

Report of the Director of Corporate Services

Executive Board

DEVELOPMENT FUND APPLICATION

New Themed Miniature Golf Course

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1. BRIEF SUMMARY OF PURPOSE OF REPORT.

An application has been received from the Communities Department for the New Themed Miniature Golf Course at Pembrey Country Park.

KEY DECISIONS REQUIRED, IF ANY

The report gives an update on the latest position of the Development Fund, and seeks the approval for a recent application to the Fund.

2. RECOMMENDATIONS

- 2.1 Approval is given in the sum of £150,000 to fund the update/upgrade of the current crazy golf facility to a new themed golf course.
- 2.2 That the repayment for the above scheme be over four years.
- 2.3 That the repayments to the Insurance Earmarked Reserve from the Development Fund are deferred until 2021/22.

3. REASON

A recent application for financial assistance from the fund has been received from the Communities department for an update/upgrade of the current crazy golf course which, with the development of the Park over recent years would increase footfall and generate additional income.

4. BACKGROUND AND EXPLANATION OF ISSUES

4.1 Development Fund Criteria

To qualify for Fund support the following criteria were laid down:-

1. Applications are restricted to “one off” type projects and support for recurring costs are not considered.
2. All projects must demonstrate the ability to generate long-term savings to the Authority.
3. Financial assistance from the fund to be repaid over a four year period, with no interest being charged.
4. Minimum scheme cost eligible for support is set at £50,000.
5. Financial assistance to any scheme is restricted to 25% of available fund resources.

It must be said however that since its inception the fund has supported projects that did not meet all the above criteria.

4.2 CURRENT POSITION

- 4.2.1** Some 43 schemes have been supported to date to the value of approx £6.6m by the Development Fund.
- 4.2.2** Based on the approvals to date, there is £164k available for new Projects. This sum will rise to £454k in 2020/21 and £1.67m in 2021/22 when future repayments to the fund are made.
- 4.2.3** Given the level of funding currently available and in order to facilitate this and future requests, it is recommended that the repayment of £500k due to the Insurances Earmarked Reserve from the Development Fund be deferred as it is not imminently required.

In 2016/17 a transfer from the Insurance Earmarked Reserve was made to support Development Fund applications at that time. To ensure that we could deliver on those applications there was an opportunity to make use of resources that were contained within the Insurance Earmarked Reserve and held for long term potential liabilities and therefore Members approved the short term use of those resources to buffer the Development Fund.

In so doing this allowed projects to go ahead but identified a profile of repayment of the £500k back to the Insurance Earmarked Reserve.

It is now felt that to continue to optimise Development Fund opportunities this repayment can be deferred to a future date which allows funds to be made available for recent applications. It is therefore recommended that the repayment of £500k due currently be deferred until 2021/22.

4.3 NEW APPLICATIONS

4.3.1 An application has been received from the Communities Department for funding for a New Themed Miniature Golf Course generating increased income.

4.3.2 Scheme Overview:

Scheme Costs

	£
Themed Golf Course	140,000
Footgolf	10,000
Amount requested	150,000

4.3.3 Fund Repayments

£37,500 per annum over four years, to be met through increased income.

It is recommended to increase prices from £2/£2.50 to £3/£4 with a family ticket for £12.

Based on current income and the same numbers income would increase by £36k per year. If footgolf had a similar number then income would increase by an additional £10k.

4.3.4 Scheme Benefits

- The park has developed greatly over the past few years with the growth of the campsite, new closed road circuit, large events programme and unique sporting venue. All of these things help with tourism and footfall, however there is nothing new for people visiting for the day. Over 50% of negative feedback is around the golf never being open or looking tired.
- The golf will also help grow the team building and birthday party offering which with the new restaurant will achieve the full conference facility including an activity in the afternoon.
- The activity centre/ski centre will also achieve more visits and footfall to the park will grow.
- It will provide an opportunity for visitors to learn about the history of the park through the activity.

5. OTHER OPTIONS AVAILABLE

Close the current facility due to negative feedback, health and safety and negative profit. This would mean putting land back to a field with incurred costs.

6. COMMUNITY STRATEGY INTEGRATION TOOL

Not Applicable

7. IMPLICATIONS:

7.1 FINANCE

Based on the latest profile of spending, it is estimated that there is some £164k available for new projects. The deferral of the repayment to the Insurance Earmarked Reserve will allow for possible further applications.

The application is for £150,000, with the fund repayments of £37,500 per annum being made from savings on income generated.

7.2 STAFFING

No impact.

8. FEEDBACK FROM CONSULTATIONS UNDERTAKEN

As part of the proposal, investigations into how popular mini golf is across the UK were undertaken and a consultation was via the existing social media networks on how many people would use the facility.

93% were in agreement with a refurbishment and would use a new facility.

9. LIST OF BACKGROUND PAPERS USED IN THE PREPARATION OF THE REPORT

Title of Document	File Ref No.	Where available for public inspection
Development Fund Application		County Hall, Carmarthen.