NATIONAL AUDIT OF SCOTLAND'S GOLF COURSES AND ANCILLARY FACILITIES

SUMMARY REPORT

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1 INTRODUCTION

The national audit was carried out for **sport**scotland in 2002 by a team of consultants led by MW Associates. This summary contains the key findings and conclusions from the audit; the full report and case studies are available from **sport**scotland for those wishing more detail, and any requests for further background information or explanation of the findings should be addressed to Mike Williamson of MW Associates at:

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The golf sector in Scotland is complex, increasingly diverse, and beset by inaccurate terminology. The answers to apparently simple questions such as “what is a golf course?” and “what is (and what is not) a golf club?” cannot be taken as read, and need to be spelled out. Also, while the initial brief for the audit focussed on the physical condition of Scotland’s golf facilities, the study also covered key aspects of their financial performance and management, as these will have at least as much bearing on the sustainability of golf facilities in the long term.

Forward planning must be based on a clear and agreed foundation, and on an appreciation that few generalisations can be applied in a sector where each facility is, literally, unique in its site characteristics and management regime.

This summary is therefore presented in the same sequence as the full report, ie:

- *Key definitions*
- *Database of Scotland’s golf facilities*
- *Classification of Scotland’s golf course facilities*
- *Financial and management issues*
- *Surveys of golf courses, clubhouses, golf ranges, and short courses*
- *Case studies*
- *Strategic issues*

This study could not have been carried out without the financial support of **sport**scotland, and the assistance of the many golf facility operators who completed extensive questionnaires and allowed their facilities to be inspected. It is hoped that the resulting report will be of practical help to all those involved in planning and providing for the future of golf in Scotland – whether that is at the level of national strategies or individual facilities.

2 KEY DEFINITIONS

The definitions below cover the physical facilities themselves and, just as importantly, how they should be categorised in terms of their operation.

Facilities

- *Golf Course*

  A course of at least 9 holes, and with a minimum 9 hole length of 1500 yards. At the time of the audit, there were 547 golf courses in Scotland.

- *Golf Course Facility*

  One or more golf courses in one location and under one management. Usually includes a clubhouse, but there are examples where there is no clubhouse, or where the clubhouse is managed separately from the golf course(s). At the time of the audit, there were 493 golf course facilities in Scotland.

- *Golf Clubhouse*

  The building(s) adjacent to a golf course housing changing and often social facilities for golfers. Usually, but not always, under the same management as the golf course.

- *Golf Range*

  A golf practice facility allowing golfers to hit large numbers of balls into an outfield area. May include other short game practice facilities, tuition services, and retail and catering facilities. *Golf range* is a more accurate description than *driving range*.

- *Short Course*

  A basic course of less than 1500 yards. Usually 9 holes or fewer, and includes *par 3 courses* (where these are less than 1500 yards in length) and *pitch and putt courses.*

Facility Operation

The defining criterion is *who controls the operation of the facility*, not what the operating body may choose to call itself. In this respect, the term ‘golf club’ in particular is frequently overused and misinterpreted, eg to refer to a facility rather than an operator, or to refer to an operating body which is not in fact a golf club.

While there are exceptions (notably St Andrews Links Trust), hybrids, and examples of ‘informal’ arrangements, there are three basic categories of operator, ie:

- *Members’ clubs*

  Course-owning members’ golf clubs are the traditional form of golf course operating body in Scotland, and they still run 73% of Scotland’s golf course facilities, although this proportion is steadily decreasing. The clubs may hold the courses either through outright ownership or lease from a landowner. The clubs themselves are normally constituted as unincorporated associations, although some are incorporated as companies limited by guarantee. In all cases, such clubs are non-profit making organisations, controlled by their members and run for the benefit of their members. Such clubs should play an important role in developing golf in Scotland, but there are wide variations among clubs in terms of their approaches to management, planning, and involvement with the wider community.

There is also a 'sub-category' of *non-course owning members' club.* Many are attached to municipal or commercial golf course facilities and have certain playing privileges by agreement with the local authority or commercial operator running such courses. The clubs often operate the clubhouses adjacent to municipal courses.

Other non-course owning clubs have no facilities at all, but simply play as visitors on a range of different courses. These are typically work-based or pub-based clubs, and they have not been covered by this audit.

Commercial

- These are individuals, partnerships, or companies which operate golf course facilities on a commercial basis, ie with the aim of making profits for the operator. Tenure is usually outright ownership by the operator, although the facilities may be leased. Commercially-operated golf course facilities vary widely in scale from groups of courses run as part of major golf resort complexes to basic 9 hole courses built and run by individuals. Commercially run golf course facilities have grown rapidly in number in recent years, and now account for 15% of Scotland's golf course facilities. Most golf ranges are also commercially operated.

- Much confusion is caused by the fact that some commercial golf course facility operators choose to call themselves 'clubs' and to call their customers 'members'. The term '*proprietary club'* is also often applied to this sector, which is equally misleading, as these facilities are not controlled by members' clubs. For business reasons, the operator may allow a constituted golf club to be based at the facility and to have some privileges in terms of access to the course for competitions etc (as also happens at some municipal courses as noted above), but the club and its members control only their own competitions and social events – they have no control over the running of the facility as a whole.

- The term '*pay-as-you-play'* courses is also often, and misleadingly, used as a description of this sector. 'Pay-as-you-play' refers only to a particular method of paying for golf – not to a type of golf course operation. Most commercial course operators allow players to play on a season ticket basis (again, sometimes confusingly referred to as a 'subscription', a term best reserved for members' clubs), while virtually all course-owning members' clubs courses and municipal course operators accept visiting or 'casual' players on a 'pay-as-you-play' basis in addition to their members and season ticket holders respectively.

- It is important to identify the characteristics of this commercial sector clearly, as such operators should have a key role to play in delivering national strategies aimed at expanding and diversifying golf participation in Scotland.

Municipal

- This term describes the operation of golf course facilities by local authorities, including ‘arm’s length’ trusts attached to local authorities. It excludes situations where courses are still owned, and were previously operated, by local authorities but where the courses have been leased either to clubs or to commercial operators on terms that effectively give the clubs or commercial operators control of the operation of the courses.

- Municipal courses cater for a mix of season ticket and ‘casual’ players, usually with significant concessions for target groups. Many have clubs attached (and with the clubs rather than the local authorities often running the clubhouses at the courses as noted earlier).No new municipal courses have been built in Scotland in recent years, there is little prospect of any new ones being built, and several local authorities are reviewing the operation of their courses.

- This public sector of golf course facility operation is therefore declining in both absolute and relative terms in Scotland, and now accounts for only 12% of golf course facilities in the country. However, the existing courses still play an important role in providing facilities for people who might otherwise not have ready access to golf, and – as facilities operated by local authorities which also have responsibility for education, sports development, etc in their areas – there should, in principle, be scope for such municipally-operated facilities to play an important role in golf development initiatives.

These definitions are the basis of the database and classification that follow, and of the audit results.

3 DATABASE OF SCOTLAND'S GOLF FACILITIES

The database of Scotland's golf course facilities is shown in Figure 1 below, based on local authority areas and type of facility operation. The figure also highlights the skewed geographical distribution of golf course facilities in Scotland in terms of the year 2000 population per 18 holes in each local authority area.

