

Ref: Real Tennis proposal

November 2009

Dear Members,

In May 2008 The Grange Club was approached by a Consortium of 3 individuals with the idea of building a Real Tennis court at The Grange. This was followed by a presentation to the General Committee in July that year.

Thereafter, a Sub-Committee was formed to investigate the advantages and disadvantages of the proposal – which evolved from a ‘one court option’ into a ‘two court option’ in which Real Tennis would be constituted as a separate club. After due consideration, the Sub-Committee reported to the General Committee which, unanimously, voted to take this latter proposal to an EGM. A copy of the Agenda and Motions is included with the enclosed papers.

We now have a unique and remarkable opportunity to accept the Consortium’s very generous offer to raise almost £1.5m needed to build 2 Real Tennis Courts at Grange – not to mention a substantial annual rental to lease part of the former bowling green, upon which the courts would sit (see attached plan).

There are only 3 other major city locations worldwide (Melbourne, New York, London) which have 2 courts and it would put Edinburgh, Scotland and The Grange Club at the forefront of this sport. I am also convinced that Real Tennis, albeit as a separate Club, will provide a major boost to the financial and social well being of The Grange.

This is a very exciting venture with very little (if any) downside for the Club.

I would ask you therefore to read carefully the accompanying documents and come to the EGM on Thursday 3<sup>rd</sup> December to vote on this proposal. The constitution does not allow for proxy votes so you must attend to register your vote.

If, after reading them, you still have questions prior to the EGM then I am delighted to try to answer them either by e mail or in person.

Yours faithfully,

Duncan R Wylie (Chairman) on behalf of the General Committee  
(drwylie@ukonline.co.uk)

# REAL TENNIS AT THE GRANGE CLUB

**This is an information document and a guide to a possible future development at The Grange**

## **The proposal**

That a consortium of three people be permitted to build, after they raise the funds, and subject to certain conditions, two Real Tennis Courts at the Grange, partly on Trust land (Arbor Green) and partly on Grange land. The cost of this project, including the demolition and replacement of the Groundsman's shed and the incorporation of a new storage area, will be borne by the Real Tennis Club (see plans).

## **What is Real Tennis ?**

Real Tennis, the original racket game, goes back to the 13<sup>th</sup> century and is the precursor of lawn tennis. Its origins were in France and it was the foremost pastime of European monarchs and nobles. Mary Queen of Scots played it. It fell out of fashion as the French and British monarchies moved onto other pursuits and court numbers in France dwindled to almost nothing. Most courts built in Britain survived and in fact the court at Falkland Palace is the oldest in the World.

Currently there are 26 in England, 8 in the USA, 7 in Australia, 4 in France and 1 in Scotland. Notably there has been a resurgence in popularity in recent times, more than 10 courts having been built and 6 restored in the last 20 years.

The court is thinner and longer than a lawn tennis court and is asymmetrical – all bar the Falkland Court are indoors.

The game has quite complex rules and is very broadly a cross between tennis and squash, with a net at the centre and the need to play around the walls. Lawn tennis and squash players tend to take well to the game. Every player, in a way similar to golf, gets a handicap which facilitates handicap tournaments.

There are 4 grand slam tournaments in the four Real Tennis playing countries. Presently the number 4 in the World is a Scot, Ruaraidh Gunn, the World Ladies Champion is Charlotte Cornwallis from Fife.

## **What has happened so far ?**

The consortium approached the Grange Club in May 08 to propose a single Real Tennis court be built at Grange.

In July 08 it gave a presentation in the Long Room to the General Committee and interested parties. Subsequently, a sub committee was formed by The Chairman, on behalf of the General Committee, to fully investigate the proposal. This was chaired by Douglas Lowe and its members were Duncan Wylie, Gordon Tolland, Gordon Batchelor, Peter Bailey and David Sibbald. It spent over a year undertaking due diligence and in September 09 Douglas Lowe reported back to the General Committee. Thereafter, the General Committee unanimously agreed to take the proposal to an EGM of Grange Club members.

Two sites were investigated and rejected, the first being an east-west footprint on the south side of Arbor Green and the second as an attachment to the west end of the squash complex on the adjacent grass tennis court. After some discussion with both squash and tennis sections who were against this option, it was decided to look elsewhere. Subsequently we looked at the third and present site and at this time the consortium asked to build a two court complex rather than one. Since the start, David Sibbald has spent considerable time and money constructing drawings/plans and has continued to change and finesse his plans. We now have a position where these plans are fully working documents, agreeable to both parties, and fully costed by a Quantity Surveyor.

### **Will it need planning permission ?**

Yes – but David Sibbald sees few problems gaining this. It is some distance from boundary walls and lies in an area designated for sporting endeavour.

### **Will it prevent a ‘sports hall’ or the like being built in the future ?**

No – the footprint for a good sized sports hall remains untouched to the south of the proposed RT development.

