

**AGENDA ITEM: 6**

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Meeting	Cabinet Resources Committee
Date	30 March 2006
<b>Subject</b>	<b>Interim Management of Cophall Stadium</b>
Report of	Cabinet Member For Resources
Summary	This report sets out a proposal to extend the interim management partnership with Cophall Management Services Ltd from 1 April 2006 - March 31 2007.

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

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## **1. RECOMMENDATIONS**

### **1.1 That, in a variation to the previous decision taken by the Committee on 28 July 2005,**

- (i) the Council extends the interim management agreement with Copthall Management Services (CMS) Ltd to 31 March 2007 whilst work on a long term strategy for the stadium is developed.**
- (ii) an amount of £120,000 (2005 – 2006 plus RPI) continues to be allocated from the Leisure Management budget to cover the management fee with £20,000 per annum being retained by the Council to resurface the track in ten years time as part of the conditions of the Community Athletics Refurbishment Programme application.**

## **2 RELEVANT PREVIOUS DECISIONS**

- 2.1 Cabinet 9 September 2002, instructed (1) to immediately grant Hendon Football Club a licence to occupy the stadium with an agreement for a lease (2) to grant Hendon Football Club a 25 year lease at a peppercorn rent to manage Copthall Stadium and use it as their home ground 3) to agree to a disposal of the lease at Claremont Road Stadium.
- 2.2 Cabinet 9 September 2002; agreed 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 29 September 2003 – (1) agreed to enter into an agreement with Hendon Football Club and Shaftesbury Barnet Harriers, operating as a consortium through a Youth Sport Trust, to operate the stadium, and that an operating fee review should be undertaken every 5 years, with this being included in the lease, in a form to be agreed with the Borough Solicitor (2) that the current operating fee of £120,000 per annum be granted to the Youth Sport Trust, to maintain the stadium and operate a community programme to be agreed by the Council, with an annual RPI rise and 5 yearly fee review, and that the full discretionary NNDR relief be granted by the Council (3) that the Athletics track resurfacing estimated by Sport England to be £190,000 be met by an application by Shaftesbury Barnet Harriers to the Sport England Community Athletics Refurbishment Programme, and be match funded by utilisation of Council Section 106 monies - £75,000 from Mill Hill Gas Works and £20,000 of the gain from the development of the Claremont Road.
- 2.4 Cabinet Resources 20 May 2004, agreed 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

- 2.5 Cabinet Resources Committee 20 May 2004, agreed 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.
- 2.6 Cabinet Resources Committee 20 May 2004 agreed 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.
- 2.7 Cabinet Resources Committee 4 November 2004 agreed to 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 and to amend the winter opening hours of the stadium for the period November 2004 – March 2005 inclusive, taking into consideration demand and efficiency.
- 2.8 Cabinet Resources Committee 28 July 2005 agreed to the extension of the interim management agreement with Cophall Management Services(CMS) Ltd, the holding company of Shaftesbury Barnet Harriers (SBH), to 31 March 2006 in the first instance, to manage and operate the stadium for an annual fee of £120,000 plus RPI with £20,000 per annum being retained by the Council to resurface the track in 2006 and at a future date as part of the conditions of the Community Athletics Refurbishment Programme application.

### **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 Cophall 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.

### **4 RISK MANAGEMENT ISSUES**

- 4.1 These are attached as Appendix A.

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

- 5.1 The current annual management fee to CMS Ltd of £120,000 is apportioned on a monthly basis including an annual RPI adjustment. £20,000 from the management fee will be retained on a yearly basis to assist with the refurbishment of the track ten years after the new track is laid. This will be the Council's contribution to the refurbishment process with the rest of the funding being raised by the Council's partner

## **6. LEGAL ISSUES**

6.1 These have been included in the main body of the report.

## **7. CONSTITUTIONAL POWERS**

7.1 Constitution, Part 3 - Responsibility for Functions, Section 3 - Powers of the Executive, paragraph 3.6 - terms of reference of the Cabinet Resources Committee.

