



The Old Clubhouse Project

The old clubhouse is old, and we are getting closer each year to being forced into a decision to;

- 1) *Demolish*
- 2) *Refurb/rebuild*
- 3) *Demolish and re-use the space for other purposes*

*The big challenge that the committee has been struggling with is the cost of each of the options above. It will cost **tens of thousands of pounds** just to do the bare minimum (option 1) - all of which would need to be raised by the club. **Doing nothing is not an option***



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The committee has spent a long time researching and debating various possible options. We are now able to put a recommendation to the members.

Starting directly after the AGM, we will commence a consultation period to allow members to learn about the proposal and ask any questions that they may have. Information will be provided in a number of ways;

- *An online presentation emailed to all members*
- *An open Q&A session on Monday 31st March at 8pm at the club – all welcome*
- *I encourage questions to me by email or WhatsApp*



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The big challenge was that none of the possible options were cheap.

Doing nothing is not an option for safety reasons

Even the lowest cost option would require fundraising to the sum of tens of thousands of pounds

However, as part of the research the committee undertook, we produced one proposal that could be self-funding.

.....This option is to build a Padel court on the site of the Old Clubhouse



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What is Padel?

Padel is a racquet sport, that combines elements of tennis and squash, played on a smaller, enclosed court with walls used as part of the game, and typically played in doubles. With over 30 million padel players worldwide, the sport is booming and has never been more popular.

Padel uses the same scoring conventions as lawn tennis but is played on courts around a third smaller. Players use solid racquets with no strings. The courts are enclosed and like in squash, players can bounce the ball off the walls. Padel balls are smaller than those used in tennis and players serve underarm.



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Why is Padel so popular?

One of the reasons that Padel is so popular, is that it can be played by the entire family - from grandparents to young children. You can pick up the basics easily (unlike Lawn Tennis) and start playing with little or no previous experience.

Also, as the courts are smaller, and played on Astro Turf, it can extend the length of your playing career as older players are able to continue to be competitive for longer.

It is the fastest growing racket sport in the world, with many sports/tennis clubs in the UK adding one or more Padel courts in recent years.



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What are we proposing?

- *Demolition of the old clubhouse, (including the removal of all waste)*
- *Preparation of ground*
- *Installation of Padel court, canopy, lights, fencing and a separate (pin code) door access*
- *Maximum space needed is 24m x 14m, which includes a 2m walkway all around and does not eat into any of the parking spaces*
- *Concept is to be as hands free as possible. Online booking/payment gives pin code for court access at the booking time.*
- *Variable pricing for members and non-members. Preferential booking window for members.*



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What might it look like?



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What might it look like?



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How much would it cost?

Site prep (demolition, removal of spoil, re-routing electricals, prepare base)	£32,840
RC-10 panoramic court plus lights and court sweeper	£31,600
Canopy	£65,000
Fencing/access	£4,000
Maintenance (turf after 5 years)	£7,000
Legal Fees	£5,000
Total	£145,440

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How would we pay for it?

Due to the high-income opportunities with Padel, instead of having to raise all of the funds via fundraising efforts, or loans which would saddle the club with debt, we proposed that the project can be funded by investment from members and/or the wider public.

*We would look to set up a **Community Benefits Society***

This may be familiar to some members, as Congleton already has the example of a very successful CBS, Dane Valley Community Energy. A Club member is the Treasurer.



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How would we pay for it?

A Community Benefits Society (CBS) allows the issue of withdrawable share capital called Community Shares and you are allowed to pay sufficient interest on the shares to attract the necessary investment

If the members supported this proposal, the next step would be to get professional advice on how to set up a CBS. We recently made a successful application to the Cooperatives UK's Booster Fund to get support to understand how we could use the CBS concept to enable the project. We have been awarded £1800 of credit to spend with one of their accredited consulting partners

*We want the chosen consultancy to help us realise a CBS that meets the following **key** requirements...*



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- *The members and officers of CLTC should not be personally exposed to legal risk or financial liability*
- *Investors in the Project should have no call on the existing assets of CLTC to recover their investment*
- *CLTC should retain ownership and control of all its land and any structure built on that land*
- *It should satisfy the rules and regulations of the Financial Conduct Authority (FCA)*
- *It should attract sufficient investment to allow any project to move ahead*
- *Be simple and inexpensive to set up and administer*



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Financial Model

- *Upfront investment of £145k*
- *Completed in 2025-2026*
- *Average expected income ranges from £18 to £22k per year over 10 years*
- *Accumulate full sinking fund of £112k in 10 years*
- *Investors repaid at 25 - 50% return on investment*
- *Scenario for club to retain £5k per year ('30 new members') in early years*
- *Investors repaid in 6-7 years, then full return on revenue reverts to CLTC*

*We have already **identified one large investor associated with the club that is willing to invest £40k into the project.** We expect the rest of the investment to be made up of a few large investors and lots more smaller investors.*



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Assumptions

Hourly rate - £28

Occupancy - 5 hours per day, 7 days a week, 51 weeks a year

Other income - £0

Site clearance - £33k

Build cost - £113k

Running cost - 10% of income

Inflation - 3%

Return on investment for investors - 25% to 50% in total (7-year UK bond with much lower risk would be 4.3% per yr)