Figure 1: Database of Scotland's Golf Course Facilities

Area	**Golf course facilities**				**Courses**	**Popn (000) per 18 holes**
	Club	**Com**	**Mun**	**Total**		
Aberdeenshire	30	4	2	36	41	7
Angus	5	2	4	11	17	7
Argyll and Bute	24	4	0	28	29	5
City of Aberdeen	5	1	4	10	15	17
City of Dundee	1	1	2	4	4	38
City of Edinburgh	19	1	5	25	27	19
City of Glasgow	4	0	5	5	9	69
Clackmannanshire	6	0	0	6	7	9
Dumfries & Galloway	23	8	0	31	32	6
East Ayrshire	5	0	2	7	8	21
East Dunbartonshire	14	1	0	15	17	7
East Lothian	12	3	2	17	19	5
East Renfrewshire	8	1	0	9	9	11
Falkirk	5	0	1	6	6	29
Fife	23	7	8	38	45	9
Highland	35	5	1	41	44	6
Inverclyde	5	0	0	5	6	16
Midlothian	3	2	1	6	6	13
Moray	11	3	0	14	15	7
North Ayrshire	18	3	2	23	24	7
North Lanarkshire	12	3	2	17	18	19
Orkney	3	0	0	3	3	8
Perth and Kinross	18	10	1	29	37	5
Renfrewshire	9	1	1	11	11	16
Scottish Borders	16	6	0	22	22	6
Shetland	3	0	0	3	3	11
South Ayrshire	4	2	6	12	16	7
South Lanarkshire	13	2	6	21	23	16
Stirling	9	1	0	10	10	10
West Dunbartonshire	4	1	1	6	6	19
West Lothian	9	3	1	13	13	15
Western Isles	5	0	0	5	5	9
Total	**361**	**75**	**57**	**493**	**547**	**11**

Note: The St Andrews Links Trust courses and the 'hybrid' links management courses in Angus are included under 'municipal' in the table.

Of Scotland's 547 courses, 29% are 9 hole courses. Since 1990, 99 new courses have been built in Scotland (with this number including extensions of at least 9 holes to existing courses). 75% of these have been commercial courses, and this new construction represents a 20% increase in the number of golf holes in Scotland.

The other components of the **sport**scotland database are *golf ranges* and *short courses.*

There has been a significant increase in the number of *golf ranges* in Scotland in recent years, and the database now lists a total of 65. (While this study was being carried out, at least two more have opened). Most of these are stand-alone commercial facilities, with the remainder being run by clubs, local authorities, or commercial operators as adjuncts of golf courses.

The database of *short courses* is patchy, but does suggest that there are only a few such facilities in Scotland, with many being 'second courses' run by members' clubs. The others are a miscellaneous mix of facilities, run by local authorities and the commercial sector. Most appear to be of a 'traditional' nature, and have seen little investment in upgrading in recent years. The emerging pattern appears to be to have such short courses, or a few full-length holes, incorporated into new commercial golf complexes which offer a mix of playing, practice, and tuition facilities for a range of types of customers.

Key features of the database are the *skewed geographical provision* of golf facilities relative to population and the *growth of commercial provision* of courses and ranges – both features that need to be taken into account in national planning.

For the future, Scotland's golf facilities are likely to become even more varied in terms of the product mix on offer, as the commercial developers and operators of new facilities (and some existing members' clubs) attempt to match what they provide to what are seen as emerging patterns of demand – including demands for practice, tuition, less time-consuming golf, and better ways of introducing youngsters and other beginners to the game. '*Golf centres'* which combine many different elements of golf facility provision may well characterise the pattern of development in the next decade, and, again, both the structure of the national database and **sport**scotland's own strategies should take these into account.

4 CLASSIFICATION OF SCOTLAND'S GOLF COURSE FACILITIES

This classification was developed by Dr Robert Price, and refined using the new information gathered in the course of this national audit, together with the study team's working knowledge of the Scottish golf sector as a whole.

The classification is based on the scale and nature of operation of golf course facilities (there is no current classification of golf ranges or short courses), as measured by a combination of three key indicators, ie:

- *total annual income;*
- *weekday green fee;*
- *standard scratch score.*

A clear five-class classification emerges, with Class 5 being subdivided because of the significant differences between 18 hole and 9 hole facilities at this level. The classification is based on the following values for each of these key indicators:

Figure 2: Basis of Classification of Scotland's Golf Course Facilities

Indicator	**Class 1**	**Class 2**	**Class 3**	**Class 4**	**Class 5A**	**Class 5B**
Total annual income (£000)	500+	350-499	250-349	150-249	<150 18 holes	<150 9 holes
Weekday green fee (£)	50+	30-49	20-29	16-19	<16	<16
SSS	72+	70-71	68-69	66-67	66	65

The distribution of Scotland's 493 golf facilities, by management type, is as follows:

Figure 3: Number of Golf Course Facilities by Classification and Management Type

Type	**Class 1**	**Class 2**	**Class 3**	**Class 4**	**Class 5A**	**Class 5B**	**Total**
Club	10	50	106	63	39	93	361
Commercial	11	7	21	9	7	20	75
Municipal	2	0	9	9	25	12	57
All	**23**	**57**	**136**	**81**	**71**	**125**	**493**

The following figure shows the same figures as percentages of the total for each management type:

Figure 4: Percentage of Golf Course Facilities by Classification and Management Type

Type	**Class 1**	**Class 2**	**Class 3**	**Class 4**	**Class 5A**	**Class 5B**	**Total**
Club	3%	14%	29%	17%	11%	26%	100%
Commercial	15%	9%	28%	12%	9%	27%	100%
Municipal	3%	0%	16%	16%	44%	21%	100%
All	**5%**	**11%**	**28%**	**16%**	**15%**	**25%**	**100%**

Features of the figures in the above tables are:

- Class 1 facilities make up only 5% of the total stock of golf facilities in Scotland, but 15% of commercial facilities are in this category.

- Most of the Class 2 facilities are members' clubs, but again Class 2 facilities account for only 11% of all facilities.

- Class 3 is a large group, with members' clubs again the dominant type in terms of numbers, but with a significant proportion of commercial courses coming into this category.

- In percentage terms, club, commercial, and municipal courses are about equally represented among Class 4 facilities.

- Over a third of club and commercial courses, and two-thirds of municipal courses, come in Class 5, with about a quarter of all club and commercial courses in Scotland being small 9 hole operations (ie Class 5B).

- Taken together, Class 5A and B (which could be described as 'very basic' facilities) account for 40% of golf course facilities. When combined with Class 4, which are 'basic', it is clear that well over half of Scotland's golf course facilities can be described as basic/very basic.

5 FINANCIAL AND MANAGEMENT ISSUES

The long-term sustainability of golf facilities in Scotland is likely to depend as much on the robustness of their finances and their management structures as on the physical condition of their courses and clubhouses.

The most detailed information, summarised in Figure 5 below, covers Scotland's 361 course-owning members' clubs, which operate a total of 392 golf courses.

Figure 5: Club Membership and Financial Data by Classification of Facility

	Class 1	**Class 2**	**Class 3**	**Class 4**	**Class 5A**	**Class 5B**
Number in class	10	50	106	63	39	93
% in class	3	14	29	17	11	26
Av no of members	965	917	750	630	360	300
Av waiting list (years)	7	5	2	1	0	0
% with waiting list over 1 year	100	75	72	20	0	0
Av annual income (£000)	750	450	300	200	95	55
Members' fee income %	45	63	65	60	50	61
Visitors' fee income %	45	20	15	18	28	28
Other income %	10	17	20	22	22	11
Av adult male joining fee (£)	637	798	455	227	50	69
Av adult male annual fee (£)	350	450	333	265	160	119
Av weekday green fee (£)	75	33	21	18	15	12
Av annual course expenditure per 18 holes (£000)	164	175	131	96	61	29
Av annual clubhouse expenditure (£000)	134	117	70	48	20	7
Av annual admin expenditure (£000)	138	93	60	41	20	12

The figures in the table can be used, with discretion, by individual clubs to compare their own performance with those of the class averages, with this kind of benchmarking being particularly useful both for general business planning purposes and to identify areas where a club's performance is 'out of line' and might be improved.

There are indications that financial pressures are growing on most (other than Class 1 and some Class2) clubs, and on small clubs in particular. Several factors combine to suggest that members may have to pay more to fund the ongoing operation of their clubs, eg:

- Waiting lists are generally reducing, and are non-existent in most small clubs.
- Competition is holding down visitor green fee charges.
- Administrative staff numbers and/or hours may have to be increased to cope with the increasingly complex business of golf club management.
- Other operating and course maintenance costs are also increasing.
- Significant numbers of clubs have outstanding loans to repay.

