

London Borough of Enfield

Report Title	Decision to Lease Land at Whitewebbs Park Golf
	Course
Report to:	The Leader
Date of Report:	26 th June 2023
Directors:	James Wheeler – Acting Director or Development
	(Property)
	Sarah Cary – Executive Director Place
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Report Author:	Jennifer Lee
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Ward(s) affected:	Whitewebbs
Key Decision	KD 5607
Number	
Implementation	12 th July 2023
date, if not called	
in:	
Classification:	Part 1 Public
Reason for	The Part II report contains information that is
exemption	commercially sensitive and could be prejudicial to the
	interests of both the Council and the proposed lessee.

(My observations in red SW)

Purpose of Report

1. To approve proceeding with the disposal (agreement for lease) of the former Whitewebbs Park Golf Course (WPGC) for a 25 year lease to

Tottenham Hotspur Limited (THL), following consideration of public objections in response to the notices published under Section 123(2A) of the Local Government Act 1972.

Recommendations

- Approve proceeding with the disposal (lease conditional on agreement for lease) of the former Whitewebbs Park Golf Course to Tottenham Hotspur Limited.
- II. Delegate to the Director of Property, in consultation with the Director of Legal, finalising the terms of the agreement for lease and, following satisfactory completion of the planning process, granting the lease.
- III. Note the updated financial implications in relation to Key Decision KD5177 (paragraphs 39 & 40).

Background and Options

- 2. The former Whitewebbs Park Golf Course is currently unoccupied, and as a temporary measure the public have enjoyed the benefit of access over the full grounds. The land has reverted to public open access land as per the original lease.
- 3. In March 2019, Key Decision KD4849 approved proposals to market the golf course. Following the closure of the golf course during the Covid19 pandemic, in March 2021, KD5177 approved a proposal permanently to keep closed golf course with immediate effect.
- 4. In September 2021, KD 5177 gave in principle approval to enter into an agreement for lease with the preferred bidder, Tottenham Hotspur Limited (THL), and subject to planning, for the grant of the lease.
- 5. The Director of Property & Economy was given delegated authority in consultation with the Director of Legal and Governance to make minor amendments to the heads of terms and to finalise the agreement for lease, the lease and associated documents.
- 6. Appendix A provides a map of Whitewebbs Park. Under the proposed lease, approximately 18% of the overall park would be enclosed for THL's use, as a women's and girls' football academy and turf academy. 33% of the leased area the open space
- 7. Heads of Terms setting out the proposed terms of the agreement for lease are attached in the Confidential Appendix.
- 8. The key terms of the proposed lease are as follows and have not changed since KD5177:
 - 25 years from the date of completion of the lease
 - A total consideration of £2,000,000

- Lease to be excluded from the security of tenure and compensation provisions of the Landlord & Tenant Act 1954 (Part II, as amended)
- Improvements to the site (see below para.8)
- 9. Proposals by THL for the site include the following.
 - Creation of an academy for women's and girls' football;
 - Refurbishment and extension of the Northern Clubhouse to create an education centre for women's and girls' football;
 - Expansion of a THFC Turf Academy, training the next generation of ground staff and greenkeepers in conjunction with other leading sports venues;
 - Reinstatement of parkland on the southern part of the golf course; the parkland has re-established itself unaided
 - Tree surveys, habitat survey, hydrological survey and woodland management survey;
 - Improvements to the Southern Clubhouse and car park to incorporate a café and WCs and public car parking; Enfield and Spurs are at variance on what is going to be provided.
 - Improvements to the park's infrastructure including to bridleways and footpaths. We need details of what is to be done and who is paying for it
- 10. The agreement for lease is currently being drafted. (still?) The agreement will oblige THL to obtain planning permission for their proposals and to complete a series of improvement works, before the lease will be granted. Complete a series of improvement works is new
- 11. Section 123(2A) of the Local Government Act 1972 states that "A principal council may not dispose under subsection (1) above of any land consisting or forming part of an open space unless before disposing of the land they cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal which may be made to them."
- 12. The Council published the Section 123(2A) Notice in the Enfield Independent on 14th December 2022 and again on 21st December 2022. See Appendix B. The Notice was also displayed at the four Enfield Hub libraries (Enfield Town, Ordnance Unity Centre, Edmonton Green and Palmers Green Libraries) in the Civic Centre and at the proposed site. The Enfield Independent does not circulate in the area I have not seen a copy for years. One notice was posted to a toilet wall.
- 13. The Notice invited objections to the THL proposals and stated that any objections would be considered.
- 14. An analysis of the objections and officers' responses to them is attached as Appendix C. A total of 788 submissions were received. Some of these were duplications where the responder chose to submit via both the website and email address, while many had submitted what appeared to be a stock response prepared for them by others.

