Meeting of:	**CABINET**
Date of Meeting:	**19 MAY 2026**
Report Title:	**TENNIS FACILITIES MANAGEMENT AGREEMENT UPDATE**
Report Owner: Responsible Chief Officer / Cabinet Member	**CORPORATE DIRECTOR COMMUNITIES CABINET MEMBER CLIMATE CHANGE & THE ENVIRONMENT**
Responsible Officer:	**MARTIN MORGANS HEAD OF SERVICE – PUBLIC REALM**
Policy Framework and Procedure Rules:	**This report has no effect on the Policy Framework and Procedure Rules.**
Executive Summary:	**Tennis Court Improvements have been made across the borough in partnership with the Lawn Tennis Association in the sum of £519,469.68 and an updated decision is required in relation to the appointment of an external operator for the management and maintenance of the courts via an Operator Agreement (Concession Contract).**

1. Purpose of Report

1.1 The purpose of this report is to update Cabinet on progress made with regards to the development of an Operator Agreement in respect of the new tennis facilities across the borough, which were developed in conjunction with the Lawn Tennis Association (LTA), and to secure an updated decision regarding the particulars of the proposed agreement to appoint an external operator for the management and maintenance of the courts.

2. Background

2.1 In March 2023, Cabinet approved a recommendation to provide funding via the Community Asset Transfer (CAT) fund in the sum of £191,231.90 to enable the refurbishment of nine tennis courts at four locations across the borough: Maesteg Welfare Park, Griffin Park, Caedu Park and Heol Y Cyw. The approval of this funding enabled a further sum of £328,237.78 to be committed by the Lawn Tennis Association via the LTA Park Refurbishment Programme, which sought to refurbish park courts across the UK having received £21.9 million of funding directly from UK Government's Department for Digital, Culture, Media & Sport (DCMS) and an additional £8.4 million from the LTA Tennis Foundation to deliver the programme.

2.2 The tennis court improvements were commissioned by Bridgend County Borough Council (BCBC) under a framework agreement that had been arranged by the LTA

and assessed by our Procurement and Legal Services Teams to determine compliance with procurement regulations.

2.3 At the time of installation, the intention was for an external operator to take over the management and maintenance of the courts, which included the establishment of a sinking fund to enable refurbishment and resurfacing in the coming years, in line with the Operations and Maintenance Manual provided by the specialist contractor upon completion.

2.4 In September 2024, Cabinet approved a request to

1. Approve the award of a concession contract in the form of an Operator Agreement to Tennis Wales Limited, based on the principles set out in the presented report.

2. Delegate authority to the Corporate Director – Communities to negotiate the final terms of an operator agreement in consultation with the Chief Officer Finance, Housing and Change and the Chief Officer – Legal and Regulatory Services, HR and Corporate Policy to enter into the Operator Agreement and any supplementary agreements and to grant any necessary consents required on behalf of the Council.

3. Note that Tennis Wales Limited will be subject to a lease or licence agreement with the Council to reflect the site-specific requirements.

3. Current situation/ proposal

3.1 At present, the courts are monitored by the Council, which includes regular inspections and identified remedial works.

3.2 The report approved by Cabinet in September 2024 outlined an intention for BCBC to collect and ringfence the income from the courts to ensure a sinking fund was generated for the replacement of the court surfaces approximately 10 years from the date of installation. The approved operation of the sinking fund was defined as:

> *The operation of the sinking fund involves a mechanism whereby a set amount is to be transferred by the operator to BCBC on an annual basis and ringfenced, to enable sufficient funds to be available at the end of the contract for the refurbishment of the courts to their original standard, in line with the obligations in the Grant Agreement.*

3.3 Following the approval by Cabinet to proceed with the appointment of an operator as outlined in the report dated September 2024, the concession agreement has been developed to incorporate the following aspects:

- Maintenance of the courts in line with LTA recommendations

- Confirmation that the courts are to be handed back in a condition reflecting LTA recommended maintenance and resurfacing schedule (court-surfaces-guidance.pdf (lta.org.uk) at the point the agreement ends.

- All coaching services, Pay and Play, subscription (annual passes) income will be retained by the operator.

- Provision of a minimum 15 hours and maximum 30 hours of tennis activity and coaching sessions each week across the three park sites, on a maximum of two tennis courts (where available).

- Funding of annual Gate access charges (currently £536 excluding-VAT) per park to be paid for by the operator (price subject to change).

- The development of a comprehensive tennis development programme, to include free provision for underrepresented groups.