If it is assumed that a club with an 18 hole course can accommodate 800 members (30% already do), and that an annual income of £250,000 is necessary to maintain an 18 hole course and clubhouse to a reasonable standard (£100,000 in the case of 9 hole courses), two key conclusions are:

- *Scotland's course-owning golf clubs have a theoretical spare capacity equivalent to about 50,000 members.*

- *45% of course-owning clubs have incomes below the level required to maintain their facilities to a good standard on an ongoing basis. None of these clubs is in Classes 1 and 2, but over 60% of clubs in Classes 3 and 4, and around 90% of clubs in Class 5 come into this category. Geographically, these 'low income' clubs are concentrated in the rural areas and, to a lesser extent, around the fringes of the central belt of Scotland.*

Financial information on commercial and municipal facilities is more limited. However, *commercial* course facilities are concentrated in Class 3 and Class 5 (and particularly Class 5B, ie 9 hole courses), with a significant number of Class 1 courses. Commercial golf facilities are therefore mainly mid-range or basic courses, and open to all golfers.

The classification shows that *municipal* course facilities are mainly in Class 5, with most of the remainder in Classes 3 and 4. (The few Class 1 courses are run by links trusts rather than local authorities). Typical municipal golf course facilities are therefore providing inexpensive but fairly basic golf, again open to all. However, many Class 5A municipal courses will have course maintenance costs more like those of Class 3 or 4 courses.

The returns suggest that the average members' club golf course facility employs 10.0 full-time equivalent staff (FTEs) and the average commercial golf course facility employs 14.4 FTEs – with the differences most obvious in administrative staffing, where clubs still rely on an average of 49 hours of unpaid voluntary time input per week. (If this was replaced by paid staff, and depending on the nature of the job(s), the cost to the average course-owning golf club could be well over £20,000 a year when employer's costs are included – equivalent to an additional £40 payment per member per year on average).

Grossed up, these figures suggest that members' course-owning clubs and commercial golf course facility operators taken together probably employ the equivalent of about 6,000 full-time staff in Scotland. (This figure includes catering and golf professional staff, who are often self-employed in the case of members' golf clubs, and contracted to provide services to the club). Depending on how they allocate their maintenance and office staffing, and taking account of the fact that few local authorities run the clubhouses attached to their courses, municipal golf course facilities probably account for a further 500 or so full-time equivalent staff, ie an average of 7 or 8 per course.

Commercial golf course facility operators are generally more businesslike and 'modern' in the ways they take bookings for their facilities, and have fewer restrictions on tee time availability than most members' clubs.

6 SURVEYS OF GOLF COURSES, CLUBHOUSES, GOLF RANGES, AND SHORT COURSES

Golf Courses

There were two elements to the survey – a very detailed postal questionnaire which achieved response rates ranging of 29% from commercial operators, 35% from local authorities, and 43% from members' clubs (a total of 197 completed questionnaires), and agronomic site visits to 33 golf course facilities.

The key findings from the courses questionnaire can be briefly summarised as follows:

- Little reliable data is available on the levels and patterns of use of Scotland's golf courses. While most members' clubs have reasonable information (or could provide estimates derived from their financial figures) on the number of rounds played by visitors, many keep no records on the number of members' rounds. This hinders effective planning at both the national and individual facility level – although the information gap could be at least partly filled if those that use starting sheets to manage tee times subsequently used such sheets for record purposes.

- Limited information was provided on municipal courses, but they do appear to be more heavily used than commercial courses, and to be suffering from under-investment, which is likely to continue.

- Partly because most of them are of recent construction, but also partly as a result of management decisions, commercially-operated courses appear to be generally better-equipped, to be more involved in ecological management and health and safety issues, more likely to be playable year-round without the use of mats, temporary greens, etc, and less likely to require significant investment in improvement works in the foreseeable future.

- Among members' clubs, those least secure in terms of tenure and most at risk in terms of an inability to fund future improvement works are the smallest clubs – while the largest clubs are generally quite secure financially and are able to fund ongoing improvements etc largely from their own resources.

- Improvement works over the past 10 years have focused on greens and tees, and on drainage and irrigation of courses. Drainage is the big issue in terms of future requirements.

- To maintain them at a good and sustainable playing standard, up to 100 courses in Scotland, largely in the municipal sector and among the smallest members' clubs (and including some smaller commercial courses), are likely to need investment which their operators are unlikely to be able to afford to undertake.

The agronomic inspections covered a cross-section of courses (other than Class 1 courses), all of which were given ratings on a 5-point scale for agronomy, machinery, and maintenance sheds.

None of the golf course facilities received the highest (‘world class’) or lowest (‘unfit for use or unsafe’) rating in any of the three categories, so the figures are relatively ‘bunched’.

The main patterns in the ratings were:

- As would be anticipated, the ratings all decrease along the spectrum from Class 2 to Class 5 golf course facilities, with the differences most marked in the agronomic condition of the courses themselves.

- There is little difference between club and commercial golf course facilities, but municipal facilities received significantly lower ratings in all three categories.

- There are no significant differences geographically in the ratings of this particular sample of courses.

During the inspection visits, estimates were also made of the works – and expenditure - required over the period to 2025 to maintain the courses in acceptable playable condition, or bring them up to that condition. These financial estimates were then weighted based on our national classification and grossed up to give approximate national figures. The key findings were:

- Over the period to 2025, total expenditure of around £1.2 to £1.35 billion (at present prices) will be required to keep Scotland’s existing stock of golf courses in good condition.

- 90-95% of this total, however, consists of normal ongoing course maintenance expenditure which course operators budget to carry out annually in any case – with only 5-10% of the total consisting of capital expenditure required to put right current or anticipated problems, many relating to increasingly wet course conditions.

- Although required capital expenditure is a small proportion of total expenditure, it nonetheless amounts to around £82.5 to £86.5 million over the period.

- While this, in turn, equates to an average of only about £7,500 per golf course per year in Scotland, the detailed figures show that the requirement to spend money on capital improvements is disproportionately high among the operators least able to afford it, ie small course-owning clubs and local authorities.

The figure is much higher than the required spend per clubhouse (as shown below), and reflects the fact that, in terms of both ongoing maintenance and required improvements, golf course facility operators need to spend much more on their prime resource – the golf course itself – than on the ancillary clubhouse facilities.

Three final points to re-emphasise are:

- While the required capital expenditure may not seem high when averaged across all courses (some of which will require very little capital spend) and over the whole period to 2025, this expenditure will, by its nature, fall heavily on particular courses and at particular times. To maintain these courses in good condition, their operators would have to spend substantially more than the average figures given above, and would have to be able to spend it in large ‘lumps’.

- In terms of phasing, our inspection visits also confirmed the urgency of the need for capital expenditure in many cases, ie more than 50% of the total expenditure for the period to 2025 should be undertaken by 2010, and 30% of it by 2005. If this can be achieved, it would help to reduce, or at least contain, ongoing maintenance costs. However, if it cannot be achieved, the result will be courses that continue to deteriorate and which therefore offer poor playing conditions and the prospect of either eventually becoming completely unplayable or requiring much more radical capital works to restore them to a good condition.

- Our analysis shows that the courses which are most accessible to the public in terms of their locations, management type, and/or spare capacity are the ones where the most money will have to be spent, and whose operators have least money to spend – ie the municipal courses and the smallest rural club courses.

The results of the inspection visits were also used to compile the case studies described in the next chapter.

Clubhouses

As in the case of golf courses, the audit consisted of a detailed postal questionnaire (183 completed questionnaires, including 11 from non-course owning clubs), and inspections of 30 clubhouses by the team’s architect and quantity surveyor.

The key findings from the clubhouse questionnaire survey can be briefly summarised as:

- While 80% of commercial golf facility clubhouses are no more than about 10 years old, more than a third of members’ club clubhouses are at least 70 years old. Many of these have been significantly upgraded or refurbished in the last 10 years, taking advantage of VAT refunds and assistance from the R&A and the Lottery. Generally, such improvements have had a positive impact, though seldom a directly financial one.

- There are different patterns of facility provision within members’ club and commercial facility clubhouses, reflecting their focus on members and ‘customers’ respectively.

- Vandalism is very seldom a problem, but serious when it does occur.

