# OVERVIEW & SCRUTINY BOARD

# BROMSGROVE SPORTING TASK GROUP

## FINAL REPORT

January 2020



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## **MEMBERSHIP OF THE TASK GROUP**



**Councillor Michael Thompson (Chairman)** 



Councillor Sue Douglas



Councillor Charlie Hotham



Councillor Rob Hunter

# SUPPORTING OFFICER DETAILS Amanda Scarce – Senior Democratic Services Officer a.scarce@bromsgroveandredditch.gov.uk

#### Foreword from the Chairman

The Sporting Task Group was set up by former Labour Councillor, Chris Bloore, and, first and foremost, I would like to thank Chris for making this happen. It was a real honour to work objectively with councillors and officers on the project. We have reached recommendations that we are excited about and that we believe will benefit Sporting and the Bromsgrove district and its communities.

I would also like to thank Officers for their support in carrying out this investigation and the representatives of Bromsgrove Sporting who took the time to attend and give evidence.

Councillor Michael Thompson Chairman, Bromsgrove Sporting Task Group

## **Summary of Recommendations**

After consideration of the evidence available and interviewing witnesses the Task Group have proposed the following recommendations, supporting evidence can be found under the relevant chapters within the main body of this report.

## <u>Chapter 1 – What Contribution the work of Bromsgrove Sporting made to the Local Communities' Health and Wellbeing</u>

#### **Recommendation 1**

That officers work with Bromsgrove Sporting to develop a business case to be presented to Council to provide a contribution of up to £10k pa for a period of 5 years to fund capital investment in the ground. This would also be subject to reviewing the lease arrangements in relation to works undertaken.

#### **Financial Implications for recommendations:**

Potential borrowing cost to the authority of any proposed projects.

## **Legal Implications for recommendations:**

These would need to be assessed as part of the lease arrangements.

### **Resource Implications:**

Officer time in developing any business cases.

## <u>Chapter 2 – The Lease and legal position between Bromsgrove Sporting and this Council</u>

#### **Recommendation 2**

That the terms and length of the lease to Bromsgrove Sporting be reviewed, with a view to replacing the current lease to enable a 50 year lease to be in place, in order to allow them to access grant funding from other sources.

## **Financial Implications:**

Minimal cost to the Council.

#### **Legal Implications:**

The Lease would need to be reviewed in detail.

### **Resource Implications:**

Officer time in reviewing the lease and making any relevant agreed changes.

## **Background Information**

Former Councillor C. J. Bloore presented a topic proposal form containing proposed terms of reference for a Task Group to establish the benefit that the Bromsgrove Sporting club brought to the local community and how the Council could support the club going forward.

Following consideration of the topic proposal the Board agreed that a Task Group should be established, Councillor Bloore was not a member of the Overview and Scrutiny Board, so was unable to Chair the Task Group, but was invited to join it. At the Board meeting held on 3<sup>rd</sup> December 2018, Councillor M. Thompson was appointed Chairman and asked to report back its findings within 6 months. At the Board meeting held on 14<sup>th</sup> January 2019 the Membership of the Task Group was confirmed as Councillors C. Hotham, R. Jenkins, R. Laight and S. Webb.

Unfortunately, for a variety of reasons, the Task Group were unable to meet for a number of months. At the Board meeting held on 10<sup>th</sup> June 2019 it was reported that as Councillor Laight was now Chairman of the Council and Councillor Webb a Portfolio Holder, they were unable to take part in the Task Group. Following discussion, Members agreed that it would be easier to complete the review quickly if only Board Members were appointed to it. With this in mind Councillor Thompson remained as Chairman and Councillors S. Douglas, C. Hotham and R. Hunter agreed to join it.

The Group held its first meeting on 27<sup>th</sup> June 2019 and has held a further 4 meetings where it investigated the matter in great detail and held discussions with a number of key witnesses. The outcome of those discussions is summarised in the following chapters and provides evidence to support the recommendations which have been proposed.

## Chapter 1

# What contribution the work of Bromsgrove Sporting made to local communities' health and wellbeing

From initial discussions the Task Group was keen to understand the role that Bromsgrove Sporting played in the local community and how this fed into the work of the Council, with particular reference to health and wellbeing.

From evidence provided by officers it was noted that whilst Bromsgrove Sporting ran a significant number of teams at all levels, the Club had no formal relationship with the Council for delivery of activities for the community or wellbeing. It was further acknowledged that the growth of the club since its inception in 2009 and the increase in attendees at the ground would undoubtedly have an impact on the growth of the local economy. However the ability to evidence such growth was not an easy thing to do.