The concession arrangement also requires any operator to comply with the following LTA specific requirements:

- All sites to show LTA UK Government Branded Material.
- All sites to be registered with the LTA (free for the period of this agreement).
- All sites to offer LTA accredited Coaching Activities.
- All sites to be bookable through LTA Play **https://www.lta.org.uk/play/book-a-tennis-court/.**
- All sites should be operated through Club Spark and linked to online booking, annual passes, and coaching programmes.
- A launch plan should be delivered to raise the awareness of sites in the local communities, which should include a promotional Open Day.
- All sites to participate in Local Tennis Leagues.
- All sites to offer a free LTA Free Park Tennis Programme on Saturday or Sunday Mornings and operator to support the recruitment of Volunteers (Activators) to Lead the programme.
- Courts are strictly for the sole use of tennis activities.

The agreement includes monitoring, reporting and financial management controls to ensure the effective operation of the sinking fund.

3.4 During the development of the draft Operator Agreement, Tennis Wales proposed an amendment to the sinking fund arrangements, whereby they would collect and pool income from courts across their remit to appoint a suitable court maintenance contractor and ringfence a wider sinking fund in respect of **all** courts under their management across Wales.

3.5 Tennis Wales are responsible for a mixture of high-incoming producing courts and lower-income producing courts in Bridgend and in other local authorities and it is proposed that the income generated from the higher fee generating courts could be used to offset the lower income generating courts in respect of the maintenance requirements.

3.6 As the Council will no longer hold the sinking fund required under the grant agreement, Tennis Wales have agreed to indemnify the Council to the extent set out in paragraph 8.5 for the clawback of any funding for breach of the maintenance and restoration obligations, which leads to clawback of funding by the LTA. In

addition, they have agreed in principle to a general indemnity for losses in line with standard requirements included in Council contracts.

3.7 Due to the length of time that negotiations have taken and a desire from Tennis Wales for consistency in the length of its operator agreements, it is proposed to move to a 12-year agreement term, rather than 15 years.

3.8 Property services have confirmed that no separate lease or license will be required as this will be factored into the terms of the Operator Agreement.

3.9 As a result of the changes outlined above, the agreement will differ from the principles originally approved by Cabinet in September 2024.

4. Equality implications (including Socio-economic Duty and Welsh Language)

4.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

5.1 This report assists in the achievement of the following corporate well-being objectives under the Well-being of Future Generations (Wales) Act 2015:

- Long Term – The appointment of the operator will enable the specialised maintenance and upkeep of the newly-installed facilities in the short term, as well as providing provision for the resurfacing of the courts after 8-10 years, ensuring a high-quality facility is available for future generations.

- Prevention – The operator identified is a Wales-based organisation, providing employment to local people and will work with established groups to provide a service appropriate for the local community in each area identified. The transfer of the responsibilities in relation to the maintenance and resurfacing of the courts would enable an experienced organisation to ensure the safeguarding of the facilities for future generations and reduce the need for reliance on BCBC for the provision of this service.

- Integration – The contract for this service has been awarded via a concession contract. Any income received by the operator will be utilised for the maintenance and upkeep of the facilities, as well as resurfacing the courts after 8-10 years, ensuring a high-quality facility is available for future generations. The inclusion of Welsh language has been considered, and a requirement of the agreement will include the need for services to be provided bilingually where possible.

- Collaboration – BCBC will work with the operator to ensure that a fit-for-purpose service is being provided with consideration to the needs of the local

communities. The concession contract will be implemented via a management agreement, which will include consideration of community engagement (e.g. inclusive tennis sessions). An opportunity for the operator to work in conjunction with the established tennis clubs in Bridgend has already been identified and will be implemented upon appointment of the operator. A strong relationship has already been established between the LTA and BCBC and the LTA and Tennis Wales have a long-running partnership in place.

- Involvement – The appointed operator will provide a professional coaching service, which includes the provision of sessions to encourage a diverse range of individuals in our community to participate in exercise sessions free of charge, ensuring an inclusive opportunity for these communities. The service will actively encourage its users to engage with the activities that take place within their community and support contact with friends, family and other members of the public. Through greater engagement individuals should be able to contribute to their communities for longer.

5.2 The appointment of an operator also assists in the achievement of the following corporate well-being objectives:

1. A County Borough where we protect our most vulnerable – by providing an opportunity for our communities to access outdoor sporting facilities and encouraging people to lead healthy lives and supporting the wellbeing of unpaid carers, including young carers, to have a life beyond caring, through the provision of free tennis sessions open to all. Coaches appointed by the LTA are subject to rigorous screening procedures, to ensure the safeguarding of our communities.

2. A County Borough with fair work, skilled, high-quality jobs and thriving town – by providing opportunities for residents to undertake coaching qualifications with the LTA, to develop skills which are transferable to the work environment.