- Clubhouses are generally seen as more in need of upgrading than the prime resource of the golf courses themselves, with commercial operators just as likely as members’ clubs to see this need.

- As with golf course upgrading, a significant proportion of operators think they will be unable to afford to carry out what they regard as necessary improvements, with this being the case with non-course owning clubs and the smallest course-owning clubs in particular.

For each clubhouse visited, estimates were made of the work – and expenditure – required over the period to 2025 under each of the following headings:

- *Ongoing cyclical maintenance*: checking condition and operation of all the elements of the building, and making good where necessary.

- *Replacement of worn out elements*: replacement of carpets, ceiling finishes, sanitary fittings, heating components, kitchen equipment, lockers, bar fittings, etc.

- *Upgrading facilities*: introduction of more modern and better quality elements to roof, walls, windows, floors, and ceilings, including redecoration.

- *Necessary replacement of facilities*: replacement of roof coverings and gutters/downpipes, treatment of external walls, upgrading windows, electrical upgrade or rewiring.

As with the golf course inspections, the cost estimates for the sample of clubhouses visited were then weighted and grossed up, to give an approximate estimate for the total expenditure required between now and 2025 to maintain Scotland's stock of golf clubhouses in good condition.

The total figure – at 2000 prices and exclusive of VAT – would be around £125 million. Interestingly, this equates to about £10,000 per year per clubhouse, which is close to the average of what is currently being spent, based on figures in a sample of golf club annual accounts. Also, proportionately more of this clubhouse spend would be among the 'higher class' facilities, whereas the required golf course spend identified earlier would be concentrated on the 'lower class' facilities.

Again, the findings of the individual inspections are used as the basis of the case studies reported in the next chapter.

Golf Ranges

This survey was based on postal questionnaires sent to the 65 known ranges in Scotland, with completed questionnaires received from 22.

Although based on a limited number of returns, the questionnaire survey of ranges suggests that this sector of golf in Scotland is in a generally 'healthy' state, ie:

- The number of ranges has grown significantly in the past 10 years, and the levels of use per range are also generally growing or stable.

- Most ranges offer good practice and tuition facilities, with significant improvement programmes to upgrade and diversify the facilities and services on offer.

- Many range operators are also active in initiatives to expand their market by attracting more beginners – and young people in particular. This would suggest scope for more partnership working with range operators and schools to further develop and extend these initiatives as part of the *clubgolf* junior development strategy.

- A high proportion of ranges are commercially owned and operated (though some are small businesses), and most see their facilities as adequate for the longer-term or capable of being upgraded in the normal commercial way, ie using their own resources and borrowings.

No inspection visits were made to ranges, as our visits were concentrated on the core facilities of golf courses and clubhouses, and nor did we seek detailed financial information – knowing that this would be unlikely to be forthcoming from commercial operators. However, the information provided on trends in the use of ranges, and the patterns of recent and planned investment, suggest that the respondents to our survey regard themselves essentially as normal businesses that should fund their own ongoing development and upgrading plans.

The two riders we would add to this are:

- Smaller operations away from the main urban populations may struggle to achieve the levels of throughput required to finance re-investment, and the operators of these smaller facilities may also lack the resources to re-invest. There may therefore be examples of facilities which are significant to their local communities in terms of encouraging both new participation in golf and an improvement in playing standards, and which may therefore justify support in upgrading and extending the facilities they offer.

- The responses showed considerable spare capacity at all ranges, and also highlighted the initiatives many range operators have introduced (or are considering) to attract more beginners – and young people in particular – to their facilities. There should therefore be a clear common interest between range operators (from the point of view of attracting more current and future customers, particularly at off-peak times) and **sport**scotland (from the standpoint of implementing their national junior golf strategy) in jointly developing and funding suitable junior programmes. These would then be delivered by qualified staff at the ranges, to a format and standard agreed with **sport**scotland.

Short Courses

Questionnaires were sent to the operators of the 11 short courses on sportscotland's database, and the following is a summary of the responses received from 8 of these:

- 75% of the short courses were 9 holes in length, with the others being less than 9 holes.

- The average length of course was about 860 yards, with a range from 510 to 1430 yards.

- The average charge was about £3.50 per adult per round and about £2 per child.

- About two-thirds of the facilities were owned by limited companies, with the others being run by local authorities or academic institutions.

- Most of the respondents provided actual or estimated usage figures, with total rounds played per year varying from about 2,000 to about 16,000. Most facilities operated entirely on a ‘pay-as-you-play’ basis, ie with no club members or season ticket holders.

- Adults were the biggest single user group, accounting for about 50% of total rounds played. About 35% of rounds were played by groups which included adults and children, with about 15% of rounds played by children-only groups. These facilities are therefore already providing for family and junior golf, and, with most operators indicating that the overall use of their facilities had been growing or at least stable but they still have substantial spare capacity, there could be scope to develop this demand further.

- Only a minority of operators have specific arrangements for working with school or community groups, or plans to promote their facilities more actively. However, there are good examples of such work among those which do pursue such initiatives – and these again could be built on.

- Again, only a minority of operators have invested significantly in improvements to their facilities, or have plans to do so. These improvements have usually involved expenditure of a few thousand pounds on upgrading greens and tees, better drainage, or landscaping and environmental work. Most have seen some direct benefit from this investment in terms of user numbers and revenue.

- None of the respondents currently makes any special provision for the use of their courses by people with disabilities.

- Professional tuition is available at about two-thirds of the facilities.

- Only one respondent indicated that vandalism was a problem, the main problems being damage to greens and break-ins.

- All respondents indicated that they had health and safety policies, and kept a record of notifiable incidents. All but one had a nominated health and safety officer, but only about half had a member of staff on site at all times when players were using the facilities.

- About 75% of respondents indicated that their facilities would be quite adequate in the longer-term, possibly with minor improvements from time to time. The remaining 25% indicated that their financial future was uncertain.

While few in number and difficult to categorise, short courses perform an important role in the overall product mix of golf facilities in Scotland by providing inexpensive and informal golfing opportunities quite different from those available at most full-length courses. Some cater simply for this kind of informal/casual golf, with no season tickets, no professional tuition, etc.

However, others do offer professional tuition and already work with schools and others on programmes to introduce young people to golf. Where this is the case, or where operators would be interested in developing such services, they could also play a more important role in delivering the ‘foundation level’ of national golf development strategies, and **sport**scotland should identify and then work in partnership with those which wish to participate in this way.

7 CASE STUDIES

Introduction

The full report contains 6 detailed case studies based on the 30 facilities visited. The case studies are based on particular facilities, but incorporating features of other similar facilities as appropriate. To preserve confidentiality, the facilities on which the case studies are based are not named, but they were chosen to represent a good cross-section of the main types of golf course and clubhouse facilities in Scotland – based on the classification described earlier.

The descriptions and cost estimates in the case studies can therefore be used to give some broad indication of the issues, and costs, that may be encountered in maintaining courses and clubhouses of particular types in good condition – but always with the proviso that the circumstances of each course and clubhouse are unique and require expert analysis and advice on an individual basis.