Members were provided with information in respect of the availability of rooms at the ground for hire, which was an additional source of income for them, but also a potential opportunity for use by community groups. It was understood that the clubhouse was provided for FA courses at a reduced rate that that a countywide football festival had been hosted at the Barnsley Hall site (it was noted that Bromsgrove Sporting did not have exclusive use of this site), for which there was a separate lease and management agreement with Bromsgrove Sporting Colts. The junior work in the community was already part of this agreement. The requirements of that agreement were being met and Members were advised that in previous years the Council, together with Bromsgrove Sporting Colts had received praise form the Football Foundation as to how well it was achieving its outcomes.

It was noted that the current overall outlay for Bromsgrove Sporting was £17k per annum including the Barnsley Hall site.

It was further noted by the Task Group that Bromsgrove Sporting had, since 2016/17 entered into an agreement with Worcester City FC to share the Victoria Ground, initially with a two year agreement with the option for a third, which was activated. A fourth year has also been taken up and it was assumed that a further agreement had been put in place.

At its meeting held on 18<sup>th</sup> September 2019 representatives from Bromsgrove Sporting attended and provided a significant amount of information in support of their request for the rent on the ground to be reduced and were keen for the Task Group to understand the need for that request and gain its support.

The representatives of Bromsgrove Sporting were keen to highlight its community involvement and were aware of its social responsibilities and wherever possible contributed to the welfare of the community and supported a number of local charities. This included holding a charity football match, food donation collections and was currently support MIND through charity

collections. It also provided free entry to under 12 year olds to its home games. It was also highlighted to Members that due to its rapid promotion in successive years the average home attendance at games was now approximately 1k which was nearly a 50% increase for that period in previous years. It was felt that this would have increased the foot fall in the direct locality of the ground and in the town and had resulted in many local businesses reporting improved trading.

Members were provided with details of Bromsgrove Sporting's ambitious 10 year Development Plan, which had been submitted to the Football Association and which detailed the club's vision on how it proposed to improve the footballing opportunities and facilities in the Bromsgrove area. Many of the areas within the plan were dependent on the appropriate funds being made available, either by the club or in partnership with other organisations.

The representatives form Bromsgrove Sporting explained to Members that they understood that a number of other local clubs paid significantly less rent than they currently did. It should be noted that the group does not have access to any evidence that would prove this to be the case. However, this would allow those clubs to pay more attractive wages to players and the club reported it had lost players due to this and they were keen to be able to retain players and attract new players in order for them to progress further within the leagues. There was real concern that the club may drop back down to a lower league if it did not retain some of its key players.

At a following meeting the Task Group was reminded that the Council operated within a very restrictive financial framework that severely restricted its ability to provide financial assistance to commercial organisations. Unless very clear and accountable community benefits could be established, the power to fix a less than best consideration rent was derived from the General Consent (England) Regulations 2003 (made under the Local Government act 2000), which stated that consent was not required for the disposal of any interest in land which the authority considered would help it to secure the promotion or improvement of the economic, social or environmental wellbeing of its area. Therefore an organisation needed to demonstrate clearly that the service it provided met the test of the Act then the Council may consider a concessionary rental payment.

It was clear from this information that to enable Bromsgrove Sporting to pay less than the market rent to the Council it needed to demonstrate clear examples of the following as delivered and provided by their club.

- Achieve Community Club Status
- Increase the availability of floodlight training spaces for team sports to reduce pressure on grass pitches.
- Provide a venue for the delivery of sports and coaching based vocational and educational courses/activities.
- Improve access and egress for disabled users and visitors to the site.
- Increased participation rates in junior football and physical activity for health and wellbeing benefits.

- Allowing the club to ensure player pathways are maintained for football from grassroots through to semi-professional standard.
- Increased employment opportunities to support the delivery of increased services provided on site.

It was noted that currently there were no performance measures included within the lease arrangement with Bromsgrove Sporting that would enable the Council to demonstrate any community benefit. An example of where such an agreement was successful was given as Redditch United, in a neighbouring authority where the Club worked closely with the Council to meet the required performance measures in respect of all the above areas and support the strategic purposes of Redditch Borough Council.

With this in mind the group concluded that Bromsgrove Sporting would benefit from additional support. Members are therefore proposing that a business case should be developed, to be presented to Council, to support capital investment in the ground. This would enable the Council to provide financial support to the club.

The Task Group therefore recommends the following:

#### Recommendation 1

That officers work with Bromsgrove Sporting to develop a business case to be presented to Council to provide a contribution of up to £10k pa for a period of 5 years to fund capital investment in the ground. This would also be subject to reviewing the lease arrangements in relation to the works undertaken.

## Chapter 2

## The Lease and Legal Position between Bromsgrove Sporting and this Council

The second area which the Task Group looked at in detail was in respect of the lease between Bromsgrove Sporting and this Council. It was noted that the land where the Victoria Ground was gifted to the Council for use as a sports facility. Members questioned the value of the site and it was acknowledged that it was difficult to come up with a figure for its current use as opposed to for example if it were sold off for development of some kind. It was also noted that the Bromsgrove sporting Limited was currently registered as a limited liability, community interest company.