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Model 1 - 25% total return on investment

Over 10 years;

- ❑ *Investors repaid in full (including the return on their investment) after 6 years, at which point all surplus income reverts to CLTC*
- ❑ *Surface replacement after 5 years*
- ❑ *Sinking fund of £112,000 created*
- ❑ *Ca. £220,000 margin for the club to re-invest in **facilities and surfaces, or subsidise membership fees***

Assumptions														
Hourly hire rate	28	GBP per court												
Occupancy hours/day	5	Hours per day												
Occupancy days/week	7	Days per week												
Occupancy weeks/year	51	Weeks per year												
Site clearance cost (GBP)	32840	Assume sunk												
Build cost (GBP)	112600	GBP to recover												
Depreciation term	10	Years												
Other income (GBP)	0	Net per month												
Inflation	3%	Annual												
Total investment	145440													
Total ROI	25%	181800												
Running cost (% of income)	10%	Assumption to cover electricity, consumables, payment fees and app revenue share etc												
Investors paid out first			2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
	Build costs	-	145,440											
	Court hire			49,960	51,479	53,024	54,614	56,253	57,941	59,679	61,469	63,313	65,213	572,965
	Other income													
	Running costs			4,998	5,302	5,461	5,625	5,794	5,968	6,147	6,331	6,521	6,717	58,865
	Depreciation			11,260	11,260	11,260	11,260	11,260	11,260	11,260	11,260	11,260	11,260	112,600
	Net income(cost)	-	145,440	33,722	34,917	36,302	37,729	39,199	40,713	42,272	43,878	45,532	47,236	401,499
	Return to investors		145,440	28,722	29,917	31,302	32,729	34,199	24,931					181,800
	Project profit	-	5,000	5,000	5,000	5,000	5,000	5,000	15,782	42,272	43,878	45,532	47,236	219,699
	Cumulative return to club			5,000	10,000	15,000	20,000	25,000	40,782	83,053	126,931	172,463	219,699	

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Model 2 - 50% total return on investment

Over 10 years;

- ❑ Investors paid back in full (including the return on their investment) after 7 years, at which point all surplus income reverts to CLTC
- ❑ Surface replacement after 5 years
- ❑ Sinking fund of £112,000 created
- ❑ **Ca. £183,000 surplus income** for the club to re-invest in **facilities and surfaces, or subsidise membership fees**

Assumptions												
Hourly hire rate	28	GBP per court										
Occupancy hours/day	5	Hours per day										
Occupancy days/week	7	Days per week										
Occupancy weeks/year	51	Weeks per year										
Site clearance cost (GBP)	32840	Assume sunk										
Build cost (GBP)	112600	GBP to recover										
Depreciation term	10	Years										
Other income (GBP)	0	Net per month										
Inflation	3%	Annual										
Total investment	145440											
Total ROI	50%	218160										
Running cost (% of income)	10%	Assumption to cover electricity, consumables, payment fees and app revenue share etc										
Club takes first 5k profit per year												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Build costs	- 145,440											
Court hire	-	49,980	51,479	53,024	54,614	56,253	57,941	59,679	61,469	63,313	65,213	572,965
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Running costs	- 4,938	- 5,302	- 5,461	- 5,625	- 5,794	- 5,968	- 6,147	- 6,331	- 6,521	- 6,717	- 6,917	58,865
Depreciation	-	11,260	11,260	11,260	11,260	11,260	11,260	11,260	11,260	11,260	11,260	112,600
Net income(cost)	- 145,440	33,722	34,917	36,302	37,729	39,199	40,713	42,272	43,878	45,532	47,236	401,499
Return to investors	145,440	- 28,722	- 29,917	- 31,302	- 32,729	- 34,199	- 35,713	- 37,272	- 38,878	- 40,532	- 42,236	- 218,160
Project profit	-	5,000	5,000	5,000	5,000	5,000	5,000	16,694	43,878	45,532	47,236	183,339
Cumulative return to club	-	5,000	10,000	15,000	20,000	25,000	30,000	46,694	90,572	136,104	183,339	

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Summary

- *Currently no Padel court in Congleton, but popularity growing day by day*
- *Court will be covered and have floodlights*
- *No fundraising required, instead funded by individual investors*
- *No risk taken by CLTC – all risks lie with investors*
- *CLTC (or a separate committee set-up for the purpose) keeps total control of the court management and administration*
- *After 10 years entire Padel court could be re-build at no additional cost*
- *Additional income for club of between £183,000 and £220,000 over the 10 years*
- *Potential to safeguard the future of the club and enable continued investment in facilities and court surfaces whilst minimising membership fees'*



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Next Steps

2-week consultation/discussion period

- ❑ *Information emailed to members on Tuesday 25th March.*
- ❑ *Q&A session at the club on Monday 31st March at 8pm*
- ❑ *Email chair@congletonlawntennis.club with questions*
- ❑ *WhatsApp the chair on 07498 794304 with questions*

Towards the end of the 2-week consultation period, all Q&A's will be emailed out to all members. Then, following the 2-week consultation period, we will have a period for members to vote, lasting for one week. There will be one vote per member, and we will need over 50% of votes to be a "yes" for us to proceed. If members approve the project, then the committee will start putting more time and effort into this, to try and make the proposal a reality for CLTC