### **Will it be a constituent club as squash or tennis is ?**

It will be a separate club, but with its members affiliated to Grange. It will run as a separate club responsible for all its running costs and responsibilities. It will set its own subscription and will pay an ‘affiliation fee’ to Grange in addition to the annual ground rental. It will have its own changing rooms and an honesty bar for soft drinks but we would expect Real Tennis members to use the Grange bar and/or function rooms etc. RT members will have no voting rights at Grange General Meetings.

### **Will it get sufficient members to make it financially viable ?**

Anecdotal research suggests that there is a sizeable ‘Real Tennis’ population living in Central Scotland consisting of people who have ceased to play due to lack of a venue. There is a groundswell of support and, it appears, a curiosity to see how the game is played and to join in. There are over 500 members of Grange, many of whom are racket players, who may be keen to participate, and for them a fee of £150 pa may seem attractive. Moreover, if one looks at the socio-economic figures for Edinburgh (see appendix 1), it would seem that the places in the UK with comparable figures all house successful Real Tennis Clubs. It should be noted that England, with a population of 55m has 26 clubs whereas Scotland, with a population of 5m, most of whom live in the Central Lowlands, has one Real Tennis court with very limited access.

### **Do we need the agreement of the Grange Trust ?**

Yes, but if the general consensus of the Grange Club, as determined by the EGM, is for the scheme to proceed then one would expect the Trust to look favourably at the Grange Club wishes.

### **How will the lease be organised ?**

There are 3 broad areas where legal relationships will require to be set up.

1) Between The Trust and the Club so that the Club has the full site.

2) Between the Grange Club and the Real Tennis Club so that the RT Club has a lease of the site but the Club retains certain controls.

3) The contracts relating to the actual construction.

Approx 66% of the footprint of the RT courts lies on Grange Trust land (Arbor Green) which means that this land may be conveyed to The Grange Club in the first instance. The Grange Club would then lease the land to the RT Club (Trustees of the Charity).

This lease would be subject to various restrictions in the interests of Grange and would contain suspense clauses which could be triggered by certain occurrences – e.g. all the money being available, planning permission being granted, building control being satisfied, ground conditions i.e. water/services etc being understood and agreed, and a timescale also negotiated as well as lease length, rent holidays, initial rental levels and mechanisms for rent reviews, maintenance and insurance obligations.

In addition a memorandum will require to be agreed between Grange and RT as to the restrictions placed upon RT Affiliate members. Further, the lease will also have to give the Club controls over Building contracts, professional appointments etc. Once all parts are in place, the lease will be triggered into action and the building work can commence.

The Trust could also use this trigger mechanism to ensure that its renunciation of the 66% footprint happens simultaneously with the RT/Grange Club lease – so to avoid the Club signing a lease for land which they only control 33% of.

However, to allow the Real Tennis Consortium to begin its fund raising, a shorter Heads of Terms document will be drawn up and agreed between the parties. It is firmly understood that ‘no turf will be turned’ until a full and detailed legal agreement is in place along the lines of the above.

### **Who will run the courts ?**

In practical terms, The Real Tennis Club will employ two professionals, one senior and one assistant on a full time basis.

These professionals coach, mark, prepare the balls, string the rackets, run the pro shop, do the handicapping and try to ensure the courts are full. Their remuneration largely depend upon the success of the club.

The other ‘offices’ and general running of the club will be undertaken by a Real Tennis General Committee, much like the Grange.

### **Will the Real Tennis Club be financially viable and be able to pay the Grange a rent ?**

There are two crucial financial dimensions to the project: the ongoing viability of the Real Tennis Club and the ability of the consortium to fund the construction costs (approx £1.5m).

The consortium’s financial projections indicate that, after an initial build up period, a surplus before rent (and after contingency) should be achieved. These figures assume, by real tennis standards, a low subscription charge (£225) and low court charges (max. £5 per hour per person) along with very modest charges for students and schoolchildren. They also assume the employment of a professional, an assistant professional and a part time marketing assistant.

The ability of the consortium to raise £1.5m is unknown, however this will be assisted by the following:

- a) The financial commitment of the three consortium members to donate £400,000 – just over 25% of the total.
- b) The fact that the Club will be have charity status, thereby encouraging individual donors through allowable tax breaks as well as being eligible for donations from charitable foundations
- c) The appreciation by the real tennis fraternity, worldwide, that a two court complex in Edinburgh would be a huge boost to the sport.

### **What if it goes bust ?**

If it becomes insolvent, the real tennis courts would become Grange property and as such the Club could remove the centre structure (there is a design contingency for this) and it would become a sizable ‘sports hall’ sufficient for indoor hockey practice, cricket nets or tennis.

We will ensure a sizeable proportion (probably over 90%) is raised and kept in an escrow account before the works start to avoid the possibility of a half built complex.

