

ANGUS COUNCIL – 3 NOVEMBER 2022

CARNOUSTIE GOLF PROVISION – FUTURE ARRANGEMENTS – UPDATE

REPORT BY THE DIRECTOR OF LEGAL & DEMOCRATIC SERVICES AND DIRECTOR OF FINANCE

ABSTRACT

This report updates members on progress with the investigation of options which the Council agreed be undertaken at a Special Council meeting on 20 January 2022.

1. RECOMMENDATIONS

It is recommended that the Council notes the update on progress with the investigation of the options.

2. ALIGNMENT TO THE COUNCIL PLAN

This report contributes as a whole to the Council Plan.

3. BACKGROUND

3.1 At a special meeting of Angus Council on 20 January 2022 the Council considered and approved the recommendations in [Report 8/2022](#) and Report 9/2022 (exempt) regarding Carnoustie Golf Provision – Future Arrangements. Amongst other things Council:-

- confirmed its strategic intent regarding the future of the golf courses at Carnoustie as set out in Section 6 of the Report, and agreed that working with partners to secure the return of The Open Golf Championship to Carnoustie on a regular basis was something to be pursued as a high priority objective over the next few months;
- agreed that 4 recommended options be taken forward and developed to inform and enable Council to make a decision on a final option for implementation. Those options were:-
 - Option 2 - New Governance Arrangements with External Investment – CGLMC Ltd, (“CGLMC”) Proposals
 - Option 3 - New Delivery Model Led and Funded by Angus Council
 - Option 4 - CGLMC Proposals but on Different Terms
 - Option 5 - Seek a Shorter-Term Solution
- agreed that a public consultation be planned for as part of the process of informing the Council's final decision on which Option to implement with the detail and timing of that consultation and the proposed consultation content to be subject to a further report to Council prior to being launched; and
- approved the resourcing arrangements, costs and funding for the further work which was required to develop the 4 agreed options including a number of delegations to officers to procure specialist financial, legal and other advisers at an estimated cost of up to £125,000.

3.2 An update was provided at full Council on 30 June 2022 (report 183/22 refers) which updated members on progress with the detailed investigation of options; sought authority to increase the funding for specialist advisors to support this work following a tendering process; and highlighted important information concerning a potential planning application which CGLMC were considering submitting to the Council which would involve separate and distinct pre-application public consultation/engagement in line with planning legislation.

3.3 This report provides a further update on the detailed investigation of options to-date.

4. PROGRESS WITH OPTIONS INVESTIGATION & REVISED DELIVERY TIMETABLE

4.1 Table 1 below provides outlines an update on the actions set out at the Council meeting of 30 June 2022.

	Action	Update since Full Council on 30 June 2022
1	Appoint specialist legal and financial advisers to support Council officers in pursuing Options 2, 3 and 4	Complete. Financial and legal advisers appointed. A valuation specialist is also in the process of being appointed.
2	Appoint Council team to oversee this work	Complete. Officers from Legal, Finance, Vibrant Communities and Sustainable Growth and Communications have formed a project team with oversight by a small Project Board chaired by the Chief Executive
3	Discussion / Negotiation / Further work on Options 2 and 4 so core terms are fully understood for Council to consider alongside the other options. Specialist adviser input and report for Council to be prepared on this	After assessment and advice from the Council's specialist adviser, discussions with CGLMC concluded that Option 2 was not viable in the current circumstances and in the short term; CGLMC have taken on board the need to develop and support the case for an Option 4 proposal. Based on certain principles and an objective view of the current circumstances, such an Option 4 proposal is likely to be more favourable and achievable for a number of stakeholders, including CGLMC than Option 2.
4	Investigation / Due Diligence / Assessment of Option 3 and preparation of a report on this by specialist advisers	It has not been possible as yet to develop a fully worked up proposal ready to be implemented. Work is ongoing to confirm or otherwise the deliverability and benefits of Option 3 to allow a best value comparison with the other Options.
5	Investigation / Assessment of Option 5 – Seek a shorter-term solution	Timescales on this option depend on reaching agreement with the R & A on a shorter term solution.
6	Public Consultation content agreed and then undertaken and results reported back to Council	Timing will depend on progress of investigation / negotiation of other options.
7	Report to Council on outcome of further work under actions 3 to 6 and, subject to status of discussions and negotiations with all key stakeholders, seek agreement to implement a preferred option.	The timescale for this is subject to receipt from CGLMC of the written proposal on Option 4.
8	Implementation Phase	Implementation phase and length will depend on final option chosen