The 6 case studies, with the estimates for ongoing maintenance and capital expenditure requirements for the period to 2025, were as follows:

Case Study 1: Class 5A Urban Municipal 18 hole Course with Basic Pavilion Clubhouse

Ongoing Course Maintenance and Capital Spend Required for Period to 2025 (£000)

Ongoing maintenance (annual)	Upgrading	Replacement	Total capital
113.5	110.3	175.7	**286.0**

Phasing of Required Course Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	340.5	102.0	**442.5**
2006-2010	567.5	116.0	**683.5**
2011-2015	567.5	0.0	**567.5**
2016-2020	567.5	53.0	**620.5**
2021-2025	567.5	15.0	**582.5**
Total	**2610.5**	**286.0**	**2896.5**

Ongoing Clubhouse Maintenance and Capital Spend Required for Period to 2025 (£000)

	Ongoing cyclical maintenance	**Replacement of worn-out elements**	**Upgrading facilities**	**Replacement of facilities**	**Total capital**
Roof	0.15			25.00	**25.00**
External walls	0.10			5.50	**5.50**
Windows and external doors	0.10			11.50	**11.50**
Internal walls	0.10				
Floor finishes	0.10	8.00	10.00		**18.00**
Ceiling finishes	0.10	4.00			**4.00**
Plumbing and drainage	0.15	4.50	5.00		**9.50**
Heating	0.25	7.50			**7.50**
Electrical and lifts		3.00		4.50	**7.50**
Kitchen equipment		0.50		1.25	**1.75**
Fittings and furnishings	0.05	3.25			**3.25**
Bar fittings					
Roads and parking	0.10			2.50	**2.50**
Total	**1.20**	**30.75**	**15.00**	**50.25**	**96.00**

Phasing of Required Clubhouse Expenditure for Period to 2025 (£000)

Period	**Ongoing maintenance**	**Capital expenditure**	**Total expenditure**
2003-2005	3.60	22.75	**26.35**
2006-2010	6.00	29.50	**35.50**
2011-2015	6.00	17.50	**23.50**
2016-2020	6.00	10.25	**16.25**
2021-2025	6.00	16.00	**22.00**
Total	**27.60**	**96.00**	**123.60**

Case Study 2: Class 5A Rural/Parkland Municipal 18 Hole Course with Club Clubhouse

Ongoing Course Maintenance and Capital Spend Required for Period to 2025 (£000)

Ongoing maintenance (annual)	Upgrading	Replacement	Total capital
113.5	150.3	64.7	**215.0**

Phasing of Required Course Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	340.5	98.0	**438.5**
2006-2010	567.5	30.0	**597.5**
2011-2015	567.5	72.0	**639.5**
2016-2020	567.5	0.0	**567.5**
2021-2025	567.5	15.0	**582.5**
Total	**2610.5**	**215.0**	**2825.5**

Ongoing Clubhouse Maintenance and Capital Spend Required for Period to 2025 (£000)

	Ongoing cyclical maintenance	Replacement of worn-out elements	Upgrading facilities	Replacement of facilities	Total capital
Roof	0.05				
External walls	0.10			18.00	**18.00**
Windows and external doors	0.10			16.00	**16.00**
Internal walls	0.15			38.00	**38.00**
Floor finishes	0.15	21.00	25.00		**46.00**
Ceiling finishes	0.10	5.00			**5.00**
Plumbing and drainage	0.15	8.00	10.00		**18.00**
Heating	0.40				
Electrical and lifts		3.00			**3.00**
Kitchen equipment	0.10	6.00		6.00	**12.00**
Fittings and furnishings	0.10				
Bar fittings	0.05	10.00			**10.00**
Roads and parking	0.15	10.00			**10.00**
Total	**1.60**	**63.00**	**35.00**	**78.00**	**176.00**

Phasing of Required Clubhouse Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	4.80	9.00	**13.80**
2006-2010	8.00	50.00	**58.00**
2011-2015	8.00	66.00	**74.00**
2016-2020	8.00	42.00	**50.00**
2021-2025	8.00	9.00	**17.00**
Total	**36.80**	**176.00**	**212.80**

Case Study 3: Class 2 Rural Commercial 27 Hole Course with Clubhouse

Ongoing Course Maintenance and Capital Spend Required for Period to 2025 (£000)

Ongoing maintenance (annual)	Upgrading	Replacement	Total capital
204.0	64.0	36.0	**100.0**

Phasing of Required Course Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	612.0	15.0	**627.0**
2006-2010	1020.0	25.0	**1045.0**
2011-2015	1020.0	15.0	**1035.0**
2016-2020	1020.0	15.0	**1035.0**
2021-2025	1020.0	30.0	**1050.0**
Total	**4692.0**	**100.0**	**4792.0**

Ongoing Clubhouse Maintenance and Capital Spend Required for Period to 2025 (£000)

	Ongoing cyclical maintenance	**Replacement of worn-out elements**	**Upgrading facilities**	**Replacement of facilities**	**Total capital**
Roof	0.20			6.00	**6.00**
External walls	0.05			4.00	**4.00**
Windows and external doors	0.10				
Internal walls	0.05		11.00		**11.00**
Floor finishes	0.10	18.50			**18.50**
Ceiling finishes	0.05		5.00		**5.00**
Plumbing and drainage	0.10	4.50			**4.50**
Heating	0.25	2.00			**2.00**
Electrical and lifts					
Kitchen equipment	0.10	6.00			**6.00**
Fittings and furnishings	0.10				
Bar fittings	0.30				
Roads and parking	0.15	6.00			**6.00**
Total	**1.55**	**37.00**	**16.00**	**10.00**	**63.00**

Phasing of Required Clubhouse Expenditure for Period to 2025 (£000)

Period	**Ongoing maintenance**	**Capital expenditure**	**Total expenditure**
2003-2005	4.65	5.00	**9.65**
2006-2010	7.75	13.50	**21.25**
2011-2015	7.75	12.50	**20.25**
2016-2020	7.75	10.00	**17.75**
2021-2025	7.75	22.00	**29.75**
Total	**35.65**	**63.00**	**98.65**

Case Study 4: Class 3 Links Club 18 Hole Course, Short Course, and Clubhouse

Ongoing Course Maintenance and Capital Spend Required for Period to 2025 (£000)

Ongoing maintenance (annual)	Upgrading	Replacement	Total capital
131.0	79.0	70.0	**149.0**

Phasing of Required Course Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	393.0	50.0	**443.0**
2006-2010	655.0	84.0	**739.0**
2011-2015	655.0	0.0	**655.0**
2016-2020	655.0	0.0	**655.0**
2021-2025	655.0	15.0	**670.0**
Total	**3013.0**	**149.0**	**3162.0**

Ongoing Clubhouse Maintenance and Capital Spend Required for Period to 2025 (£000)

	Ongoing cyclical maintenance	Replacement of worn-out elements	Upgrading facilities	Replacement of facilities	Total capital
Roof	0.30		36.00	36.00	**72.00**
External walls	0.10				
Windows and external doors	0.15			30.00	**30.00**
Internal walls	0.10		7.50		**7.50**
Floor finishes	0.05	12.00			**12.00**
Ceiling finishes	0.05		3.75		**3.75**
Plumbing and drainage	0.20				
Heating	0.30				
Electrical and lifts	0.25				
Kitchen equipment	0.10	9.00			**9.00**
Fittings and furnishings	0.05	18.00			**18.00**
Bar fittings		10.00			**10.00**
Roads and parking					
General			330.00		**330.00**
Total	**1.65**	**49**	**377.25**	**66.00**	**492.25**

Phasing of Required Clubhouse Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	4.95	395.25	**400.20**
2006-2010	8.25	59.25	**67.50**
2011-2015	8.25	9.25	**17.50**
2016-2020	8.25	16.26	**24.50**
2021-2025	8.25	12.25	**20.50**
Total	**37.95**	**492.25**	**530.20**

Case Study 5: Class 3 West Central Scotland Parkland Club 18 Hole Course with Clubhouse

Ongoing Course Maintenance and Capital Spend Required for Period to 2025 (£000)

Ongoing maintenance (annual)	Upgrading	Replacement	Total capital
131.0	121.25	197.75	**319.0**

Phasing of Required Course Expenditure for Period to 2025 (£000)

Period	Ongoing maintenance	Capital expenditure	Total expenditure
2003-2005	393.0	105.0	**498.0**
2006-2010	655.0	110.0	**765.0**
2011-2015	655.0	40.0	**695.0**
2016-2020	655.0	0.0	**655.0**
2021-2025	655.0	64.0	**719.0**
Total	**3013.0**	**319.0**	**3332.0**

Ongoing Clubhouse Maintenance and Capital Spend Required for Period to 2025 (£000)