## **Will the Real Tennis members swamp the Grange ?**

The plans are that the two courts will have offset timings in that one court will start half an hour after the other and finish half an hour later which means that a maximum 12 players will be present at any one time. This should minimise parking pressures. As a separate club to Grange they will have no voting rights and because their members will pay an affiliation fee, The Grange has the ultimate sanction of refusal of any individual member, if it is their wish. The projected membership is approx. 350 but, such is the nature of the Real Tennis game, a proportion of their members will be country members, some will be school/junior members and, hopefully, a proportion will be existing Grange members so that the idea of their members 'swamping' Grange is a little far fetched.

## **How long will the Real Tennis Club be at Grange ?**

The lease will be 50 years. It may be that, some time in the future, the Grange and Real Tennis could vote to have the Real Tennis Club as a constituent club of Grange.

## **Will it involve the local community?**

It is the intention of the proposed RT Club to invite and encourage the local schools to join – in fact, the RT Association will provide free court fees to help this initiative. Broughton, Fettes, Stewarts-Melville and The Edinburgh Academy are all within very easy reach.

## **What will it be called ?**

Real Tennis Edinburgh at The Grange

## **In conclusion**

In summary the Sub-committee's findings and the findings subsequently of the General Committee are that 2 Real Tennis courts built at Grange will, if properly run, be viable and, after initial set up, provide the Grange with an overall rental of the order of £20,000 pa plus an affiliation fee which is expected to reach £9,000. There will be annual rent increases in line with inflation.

There are many advantages and some disadvantages of accepting this proposal which have been set out below.

## **Advantages**

1. An annual rent up to £20,000 pa and affiliation fees of £9,000 and beyond.
2. An increase in 'members' using the bar and functions
3. A reduced RT membership subscription for existing Grange members and therefore an easily accessible and affordable facility.
4. An increased membership of the present constituent Grange Clubs due to the crossover from Real Tennis. There will be RT players who are very good sportsmen and women and Grange may well benefit by their joining.
5. Increased 'good relations' with neighbouring schools in terms of their use of the RT courts
6. A potential input in coaching terms to both the tennis and squash clubs – the 2 pros employed will be expert 'racket' players
7. An enhanced 'profile' within Edinburgh and Scotland leading to an increase in membership of the constituent clubs.
8. Were the World Championships, or other high prestige tournaments, to be held at Grange, the standing of Grange would further rise and expand considerably.
9. A much enhanced frontage – a Real Tennis complex, fully compliant with Edinburgh planning restrictions in a conservation area – as opposed to the existing groundsman's shed.
10. The end of the 'scruffy' Cricket Scotland storage containers.

## **Disadvantages**

1. Some disruption whilst being built.
2. Possible loss of income compared with a more lucrative venture (currently unknown) to be undertaken on the land footprint.
3. Some increased pressure on the car park area at certain times.
4. Possible 'failure' of the venture and subsequent problem of running/disposal/alternative use.
5. The legal costs of the Grange side of the lease – we will endeavour to keep these to a minimum.

## **The Way Ahead**

If the EGM supports this proposal, the consortium will aim to raise the necessary funds by the end of June 2010, whilst, in parallel, applying for planning permission and sending a building contract out to tender. Following signature of the lease, it is hoped that construction would commence in September 2010. Construction should take some 8 months. If the EGM votes against the proposal, the project is at an end.

# APPENDIX 1

TABLE COMPARING THE WORKING POPULATION, SOCIO ECONOMIC STRUCTURE and OCCUPATION STRUCTURE OF SELECTED BRITISH CITIES (based upon 2001 Census figures)

CITY	POPULATION 16-74 <b>In employment</b>	SOCIO- ECONOMIC CLASS- Higher managerial+ Higher professional	SOCIO ECONOMIC CLASS – Lower managerial+ lower professional	Total Col 2+3	OCCUPATIONAL STRUCTURE Managers+senior officials+professional
Edinburgh	218,820	12.5%	20.7%	33.2%	32.4%
Glasgow	215,046	6.2%	14.7%	20.9%	23.4%
Bristol	177,057	9.6%	18.5%	28.1%	26.7%
Bath	80,257	10.5%	20.4%	30.9%	30.4%
Oxford	60,093	13.5%	17.4%	30.9%	36.3%
Cambridge	49,236	16.3%	16.9%	33.2%	41.1%
Sheffield	218,493	7.4%	15.7%	23.1%	24%
Newcastle	101,500	7.9%	14.7%	22.6%	26.2%
Liverpool	154,817	5.1%	13.5%	18.6%	22%

As we can see from the figures above, Edinburgh ranks third to Cambridge and Oxford in terms of its percentage of senior managers and professionals who one would hope would form the foundation of members of a Real Tennis Club. Closely behind sits Bristol, a successful venue for a Real Tennis club.

In terms of numbers in employment, Edinburgh compares very favourably with all the above.

Moreover, these English venues all have competition which would not be the case in Edinburgh where, effectively, Jesmond in Newcastle is the nearest practicable competition.