</b>	<b>8.30am – 8.00pm</b>
<b>Thursday</b>	<b>8.30am – 9.00pm</b>
<b>Friday</b>	<b>8.30am – 5.00pm</b>
<b>Saturday</b>	<b>8.30am – 5.00pm</b>
<b>Sunday</b>	<b>8.30am – 5.00pm</b>

## 8.0 LIST OF BACKGROUND PAPERS

- 8.1 None

MO: DP

BT: MG



Ref	Risk	Early Warning Mechanisms / Mitigating Actions	Residual Risk (H, M, L)		Further action proposed (including timetable and officers responsible)
			Likelihood	Impact	
	Management Fee not used as per agreed upkeep of Cophall Stadium. Therefore Further deterioration of stadium facilities, Health & Safety implications	<p><b>Include in operating agreement checks by council officers on audit trails of operating fee, including a separate depreciation fund.</b></p> <p><b>Include in operating agreement Quarterly checks on maintenance of Stadium facilities by council officers.</b></p> <p><b>Checks would also be made by statutory licensing authorities as a condition of license requirements to operate the stadium, for matches, events and athletics meetings.</b></p>	M	M	None if report agreed. Situation to be monitored accordingly
4	<b>Compliance</b> Adherence to applicable laws, regulations, guidance and council policy .	<p>As mentioned in previous actions to be included in operating agreement.</p> <p><b>Include in operating agreement checks by council officers on audit trails of operating fee, including a separate depreciation fund.</b></p> <p><b>Include in operating agreement Quarterly checks on maintenance of Stadium facilities by council officers.</b></p> <p><b>Checks would also be made by statutory licensing authorities as a condition of license requirements to operate the stadium, for matches, events and athletics meetings.</b></p> <p><b>Proposals contained in main body of Report to insert a 5 year review clause into operational agreement to coincide with Break clause in lease so both parties can withdraw should views on the operation change significantly, or any changes in the Officers elected in the two Clubs may change.</b></p>	L	H	None if report agreed. Situation to be monitored accordingly