- 15. The common themes identified in the objections are summarised below.
- 16. Officers have carefully considered these objections with reference to the THL proposals.
- 17. Lack of consultation / engagement / information about the proposals The common theme here related to how the plans had been communicated with some responders expressing their concern over the lack of information provided. Many comments were a request for more information or highlighted that they felt there had been limited engagement. A common theme was a misconception that the planning process was not going to be implemented. This is not the case, since the grant of planning permission would be a pre-condition of the grant of the lease. Further, THL's planning application would be subject to statutory consultation at a minimum, with non-statutory consultation expected as part of the pre-planning process. The Council would also update the landing page on its own website with information about the proposals as they progress.
- 18. Community Impact Objections received relating to the theme of community impact raised concerns over the potential loss of space for use by various groups including walkers, dog walkers and running clubs. We believe many of these views do not fully consider the proposed lease terms. Lease terms were not made public even in draft form. The proposals would provide free public access to approximately 67% of the leased area and would be designed to enable an enhanced community experience as compared with when the golf course was operational, with an enhancement on the quality of the open space and therefore enhanced accessibility. Meaningless without detail
- 19. The area of the park which THL would have exclusive use of was previously used as a golf course and it would be limited to approximately 18% of the overall park. This area would be dedicated to growing women's and girls' football with a new state of the art Football Academy as well as a new Turf Academy, and access would be managed by the Club. The proposed Football Academy aligns with the Council's ambition of increasing opportunity for women and girls to play sport in Enfield. Only a select group of elite players AND NOT an increasing opportunity for Enfield women and girls to play sport.
- 20. Environmental Impact Concerns that green space may be lost. The proposals seek to enhance and celebrate the open space through the creation of a joint estate management agreement between the Council and THL in relation to the area that would remain freely open to the public. See the THFC annexe for more info on this
- 21. Under THL's bid, Whitewebbs Wood would be preserved in its entirety and remain fully publicly accessible and managed by the Council. THL would fund enhancements including signage and repaired trails. This does need clarification. There is variance with earlier THFC documents, Council statements and statements in the THFC appendix to this document.
- 22. Around half of the former golf course would be rewilded (the rewilding

- is under way due to natural processes) and transformed into new parkland and wildflower meadows. The northern boundary would also be rewilded to form a natural connection between Whitewebbs Wood and the new nature reserve, which THL is delivering at Dickenson's Meadow.
- 23. Financial Many objections concerned the financial consideration for the proposed disposal. THL's detailed proposal was evaluated as the winning bid in 2021, following a competitive tender process. See attached bid at Appendix D. The Council is prima facie obliged to obtain the best consideration that can reasonably be obtained, under Section 123(2) of
 - the Local Government Act 1972. A valuation report on best consideration has been prepared by Knight Frank and is contained within the Confidential Appendix.
- 24. Physical and Mental Health Concerns were raised over the loss of access to the parkland in terms of its benefits both for taking exercise contributing to physical health and as an immersive natural environment contributing to mental health. We refer to the responses above in relation to community impact and environmental impact.
- 25. Process and Decision Making The responses highlighted an apparent misconception as to what was being notified through the Section 123 process. The proposal detailed in the Public Notice related to an 'Agreement for Lease'.
- 26. An agreement for lease is not a lease per se but an industry-standard contractual mechanism which gives both sides a degree of certainty that a lease will be completed at some point in the future but only when specific conditions have been met.
- 27. In this instance, the agreement for lease would incorporate the conditions of THL obtaining planning permission, along with the completion of various works including improvements to footpaths and public facilities.
- 28. Miscellaneous A number of responders made broader statements which were not interpreted as an objection, so we have placed limited weight on these in determining our recommendations.

Preferred Option and Reasons for Preferred Option

- 29. Following consideration of the objections received in response to the Section 123(2A) Notice, this report recommends proceeding with the agreement for lease.
- 30. The objections were duly considered, but in the view of officers none gave rise to sufficient reason for the Council not to proceed with the proposals or the agreement for lease, which offer significant benefits as described above.
- 31. The alternative option is not to proceed with THL's proposals. If the Council does not enter into the agreement for lease, funds would need to be sourced from elsewhere to redevelop the dilapidated former

clubhouses and maintain the parkland, woodland and infrastructure.