	Ongoing cyclical maintenance	**Replacement of worn-out elements**	**Upgrading facilities**	**Replacement of facilities**	**Total capital**
Roof	0.25		15.00	20.00	**35.00**
External walls	0.15			16.00	**16.00**
Windows and external doors	0.05		2.50	5.00	**7.50**
Internal walls	0.05		9.00	5.00	**14.00**
Floor finishes	0.05	34.00			**34.00**
Ceiling finishes	0.10	6.50	5.00		**11.50**
Plumbing and drainage	0.50	7.00			**7.00**
Heating	0.30	4.00	5.00	2.00	**11.00**
Electrical and lifts		2.50			**2.50**
Kitchen equipment	0.25	15.00			**15.00**
Fittings and furnishings	0.10	13.50			**13.50**
Bar fittings	0.05	15.00	22.50		**37.50**
Roads and parking	0.10				
Total	**1.95**	**97.50**	**59.00**	**48.00**	**204.50**

Phasing of Required Clubhouse Expenditure for Period to 2025 (£000)

Period	**Ongoing maintenance**	**Capital expenditure**	**Total expenditure**
2003-2005	5.85	31.00	**36.85**
2006-2010	9.75	35.50	**45.25**
2011-2015	9.75	49.00	**58.75**
2016-2020	9.75	35.50	**45.25**
2021-2025	9.75	53.50	**63.25**
Total	**44.85**	**204.50**	**249.35**

Case Study 6: Class 5B Rural Club 9 Hole Course with Clubhouse

Ongoing Course Maintenance and Capital Spend Required for Period to 2025 (£000)

Ongoing maintenance (annual)	**Upgrading**	**Replacement**	**Total capital**
29.0	31.15	78.85	**110.0**

Phasing of Required Course Expenditure for Period to 2025 (£000)

Period	**Ongoing maintenance**	**Capital expenditure**	**Total expenditure**
2003-2005	87.0	27.0	**114.0**
2006-2010	145.0	22.0	**167.0**
2011-2015	145.0	0.0	**145.0**
2016-2020	145.0	25.0	**170.0**
2021-2025	145.0	36.0	**181.0**
Total	**667.0**	**110.0**	**777.0**

Ongoing Clubhouse Maintenance and Capital Spend Required for Period to 2025 (£000)

	Ongoing cyclical maintenance	**Replacement of worn-out elements**	**Upgrading facilities**	**Replacement of facilities**	**Total capital**
Roof	0.15		17.50	7.00	**24.50**
External walls	0.05		5.00	8.00	**13.00**
Windows and external doors	0.10			12.00	**12.00**
Internal walls	0.05		5.00		**5.00**
Floor finishes	0.05	17.00	2.00		**19.00**
Ceiling finishes	0.05		2.50		**2.50**
Plumbing and drainage	0.10	4.00			**4.00**
Heating	0.15			8.00	**8.00**
Electrical and lifts		0.50			**0.50**
Kitchen equipment	0.05	8.00			**8.00**
Fittings and furnishings	0.05	8.00			**8.00**
Bar fittings	0.05	6.00			**6.00**
Roads and parking	0.10			10.00	**10.00**
Total	**0.95**	**43.50**	**32.00**	**45.00**	**120.50**

Phasing of Required Clubhouse Expenditure for Period to 2025 (£000)

Period	**Ongoing maintenance**	**Capital expenditure**	**Total expenditure**
2003-2005	2.85	31.50	**34.35**
2006-2010	4.75	26.00	**30.75**
2011-2015	4.75	29.00	**33.75**
2016-2020	4.75	13.00	**17.75**
2021-2025	4.75	21.00	**25.75**
Total	**21.85**	**120.50**	**142.35**

8 STRATEGIC ISSUES

Introduction

In this final chapter, we highlight a number of key issues which, in some respects, go beyond the scope of the audit as such, but which have been raised by our study and which will need to be addressed if there is to be a positive, comprehensive, well-informed, and modern approach to the development of golf in Scotland.

Because of the significance of the issues, this chapter is 'copied' in full from the full report.

Engaging with the Private Sector

A number of factors combine to suggest that **sport**scotland should engage more actively with the commercial providers and operators of golf facilities in Scotland, ie:

- Many commercially-operated golf facilities provide reasonably-priced 'golf for all', they want to attract more customers through effective marketing, and they have to focus on good customer service. In these respects, they differ from at least some members' golf clubs (which can be 'inward-looking' and satisfied to have their facilities operate well below their capacity) and from some municipal facilities (which are already used to their capacity by their existing customers, and lack the financial resources for new investment or marketing).

- The commercial sector is the growth sector in Scottish golf, both in terms of conventional golf courses and, particularly, in terms of the new golf centres/golf academies, which are targeted at emerging patterns of demand and provide a wider range of playing, practice, and tuition facilities than do most club or municipal facilities. If the trend towards private sector provision continues, and if research confirms the growth of 'non-club/recreational' golf in terms of participation, commercially-operated golf facilities will be where much of the 'action' will be in the next 20 years.

- This is highlighted by the table below, which shows that, despite the rapid growth in the number of commercially-operated golf course facilities in Scotland over the past 10-15 years, Scotland is still 'under-developed' in terms of its commercial sector compared to the USA or the UK as a whole.

Table 64: International Comparisons of Proportions of Golf Course Facilities by Management Type

	Club %	**Commercial %**	**Municipal %**	**Total %**
Scotland	73	15	12	100
UK	56	35	9	100
USA	30	60	10	100

- Our survey results also show that, compared to club or municipal facilities, commercial operators' golf facilities are generally likely to be in better condition (partly because they are newer), to be fully playable year-round, and to be more positively managed in terms of environmental and health and safety issues.

- While a few commercial facilities are owned and operated by major companies (and tend to operate at the expensive/exclusive end of the market), most have been established and are operated by relatively small businesses of various kinds. The basic economics of golf facility operation and the current supply/demand balance in Scotland suggest that many such facilities may be of marginal viability. This, in turn, should give the operators an incentive to work with **sport**scotland on initiatives to expand their business, while reassuring **sport**scotland that assisting such operators with the development of facilities or the running of programmes related to **sport**scotland's national strategies is at least as legitimate in principle as assisting often-wealthy and less forward-looking golf clubs.

The principle that determines the importance of specific facilities in terms of the national golf strategy and the legitimacy of assisting the provision of such facilities or their use as bases for national programmes should therefore *not be the legal status of the operator* (whether club, commercial, or municipal), but rather *the way the facility is managed*, ie:

- Who are its target markets?
- What are its policies on access and pricing?
- What is the design and construction quality of the facility and its operation in terms of aspects like conservation and health and safety?
- Do its facilities match the needs of 'golf for all', introducing new players to the game, and developing the skills of those who already play?
- What are the skills and experience of the management, and how strong is their commitment to programmes that will benefit the development of golf in Scotland as well as the viability of their own business?

If the responses to these types of questions are positive, it is a straightforward matter to devise assistance conditions that will ensure that any public funding goes only to facilities or programmes that will yield public benefit, and that such assistance can be 'clawed back' if the facility operator makes higher than anticipated profits as a result of receiving assistance.

The first step, however, is '*engagement*'. The commercial sector of golf operation in Scotland is not familiar with **sport**scotland, and vice versa. If **sport**scotland makes the decision to engage fully with the private sector in pursuit of its national golf strategy (including the *clubgolf* strategy), the next steps might be:

- the drafting of preliminary guidelines on what that engagement would consist of, including the availability (and likely terms) of any Lottery or other funding support;

- inviting the commercial sector golf operators (of ranges as well as golf courses) to a forum for an exchange of information and views, and the development of 'rules of engagement';

- publicising the outcome of the forum, including a mechanism for ongoing contact and information exchange.

While the SGU, as the sport's governing body, would be involved in this process, it cannot act as the intermediary between **sport**scotland and the commercial golf operators. SGU's direct role is in relation to the clubs based at some (though not all) commercial golf facilities, while the responsibility for all the development, management, and spending decisions rests with the commercial operators themselves.
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The Future of Municipal Golf?

Only 20 of Scotland's 32 local authorities in Scotland run any golf courses. Of these, 13 run just one or two courses, with the remaining 7 having significant 'portfolios' of up to 8 courses.