3. A County Borough with thriving valleys communities – the refurbishment of tennis courts in four areas across the borough (Caedu Park – Ogmore Vale, Maesteg Welfare Park – Maesteg, Heol-Y-Cyw and Griffin Park – Porthcawl) has already contributed to improving community facilities and making them more accessible, as well as investing in our parks and supporting tourism to the valleys. This contribution will be sustained via the implementation of the proposed operator agreement and the granting of the relevant licences to occupy via a Community Asset Transfer.

4. A County Borough where we help people meet their potential - by providing the opportunity for residents to undertake training to enable them to support their communities and develop transferable skills, as well as the provision of free sessions and other programmes for our young people.

5. A County Borough that is responding to the climate and nature emergency - by encouraging residents to use our County Borough's parks and green spaces to get out, have fun and improve their own health and wellbeing.

6. A County Borough where people feel valued, heard and part of their community – By helping clubs and community groups to become involved in the control and improvement of their facilities and protecting them for the future.

7. A County Borough where we support people to live healthy and happy lives – By offering attractive leisure and cultural activities and improving children's play opportunities, as well as encouraging residents of all ages to lead active and healthy lives and get involved in sports, thus increasing participation in leisure activities.

6. Climate Change and Nature Implications

6.1 There are no climate change and nature implications arising from this report.

7. Safeguarding and Corporate Parent Implications

7.1 There are no safeguarding or corporate parent implications arising from this report.

8. Financial Implications

8.1 The current agreement between BCBC and the LTA includes a standard obligation period, which refers to the maintenance requirements over the proposed term of the agreement (**Appendix A**).

8.2 These responsibilities would be transferred to the operator via the proposed Operator Agreement.

8.3 Based on the LTA projected calculations in relation to the income and sinking fund requirements (shown at **Appendix B**), there is unlikely to be any financial implication to the authority, as the income from the courts would be retained and utilised by the operator for the operation, maintenance and future resurfacing of the courts via a wider sinking fund. The LTA have undertaken the projected calculations of the income and wider sinking fund based on their previous experience with courts developed across South Wales and the risk of the wider sinking fund being insufficient is low, with any potential risks being further mitigated by the updated proposal for the operator to retain and ringfence the wider sinking fund as outlined in this report. Tennis Wales also have the support of the Lawn Tennis Association and the potential for access to further funding streams in the future.

8.4 Tennis Wales have committed to saving the required sinking fund as per LTA recommendations (**Appendix C)** at £1,200 per court (7 courts x £1,200 = £8,400 per annum), per year which over a 12-year agreement totals £100,800 for the three Bridgend sites outlined in this report.

8.5 Tennis Wales has agreed to indemnify the Council for clawback of any funding from breach of the Council's funding agreement with the LTA to the value of this sinking fund, i.e. £108,000. The total LTA grant for the three courts was £267,261.78, which potentially leaves the Council facing an indemnity shortfall of £159,261.78, should LTA clawback the full value. The shortfall would have to be met from the existing CAT capital budget if the LTA were to clawback the full value of the grant.

8.6 However, prior to refurbishment, the courts were in poor condition and at risk of loss. They are now usable and would be maintained through Tennis Wales' external cleaning and maintenance contract to be implemented alongside the Operator Agreement, ensuring compliance with the original funding conditions, which provides mitigation against the risk of full clawback. In the absence of a management agreement with Tennis Wales, BCBC will remain fully liable for all costs and funding risks, including maintenance, surface replacement, and compliance with funding conditions relating to provision and promotion.

8.7 To date, minimal promotion of the courts has been undertaken, which has still resulted in the purchase of a total of 250 annual memberships at a value of £4,755 and individual non-member bookings of 3,704 at a value of £16,742.97 across all four Bridgend locations since the opening of the courts in 2022-2023. A total of 6,838 bookings have been made by members and non-members to date. Promotion would be significantly increased upon appointment of an operator and include additional opportunities for professional coaching, which is anticipated to significantly increase income.

9. Recommendations

9.1 It is recommended that Cabinet:

1. Note the contents of this update report, specifically in reference to the changes outlined to the proposed sinking fund arrangements and approve the award of a concession contract in the form of an Operator Agreement to Tennis Wales Limited.

2. Delegate authority to the Corporate Director – Communities to negotiate the final terms of an operator agreement in consultation with the Chief Officer Finance, Housing and Change and the Chief Officer - Legal & Regulatory Services & HR & Electoral, to approve entry into the final Operator Agreement and any supplementary agreements and to grant any necessary consents required on behalf of the Council.

Background documents
None