Relevance to Council Plans and Strategies

- 32. The proposed disposal of WPGC would support the Council Plan goals in the following areas.
- 33. Clean and green places The proposed rewilding of part of the former golf course and joint estate management plan would support the Council's
 - goals to enhance biodiversity and protect our parks, open spaces, woodlands, watercourses, trees and shrubs. Joint Estate management plan is new
- 34. Strong, healthy and safe communities The creation of a dedicated girls' and women's football training facility would support plans to improve leisure and sports opportunities to enable more active lifestyles. It might do if it was not located in the least accessible point in the borough

Financial Implications

<u>Summary</u>

- 35. The report seeks approval to dispose of the former Whitewebbs Park Golf Course to Tottenham Hotspur Limited by way of an agreement for a 25-year lease for a total consideration of £2m.
- 36.A more financially favourable approach for the Council would be an advanced payment of the £1.5m consideration by way of a premium. New! But is this just rent in advance? NOT a premium
- 37. There will be an upfront investment into the former golf course equivalent to £500k by THL, therefore giving a total financial benefit of £2m to the Council over the term of the lease. This is 5 years rent advance with a premium of £125,000
- 38. At the end of the lease term the Council would be able to choose whether to take the site back or to renew the lease.
- 39. The previous report KD5177, March 2021 (to permanently close the golf course following closure during Covid19 pandemic) included the revenue financial costs of Whitewebbs Park Golf Course for the six years (2014-15 to 2019-20) on a full cost accounting approach, totalling £1.2m loss. When calculated on the basis of cashable savings as a result of closing the golf course (i.e. excluding overheads and capital charges), the figure is £115k loss over the same period. A 90% error in calculations!
- 40. Although the calculated loss is significantly reduced, the golf club was nevertheless being run at a loss. The current proposal, if approved, would bring a financial benefit to the Council of £2m (as set out above) and an increase in business rates. This does not allow for leasing out the café concession or for leasing out the extensive golf course buildings. Nor does it take into account the rental from Whitewebbs House.

Revenue Budget Impact

- 41. The Lease would result in additional income to the Council's revenue budget equating to £1.5m over the term of the lease.
- 42. Disposing the former Whitewebbs Park Golf Course to THL would lead to an increase in the business rates payable to the Council.
- 43. Should the Council come to an agreement with THL for an advanced payment of £1.5m, this would be treated as a capital receipt. The £1.5m receipt would reduce the Council's borrowing and annual financing costs by approx. £100k per year (25 year term at 4.7%). Overall, this would result in a £140k annual saving to the revenue budget. Given the 90% error above who can trust these calculations?
- 44. The current cost incurred for the Whitewebbs Park Golf Course site is £40k per annum, this covers the rates, security and insurance costs. £40,000 for 140 acre park, open to all, is an absolute bargain. London rentals for a park café are around the £30 35,000 mark plus the potential for renting out / leasing the golf course offices and yard.

Capital Budget Impact

45. There would be no capital expenditure involved in this proposal. No impact on the capital budget.

Taxation

46. There would be no other known tax implications.

Accounting Treatment

- 47. The length of the lease (25 years) would make this proposal a disposal of land. The accountancy concept of substance over form would apply where the effective ownership of the site is transferred to the lessee.
- 48. Should the Council come to an agreement with THL for an advance payment of £1.5m this would be treated as a capital receipt. The receipt would offset any outstanding debt on the site and any gains or losses would be charged through the revaluation reservice and not impact the Council's revenue budget.
- 49. In the Council's accounts the total value of the lease would be accounted for in accordance with the accounting standard IFRS 16 Leases.

Risks

50. The main risks and mitigations are shown in the table below:

Risks	Mitigations
Not compliant with Section 123 of the Local Government Act 1972 which requires local authorities dispose of public assets at the best consideration reasonably obtainable by the Council	Expert advice has been sought to demonstrate this proposal is the best consideration that is reasonably obtainable. A report on best consideration is provided in the confidential appendix.

Legal Implications

- 51. In entering into property transactions, the Council must comply with the provisions of its Constitution, including but not limited to its Property Procedure Rules, which set out mandatory procedures regarding (amongst other things) the acquisition, management and disposal of property assets.
- 52. In addition, Section 123(2) of the Local Government Act 1972 requires a local authority to secure the best consideration reasonably obtainable when it disposes of land (except on a short tenancy, defined as a lease of not more than 7 years), unless it has the benefit of a specific or general consent of the Secretary of State.
- 53. It is noted that a marketing exercise was undertaken and that THL's bid achieved the highest evaluation score and was selected as the preferred bidder, representing the best consideration that was obtainable on the terms of the tender. We could have more confidence in this had it been an open process with independent observers
- 54. A valuation report prepared recently by Knight Frank contained within the Confidential Appendix supports the conclusion that THL's bid is at least equivalent to the best consideration reasonably obtainable on the basis of an unrestricted use of the site.
- 55. The Council is required as a best value authority under Section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. It is considered that the proposals described in this report comply with this duty.
- 56. The WPGC site includes open space land. In accordance with Section 123(2A) of the Local Government Act 1972 the Council may not dispose of any land consisting or forming part of an open space unless before disposing of the land they cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal which may be made to them.
- 57. Correspondence from CPRE suggesting that the Council's proposal to lease the premises to THL is unlawful is discussed in the Legal

Implications section of the Confidential Appendix.