In some areas, these municipal courses are now run by 'arm's length' trusts, while several previously municipal courses have been leased to members' clubs in recent years, and two have been closed. Where municipal courses are still run directly by local authority departments, there are again variations. Some authorities regard the courses as central to their sports development policies while, in a situation of increasing private sector provision and deteriorating municipal course standards because of constraints on local authority resources, others are considering options for the future management of their courses. These options could include various forms of leasing or management arrangements involving clubs or commercial operators, either directly or in partnership with the local authority.

In such a varied and sensitive situation, the information provided for this audit by most local authorities was very limited. It was also complex, and difficult to interpret or compare, as it reflected the recording methods and accounting policies of individual authorities. There were also, of course, confidentiality requirements – not least because of the possibility that some local authorities may enter negotiations with other parties about management options for their courses.

The variety in the municipal sector extends to the quality of the courses themselves (some are very poor), their available spare capacity to cater for anyone other than their existing customers (some have little spare capacity at suitable times), and even their security (there are some where children or women would only be encouraged in groups because of fears for their safety).

Municipal courses should, in theory, form the basis for introducing and running golf development programmes aimed at introducing more people to golf – including young people and a wider spectrum of the population in terms of social class than are catered for by many golf clubs – for the following reasons:

- The courses are publicly owned and operated, and are inexpensive and open to all.

- They are located close to main population centres, and are therefore easily accessible to large numbers of people.

- They are run by local authorities, which also have responsibility for key related services like education and which may have specific sports development policies and staff relating to golf. There should therefore be an opportunity to use municipal courses in an integrated golf development policy – starting at primary school level and incorporating **sport**scotland's *clubgolf* initiatives.

However, with so much variation among local authorities in terms of commitment, policies, resources, and the quality of their courses, **sport**scotland's approach should be similar in some respects to the approach to be taken with commercial operators, ie:

- identifying local authorities which would be willing, and able, partners in golf development initiatives;

- working in partnership with these authorities on new initiatives, with the authorities providing the physical resources, **sport**scotland providing funding assistance towards facility upgrading and new programmes, and each making an input of appropriate staffing expertise.

St Andrews Links Trust

As noted in the body of our report, the Links Trust occupies a unique position in Scottish golf, as the body established by Act of Parliament to manage the publicly-owned courses in St Andrews.

With a portfolio of 6 courses already, plus a comprehensive practice centre, and a seventh course now to be built, the Trust is a major golf facility operator in Scottish terms. It also has the capacity to generate healthy operating surpluses, and is required to reinvest these in golf in St Andrews.

It can therefore bring substantial resources – golf facilities, staff, and money - to bear on golf development at a time when many other operators (whether clubs, commercial, or local authorities) struggle to do so. The Trust has already demonstrated its commitment to programmes like the *St Andrews Junior Golf Association*, and **sport**scotland should continue to work closely with the Links Trust in the delivery of all aspects of the Scottish golf strategy.

Climate Change

It is now officially accepted that Scotland's climate is changing (the Scottish Executive has a *Climate Change Team*, and produces regular *Climate Change* newsletters), but the evidence of change, the nature and speed of change, and how change will affect different parts of Scotland, are all aspects on which detail and consensus has yet to emerge.

However, two basic facts of key importance to the future of Scotland's golf facilities do seem to have been established:

- Climate change will involve more rain.

- Many of Scotland's golf courses are already getting steadily wetter.

The general situation is recognised in the sense that improved drainage has been identified both by golf course operators in their own forward plans and by our agronomist on his site visits as the major element of course improvement and upgrading work likely to be required over the next 20 years or so.

However, more specific evidence and advice directly applicable to golf facility operators is required, and the Scottish Golf Environment Group (SGEG) and the Sports Turf Research Institute (STRI) have been commissioned by the Scottish Executive to carry out a 2-year programme of work in this area. The work is targeted at golf club committees and greens convenors, greenkeepers, and golfers themselves, and aims to raise awareness ad understanding of the issues, improve communication and information exchange among all those involved, and provide guidance and factsheets on the kinds of impacts climate change is likely to have on golf courses and guidance on how to tackle these.

Again, it is being emphasised that the guidance itself can only be in general terms, and site-specific surveys and recommendations will still be required. All the agencies with expertise in these areas (including SEPA and the British and International Golf Greenkeepers Association) will be involved in the study, and **sport**scotland's role should be to:

- maintain ongoing liaison with those carrying out the work;

- ensure that the emerging results are taken into account in **sport**scotland's own planning and initiatives in the golf sector;

- just as importantly, ensure that the key findings of this national audit, and the follow-up action **sport**scotland intends to take (eg in the areas of market research etc that we highlight as well as in their *clubgolf* and other initiatives) are made known to those carrying out the environmental studies.

Where the impacts of climate change are projected to be severe or operators have very limited resources, some facility operators may have to accept that their facilities will become unsustainable, or will at least offer a lower quality golfing experience and over a relatively short season – which in turn may require golfers to 'pay more for less' if the facilities they use are to remain viable.

Since the problem of (increasingly) wet golf courses is a key finding of the audit, **sport**scotland should also determine how to deal with Lottery funding applications for projects aimed at addressing the problem in particular cases. The kinds of criteria we would recommend should be applied in considering such applications would include:

- the need for the applicant to have taken expert advice (which may be available from the facility's own greenkeeper, if suitably qualified and experienced) on the nature of the problem and the likelihood of a solution being found;

- evidence that the applicant has not allowed the problem to arise through neglect or poor greenkeeping, and is prepared to commit resources to tackling it;

- confirmation, possibly based on a 'second opinion' from an external expert, that the drainage and any other measures proposed have at least a reasonable chance of success, and that there is a properly planned and adequately resourced long-term course management plan in place to maintain the course to a good standard after the project has been carried out;

- evidence, if possible, that the remedial or course improvement works are being carried out as part of a more comprehensive development plan, which involves making the facility more accessible to those whom **sport**scotland would regard as target groups, and running programmes to introduce more people to golf and to enhance the skills of those who wish to improve.

Safety

The issues relating to safety in the design and use of golf courses are complex. In particular:

- There are no 'blanket' rules or regulations to define safety margins or safe procedures – not least because this is another example of the need to recognise the uniqueness of each golf course.

- The emerging 'case law' appears to be putting an increasingly onerous 'duty of care' on the golfer to ensure, before hitting the ball, that it is safe to do so.

With litigation ever-increasing, there is an understandable reluctance on the part of official bodies to attempt to define safety standards or responsibilities. The current approach is instead characterised by:

- golf course architects being encouraged to adopt (confidential) guidelines on safety margins produced by the *European Institute of Golf Course Architects* when designing new courses;

- individual golfers being encouraged to give safety a higher priority, and to carry adequate public liability insurance;

- golf course operators also being encouraged to recognise their responsibilities in terms of accepting paying customers on to their courses.

These are all necessary in a situation where many long-established golf courses in Scotland would probably not meet any defined modern standards in terms of safety margins, and where public access to and through golf courses was the subject of extensive consultation and discussion under the Land Reform Bill.

Other aspects of health and safety in the management of golf facilities are clearly covered by legislation, and information and advisory services are available to golf course operators on these, eg through the Health and Safety Executive, companies which specialise in (and widely advertise) such services, or the SGU's specialist consultant.

There may therefore be a case for **sport**scotland and the SGU to draw together the best available information and legal advice on the more general aspects of the safe use of golf facilities, to highlight:

- how improvements might be made to existing facilities and their operation, to make them safer;

- the respective rights and responsibilities of golf course operators, golfers, and the general public, and the actions each should take to minimise accidents or to compensate for them through insurance when they do happen.

Increasing Diversity in Golf Facility Provision and Operation

From a members' club-only situation 100 years ago, the golf sector in Scotland has diversified significantly – in terms of the types of golf facility on offer and the types of operators of these facilities. Even so, Table 64 highlights the fact that Scotland still lags the rest of the UK in terms of commercial provision, which may suggest that this is the sector which is likely to see future growth in provision – provided the market is there.

In addition to re-emphasising the general importance of engaging with the private sector as a matter of principle, we would highlight two other aspects of this increasing diversity:

- The national database of golf facilities needs to incorporate as comprehensive (and as accurately described) coverage as possible of all the types of facility – including the emerging sector of 'golf academies/golf centres'.