The Task Group Members were advised by officers that Bromsgrove Sporting had been formed in 2009 following the collapse of Bromsgrove Rovers. A tender process had been put in place for the lease of the Victoria Ground following that collapse, when Bromsgrove Sporting were successful. The rent of the Ground was agreed with the new Board. The rent was reviewed every five years and at the first review the decision was made to keep the rent at the same level. It was noted that a request had been made for a reduction in rent in March 2012, but as the Council had just spent £42k on the ground, this was fed back to the club and the request was withdrawn by them.

It was noted by Members that the Club had written to officers in October 2018 requested that a longer lease be given in order for them to more easily access funding from other bodies for improvements to the ground in order to match he standard of football that was being played following its promotion through the leagues. It was understood that the Football Foundation required a 25 year security tenure.

The lease was currently under review and Members were keen that consideration be given to its terms and length in order for Bromsgrove Sporting to be in a more favourable position to enable them to access funding from other organisations as it was appreciated that it was difficult for them to be able to secure this with the lease in its current format.

The Task Group therefore recommends the following:

#### **Recommendation 2**

That the terms and length of the lease to Bromsgrove Sporting be reviewed, with a view to replacing the current lease to enable a 50 year lease to be in place, in order to allow them to access grant funding from other sources.

## **Areas to Note**

- From its investigations the Task Group had noted that a number of more established football clubs had secured sponsorship from a number of local and sometimes national organisations. As Bromsgrove Sporting had made rapid progress in recent years, Members were keen for them to take advantage of this progress and seek sponsorship wherever possible.
- Members appreciated that currently the club was often reliant on volunteers and were keen that this was continued and developed further
- To consider all income streams including the commercial use of the facilities for example through hiring out the facilities more widely or use of the car park outside of match days.
- To continue to develop neighbourhood relations.

## Appendix 1



## **OVERVIEW AND SCRUTINY TOPIC PROPOSAL**

This form can be used for either a Task Group or a Short Sharp Review topic proposal.

Completed forms should be returned to <a href="mailto:scrutiny@bromsgrove.gov.uk">scrutiny@bromsgrove.gov.uk</a> – Democratic Services, Bromsgrove District Council.

Name of Proposer: Christopher Bloore									
Tel No:	Email: c.bloore@bromsgrove.gov.uk								
Date: 13/11/18									

Title of Proposed Topic  (including specific subject areas to be investigate)	Supporting Bromsgrove Sporting FC including reducing the cost of rent for use of the Victoria Ground.	
Background to the Proposal  (Including reasons why this topic should be investigated and evidence to support the need for the investigation.)	Bromsgrove Sporting FC have had a meteoric rise since Bromsgrove Rovers folded. The club has risen from the bottom of the football Pyramid to the Evo-Stik South and has now commenced with plans to increase their work within the local community. They currently pay £12,000 to Bromsgrove District Council for use of the Victoria Ground. This land was originally gifted to the Council for the use of football. Growing attendances and the improved junior football offer mean hundreds of people are now using shops in the town centre when they visit Bromsgrove.	
Links to national, regional and local priorities	To grow our local economy and promote health and well-being.	
(including the Council's strategic purposes)		

Possible Key Objectives  (these should be SMART – specific, measurable, achievable, relevant and timely)	To establish the benefit the club currently brings to the local community and town centres, if this is sustainable and what the next steps would need to be to increase the community offer of the club.  The task group could recommend that any money refunded to the club is used for community development/junior football development.			
Anticipated Timescale for completion of the work.	TBC			
Would it be appropriate to hold a Short Sharp Inquiry or a Task Group? (please tick relevant box)	Task Group		Short Sharp Inquiry	

## **Declarations of Interest**

It was agreed at the Task Group's initial meeting that all Members at some time had visited the Bromsgrove Sporting Ground and there a general declaration would be included which covered this.

## **ACKNOWLEDGEMENTS**

### WITNESSES

The Task Group considered evidence from the following sources before making its recommendations:

#### **Internal Witnesses:**

Jayne Pickering – Executive Director, Finance and Resources Julie Heyes – Business Development Manager Chris Wells – Club and Coach Development Officer

#### **Councillors:**

Councillor P. Thomas – Portfolio Holder for Leisure Services

#### **External Witnesses:**

Mr. M. Burke – Chairman, Bromsgrove Sporting Mr P. Baker – Company Secretary and Director, Bromsgrove Sporting Mr. M. Gardiner – Projects Director, Bromsgrove Sporting

### **BACKGROUND PAPERS**

Tenancy Agreement Lease Agreement Original Conveyance Document

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