4.2 Our specialist advisers have intimated what CGLMC might include within their Option 4 proposal to explain the plans and timescales for the redevelopment and operation of Carnoustie Links. The Council's specialist advisers will provide an assessment of the Option 4 proposal and, if considered sufficiently comprehensive (either in its original form or with supplements/amendments made by CGLMC after further discussion) the Option 4 proposal will be put to Council with a view to being consulted upon with the public. Due to the lack of viability of Option 2 as outlined above, it is not now proposed that Council consult on this Option. Option 3 and Option 5 require further time to be fully worked up, again as outlined. It is proposed that a

final decision is taken on which Options to consult on by Council when our specialist advisers assess they are ready to be considered.

5. RESOURCING

On 30 June 2022, Council approved a request to increase the project budget by a further £125,000 to provide a total funding provision of £250,000 in order to procure additional input from advisers beyond that initially planned and to help ensure more rapid progress is made. The Council has made good progress with the support and advice of their specialist advisers.

6. PUBLIC CONSULTATION ON OPTIONS & FUTURE ARRANGEMENTS

- 6.1 Report 8/2022 highlighted that legal advice indicates that a lease option (Options 2 and 4) would constitute a disposal of open space by the Council and as such would be subject to the requirements of section 27 of the Town and Country Planning (Scotland) Act 1959. That Act requires the Council to publish a notice on the proposals and consider any objections raised. The report also noted that some of the options would, if implemented, be a significant change to how a major public asset would be run and managed in the future and that if the final proposals included other land not currently leased to CGLMC both these issues would be matters of public interest and for those reasons also a public consultation should be carried out.
- 6.2 The Council consequently agreed in January that a public consultation be planned for as part of the process of informing the Council's final decision (which Option to implement) with the detail and timing of that consultation and the proposed consultation content to be subject to a further report to Council prior to being launched. This remains the intention once the detail has been provided in terms of Option 4 which is awaited from CGLMC.
- 6.3 For the avoidance of doubt elected members will be asked to approve the consultation before it begins and will require to have the results of that consultation available to inform their final decision on which option to implement.

7. UPDATE ON PLANNING APPLICATION

As Council was advised in June 2022, planning applications can be made for the redevelopment of land not owned or controlled by the applicant. An application for the redevelopment of the existing Golf Hotel will likely be deemed a "major planning application" and if that is the case a separate statutory process of engagement and consultation with the public requires to be undertaken. Members will note what was said in the 30 June 2022 Report in respect of this matter.

8. RISKS

The main risks remain as outlined in the said June Report and are as follows: -

- Timescales/Urgency – there is a need to move forward on this as quickly as possible for a variety of practical and commercial reasons. The longer it takes to reach a conclusion the more risk there is of key objectives for all parties becoming undeliverable.
- Scale and Duration – the options which are to be developed further will all result in decisions being made which are large in scale and long term in nature and it is vital in this context that the Council chooses the best value option to deliver its strategic objectives.

After analysis, Option 2 was considered by the Council (with advice to this effect) to represent too much risk in terms of 'Scale and Duration' with a 'Timescale/Urgency' that is driven by commercial factors, which are not at the direction or control of the Council and, accordingly, risk/timescale pressures that could impinge on getting the best outcome. A proposal based on Option 4 presents less risk/timescale pressure with a longer term potential for the key objectives to be achieved, hence the reason that CGLMC are in the midst of preparing their Option 4 proposal. Option 3 and Option 5 require further time to develop as outlined in this report.

9. FINANCIAL IMPLICATIONS

9.1 There are no direct financial implications arising from this specific report. However, there are potentially significant direct and indirect financial implications arising from decisions made by the Council on the future provision of golf at Carnoustie Links.

10. LEGAL IMPLICATIONS

10.1 There are no legal implications arising directly from the recommendations in this report.

11. EQUALITY IMPACT ASSESMENT

11.1 An equality impact assessment is not required.

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