- 58. The Council must, when carrying out its functions, have due regard to the needs set out in Section 149 of the Equality Act 2010 (the Public Sector Equality Duty, PSED). This duty includes having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic (including people with a disability) and persons who do not share it. The Council must consider the duty, which is personal to decision makers.
- 59. In order to assist the Council to comply with Section 149, an Equality Impact Assessment (EQIA) is attached as Appendix E to this report. The relevant decision-maker must carefully consider the EQIA as applicable to the scheme they are asked to approve.
- 60. In summary, the PSED requires the Council, when exercising its functions, to have 'due regard' to the need to:
 - a) Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act (which includes conduct prohibited under Section 29);
 - b) Advance equality of opportunity between people who share a relevant protected characteristic and those who do not share it;
 - c) Foster good relations between people who share a relevant protected characteristic and those who do not (which involves having due regard, in particular, to the need to tackle prejudice and promote understanding).
- 61. Under the duty the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion, sex, and sexual orientation. In respect of the first aim only i.e. reducing discrimination, etc the protected characteristic of marriage and civil partnership is also relevant.
- 62. In exercising its power to dispose of land, the Council is exercising a "public function": Under Section 29 of the Equality Act 2010, it must not, when exercising a public function, "do anything that constitutes discrimination, harassment or victimisation" (Section 29(6)) and it must make reasonable adjustments (Section 29(7)). The duty to make reasonable adjustments arises in relation to disabled persons and under Section 20 of, and Schedule 2 to, the Equality Act 2010.
- 63. The Council should also bear in mind relevant parts of the United Nations Convention on the Rights of Persons with Disabilities and the United Nations Convention on the Rights of the Child. Some of those parts relate to (as regards persons with disabilities) the physical environment, transportation, personal mobility and sporting and leisure activities (UNCRPD), and (as regards children) self-reliance and active participation in the community of disabled children, standards of health, dangers and risks of environmental pollution, and recreational and leisure activities (UNCRC).

64. Please see the EQIA at Appendix E.

Environmental and Climate Change Implications

- 65. The proposed investment in biodiversity on the proposed site and environs, along with returning a significant part of the park to parkland, would assist in improving air quality and significantly support the Council's efforts to combat climate change.
- 66. An estate management plan is being prepared jointly by the Council and THL, to form an appendix to the agreement for lease. The document would set out the respective parties' obligations relating to the horticultural and woodland areas on both the leased and non-leased areas in the park. On completion of the lease, the estate management plan would run in parallel for the duration of the term and would be binding on THL's successors in title or anyone deriving in title from them.
- 67. In order for the proposed football academy to obtain planning permission, under current adopted planning policies an application would be expected

to demonstrate that the proposal has a minimal environmental impact, in both construction and operational stages.

Public Health Implications

- 68. The proposal includes increasing the amount of freely publicly accessible open space, which was previously a golf course, the provision of community facilities and an investment in biodiversity and park infrastructure. The proposals are designed to provide an improved space for all park users, which would help narrow the gap between the best and poorest physical and mental health among Enfield residents.
- 69. It is proposed that the existing café and former clubhouse adjacent to this would be improved, therefore providing all park users a space to meet and connect, supporting mental health and wellbeing.
- 70. Proposed improvements to the park's infrastructure including to bridleways and footpaths would create an enhanced destination for exercise and active travel.

Property Implications

71. The property implications of the proposed disposal are set out in the main body of this report with more detail in the accompanying Confidential Appendix.

Procurement Implications

72. As this is the disposal of property /land this is covered by the Property Procedure Rules.

Any expenditure relating to the facilitation of the disposal of land, must follow the contract procedure rules.

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Appendices

Confidential Part II Report

Appendix A Map of Whitewebbs Park Appendix B Section 123(2A) Notice Appendix C Analysis of Objections

Appendix D Tottenham Hotspur bid

Appendix E Equality Impact Assessment

Background Papers

Departmental reference number, if relevant: HRD2324_016

Note

This document has to be read with reference to Appendix D if the financial aspects are to be understood – habitat banks for example