**Trojans club AGM November 2023**

**Recommendation of Trojans Club Directors to lease land to padel stars**

**Proposed Resolution**

That members agree to approve a lease with padel stars for 25 years as per the terms in the lease agreement

The club have been working with padel stars, a growing padel company, to develop an option for the introduction of 6 padel courts on the land that we own. The planning permission that we now have for the clubhouse included approval for 4 indoor and 2 outdoor courts, which would be built and paid for by padel stars.

Padel stars as a company were one of a number of padel companies that expressed an interest in working with trojans, and were chosen as our preferred partner due to their ethos, their significant funding, and the previous demonstration of the delivery by the directors of the company.

For those of you unaware of padel, it is a very fast growing sport, usually played by pairs on a small court 20m by 10m, with a hard bat, and a ball. There are padel tennis courts springing up at locations around the country, and the intention is to have some high quality ones built at trojans.

The experience built up developing a similar deal with the RFU, and the learning from that has been useful in developing the basis of this partnership.

The core aspects of the deal are as follows.

* Trojans lease an area of land currently used for storage and the cricket nets
* The club is paid an annual figure for each court, plus an additional sum should income reach particular levels. The net figure we will receive is between £60 and £65,000 per annum
* The lease is for 25 years with a break clause at 10 years
* The income is linked to inflation
* The padel company pay an additional service charge which covers the cost of club operations such as waste collection, maintenance, etc.
* The users of padel are able to access our bar , catering and changing facilities
* Members of Trojans will be able to become members of padel business or pay to play occasionally.
* The padel courts are being built by a company with significant expertise in this.
* Padel will contribute to the development of new cricket nets to replace those being lost
* Padel stars will not limit membership to any sectors of the community

Due to significant benefit this will bring to the Trojans Club in terms of new facilities, new profile, new income and a participation in a complementary sport, the board of the club is unanimously recommending approval of this lease.

The income it will provide will be factored into the long term business plan and potentially support a financial business case to a bank or to members to support the development of the new clubhouse.

In order to make sure that the lease agreement is a sensibly constructed document we have engaged Trethowans, who have an expert in the development of such legal documents to advise and to ensure our interests are protected.

Upon the approval by the members of this lease, there remain two hurdles to overcome. Firstly a suitable connection to the electrical grid, and suitable ground conditions, both of which fall to the padel company to resolve.

The lease has been developed to minimise any risk to the club, however it is not possible to forsee everything.

If this recommendation is agreed, then the padel company would begin site survey and development work, and once the two aforementioned conditions are met then they would begin paying us the ground rent. ( i.e. if they develop slowly, our income is not restricted).

We are not a private club, so if members wish to read the full details of the lease, they are welcome to do so.

Key features

* Significant new ongoing income which can be used to support investment in clubhouse
* Service charge and income from bar catering
* Fit with clubs existing membership and further participation in sport available
* Expertise in developing high quality facilities
* 25 year lease gives long term confidence
* Advice from legal expert to protect our interests

**Planning permission**

The club were granted full approval of planning permission alongside the clubhouse development, and for both there are a number of conditions which need to be met. Those which relate to padel (such as the development of netting to prevent ball strike from cricket) would fall to padel to deliver, however the club will be working with them to manage these.

**Recommendation**

For the key benefits outlined above the members of the board of the club have unanimously agreed to recommend this deal for approval by the members.

**Attachments**

Diagram 1 ( overleaf) area to be leased to padelstars