## **8. BACKGROUND INFORMATION**

8.1 There has always been an expectation that Hendon Football Club would join together with Shaftesbury Barnet Harriers to form a trust and manage the facility in the future. However, there has been a lot of uncertainty regarding the future of the football club and a Supporters' Trust has recently been formed with the intention of taking the club forward after the current season ends. The Trust has declined the invitation to relocate to the stadium and has had talks with Wingate and Finchley FC with a possible view to setting up a ground sharing agreement based at the Abraham Stadium.

8.2 It is with this in mind that a further extension of the current interim management partnership is requested whilst work on a long term strategy for the stadium is developed.

8.3 Copthall Management Services Ltd has been managing the stadium since January 2005. A continuing partnership arrangement until March 2007 will allow for further refurbishment/developmental works at the stadium to be carried out by the partner, although not to the extent had Hendon Football Club had been expected to carry out.

8.4 An extensive programme of works has been undertaken to make the facility as safe and weather proof. This has included the complete overhaul of all the electrical installations at the stadium together with numerous building projects and DDA developments. With the support of Council staff, Copthall Management Services team have produced Normal Operating Procedures, Emergency Action Plans and Risk Assessments which have been approved by a Council Health and Safety Officer.

8.5 Leisure Management recently commissioned Materials Science Consultants Ltd to carry out a complete inspection of the track prior to the beginning of the tendering process to select a contractor to relay the track.

8.6 The Council has been awarded £257,500 from Sport England and The London Marathon Charitable Trust to resurface the track and ancillary throwing and jumping areas during 2006. A further £97,500 has been raised through Council Section 106 agreements. A further bid for an extra Section 106 agreement of £25,000 will be also be submitted.

- 8.7 Further track refurbishment works will have to be carried out in ten years time which is a condition of the Sport England grant.
- 8.8 There is the possibility that the athletics stadium may be required as a 'holding/training venue' for a country prior to the start of the Olympic Games in 2012 and there will be a need to prepare for this.

9. **LIST OF BACKGROUND PAPERS**

- 9.1 None.

Legal: MDO  
CFO: MG

Ref	Risk	Early Warning Mechanisms / Mitigating Actions	Residual Risk (H, M, L)		Further action proposed (including timetable and officers responsible)
			Likelihood	Impact	
1	<b>Strategic</b> - not enabling the partnership arrangement to be extended.	Proposals contained in main body of report to minimise capital and revenue Council expenditure.	M	M	Leisure Management would seek assistance from the project office to manage the facility for a given period of time until the future strategy for the facility has been developed.  Situation to be monitored accordingly by an appropriate Leisure Management officer.
2	<b>Operational</b> – Lack of further investment in the stadium infrastructure leading to operational difficulties, withdrawal of Community and schools Sports, Athletics and events programme.	Proposals contained in main body of report, to enhance facility provision and continue Community / Schools Sports and Athletics programmes.	M	M	None if report agreed. Situation to be monitored accordingly by an appropriate Leisure Management officer.
3	<b>Financial</b> Management Fee not used as per agreed to upkeep the Copthall Stadium. Further deterioration of stadium facilities, Health & Safety implications	<p>Include in operating agreement checks by council officers on audit trails of operating fee, including a separate depreciation fund.</p> <p>Include in operating agreement Quarterly checks on maintenance of Stadium facilities by council officers.</p> <p>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.</p>	<p>M</p> <p>M</p> <p>M</p>	<p>M</p> <p>M</p> <p>M</p>	<p>Leisure Management would be required to manage the facility on a limited budget.</p> <p>None if report agreed. Situation to be monitored accordingly by an appropriate Leisure Management officer.</p> <p>None if report agreed. Situation to be monitored accordingly by an appropriate Leisure Management officer.</p>

Risks can be events or non-events (e.g. missed opportunities) and be one or more of the following:- strategic, operational, staffing/culture, financial, compliance.