- Although relatively few in number, and very varied in terms of their characteristics and operation, short courses should be recognised as of potential strategic importance in introducing people to the kinds of '*fast golf, friendly golf, family golf*' that the Henley Centre sees as being emerging market requirements. As part of its ongoing database maintenance and monitoring, **sport**scotland should therefore establish closer links with the operators of short courses which wish to play an active role in the delivery of national golf development programmes.

Junior Golf

A great deal of information is now emerging on junior golf, and there are many schemes 'on the market' for introducing young people to golf and then developing their interest and ability.

The aim must be to achieve *co-ordinated delivery* of the various initiatives and programmes, and that should be possible through **sport**scotland's new *clubgolf* strategy and the network of junior golf managers – working closely with the golf facility operators and golf coaches who wish to participate.

The 'raw material' available now includes:

- SGU's survey of junior member numbers and policies at golf clubs in Scotland – now several years old, but with a lot of basic statistical information, and examples of best practice which could be used to encourage similar types of clubs to be more positive in terms of the number of junior members they accept and how they develop their junior sections.

- The junior charter and other junior golf development initiatives contained in the SGU's overall 2001-2005 golf strategy document.

- The report of the NFO System Three research into young people's perceptions of golf.

- The results of the various junior golf pilot schemes, which have been evaluated for **sport**scotland by MW Associates and Edinburgh University.

In addition to the ongoing work of the Golf Foundation, several commercial schemes have been developed, eg *Young Masters*, *Wee Wonders*, etc, and these can also be monitored.

Our own survey results suggest that about 12% of club members in Scotland are juniors, with a boy:girl ratio of about 11:1. However, it was clear from the SGU survey findings that broadly similar types of golf club often have very different junior policies. Some have relatively few junior members but nonetheless restrict that number by having a waiting list, with some clubs in this category tending to regard juniors as a 'problem' in terms of allocating tee times on the course, managing their competitions, general supervision on the course and in the clubhouse, and because they 'invest' time in juniors who then leave. Other clubs have many more juniors and are prepared to accept more – because they recognise that juniors are the lifeblood of the club, and that it is often only a small proportion of junior members who play frequently in any case.

Information gathered from our questionnaires and site visits confirmed:

- the lack of any consistent approach towards juniors among members' clubs, with policies varying widely and initiatives often depending on the commitment of individuals who are prepared to take on the role of junior convenor;

- the importance of the club professional at many members' clubs in terms of junior coaching – there is an element of 'commerciality' in this, but also a lot of personal commitment of unpaid time and effort by some of the pros involved;

- a generally more positive approach at commercially-operated golf facilities – both golf courses and ranges – where young people are seen as a specific market for the services of coaching staff and as long term customers of the course or range; there are also fewer restrictions on when juniors can play at commercially-run courses than at members' club courses.

Monitoring

With this survey providing a 'snapshot' of the financial and physical condition of Scotland's golf facilities, and with a sound database and classification system now in place, these financial and physical conditions should be monitored on an annual basis.

This can be done by selecting a representative sample of facilities whose operators are prepared to:

- provide annual financial and management information – audited accounts, membership and waiting list details, etc;

- allow inspection visits to their courses (visits to clubhouses would not be required) or to provide copies of annual course reports by their own consultant agronomists (STRI etc).

As with the *National Golf Tourism Monitor*, this data would then be analysed to provide **sport**scotland with a national picture (and regional/management type subdivisions) of trends in key aspects of the financial and physical condition of golf facilities, and to provide the participating operators with an indication of how their circumstances compared to the averages.

Golf Participation and Demand

More effective forward planning, both by **sport**scotland nationally and by the operators of golf facilities in Scotland, would benefit from *better information on patterns of golf participation and prospects for golf demand*. This national audit has focused on the supply side – the characteristics of golf facilities and information provided by their operators. However, it is clear that:

- the information that operators can provide about the levels and patterns of use of their facilities, and about how these patterns of demand may be changing, is often unreliable and anecdotal;

- there is now a '*demand deficit*' in many parts of Scotland, with too many golf course facilities chasing too few golfers, to the extent that the continuing existence of some facilities – and certainly their ability to maintain and reinvest in their facilities – may be at risk if they cannot attract more customers, and hence revenue.

- Social trends, including the projected rapid decline in the number of 5-14 year olds in the Scottish population over the next 10 years or so, will have a significant effect on levels and patterns of demand for golf.

The last national survey of golf participation and potential demand in Scotland was in the *Study of Golf in Scotland* for the then Scottish Sports Council in 1990/91. The intervening decade has seen rapid growth, and some diversification, in the supply of golf facilities in Scotland (as highlighted in this report), while **sport**scotland's ongoing *Sports Participation Survey* appears to indicate some recent upturn in the number of adults participating in golf after a decade of relative stability. These basic participation figures, of course, may 'disguise' changing patterns in the frequency or type of golf participation, which are just as significant to future planning as the numbers of participants.

Overall, however, the evidence of declining golf club waiting lists and, in some cases, declining membership numbers, suggests the emergence of the '*demand deficit*' referred to above, which could threaten the existence of some smaller rural clubs in particular, while there may be anecdotal evidence of patterns of participation changing in response to the wider availability of pay-as-you-play golf on 'open access' courses and the limited time many people have available. These factors may be leading to some shift from 'club golf' to 'recreational golf', whereby people give up a club membership (because they do not play often enough to justify their subscription and are not interested in competitive golf), and instead play their golf 'informally' at different courses and with different people.

With a number of new golf facilities being designed and operated to meet the emerging demands for '*fast golf, friendly golf, family golf*' as identified in the 1997 EMAP/Henley Centre *Golf Futures* report, but with no clear evidence of whether trends like the often-assumed increase in participation and demand for women's golf are actually happening, there is a need for new national and regional information on the demand side – both to assist operators to provide the right kinds of facilities and to provide the basis for well-targeted national and local efforts to stimulate demand in order to address the 'demand deficit'. Without this stimulation of demand (and therefore revenue), some golf facilities may have to cease operating, while others will steadily decline in standard because their revenue base will not support adequate ongoing maintenance, far less upgrading and re-investment.

A recent survey by Mintel for the Professional Golfers' Association appears to confirm the high number of golfers in the UK who are not club members, as well as yielding new evidence on the profile of golfers and their patterns of participation. This is the kind of survey work that should be carried out in more depth in Scotland, with questions designed specifically to help bodies like **sport**scotland and the SGU at national level, and golf facility operators at local level, plan and provide more effectively for the growth in golf participation that Scotland needs.

Provision of this kind of new research information on participation and demand, combined with ongoing efforts to stimulate demand through initiatives like the *Scottish Junior Golf Partnership* and the *clubgolf* strategy in particular, could therefore be just as important a role for **sport**scotland as providing information and advice on the maintenance and management of facilities. Many golf facility operators are likely to see ongoing maintenance and management as their responsibility at an individual facility level, while recognising that they do not have the expertise or the resources to carry out market research or strategic development of the kind outlined above. (This is implicitly acknowledged in the statement in the Sport 21 2003-2007 consultation document *Time to Speak Up*, to the effect that: "Research and evaluation studies will continue to be an important part of **sport**scotland's work").

One of our key recommendations is therefore that, for the golf sector, this supply audit should be matched by new ***sport****scotland research on participation and demand, if national strategies and local facility operators are to be effective in planning and providing for future golfing needs and aspirations among the Scottish population.*

Summary

The strategic issues highlighted above suggest that there is a positive role for **sport**scotland to play in giving leadership to the golf sector in the follow-up to this national audit – and that this leadership should take the form of better research information on participation and demand, the monitoring of financial performance, and the co-ordination of advisory services and new development initiatives.

With the co-operation of golf facility operators themselves, a twin-pronged approach - **sport**scotland growing the game through market research and development initiatives, while the environmental agencies tackle the problem of wet golf courses through technical studies and advice – offers the best way forward for the *Home of Golf*.