

THE HIGHLAND COUNCIL

EDUCATION, CULTURE AND SPORT COMMITTEE

13 NOVEMBER 2008

Agenda Item	12
Report No	

Senior Open Golf Championship 2011

Report by Director of Education, Culture and Sport

SUMMARY

The purpose of this report is to inform Members of the proposed bid by Nairn Golf Club to host the Senior Open Golf Championship in 2011 and to recommend the future commitment of £60k from the Highland 2007 Legacy Programme, split between the financial years 2009/10 and 2010/11, to assist the Club in securing the event for the Highlands and to contribute towards the capital and revenue costs of hosting the event.

1. Background

- 1.1 The Senior Open Golf Championship is now firmly positioned as the top competition of the Senior Golf Circuit, ensuring the participation of golf's greatest Senior players from Europe, the United States and the rest of the world. It is anticipated that participants at the Nairn event would consist of over 140 world class players and include household names such as five times Open Champion Tom Watson, Greg Norman, Sandy Lyle, Bernard Langer, Nick Faldo, Ian Woosnam, Mark O'Meara, Gary Player and Tom Kite.
- 1.2 The hosting of the event in Nairn in 2011 would not only provide an opportunity for people of the Highlands to view the world's top class Senior golfers at close quarters, but live television coverage of the event to a world wide audience and extensive media coverage would be expected to generate significant economic benefits for the Highlands. Through this event, Nairn and the Highlands of Scotland would be showcased to a global audience and, as such, provide an exceptional opportunity to fulfil the aspirations of the Highland 2007 Legacy Programme of promoting the Highlands as a great place to live, visit and do business.

A summary of the media exposure and economic impacts that are expected or have been measured in other host areas include;

TV Coverage

UK 12 hours live coverage on SKY Sports
USA Turner Sports Network, 2-hours coverage per day Thursday/Friday
ABC, 20hours coverage per day Saturday/Sunday

Live/delayed coverage will also be broadcast in Asia, Africa, Australasia and Japan.

European Tour Productions, in conjunction with ABC Television, will produce the television coverage of the Championship, which will deliver over 240

cumulative hours of live/delayed coverage to a potential audience of more than 220 million households worldwide over the four days of the Championship. Furthermore, the Championship will also produce a one hour highlights programme with 30 hours of coverage to a potential audience of 115 million homes.

In total, the Championship will receive approx 340 hours of live/delayed, highlights and magazine television coverage in at least 20 countries to a combined total of over 400 million potential households.

Economic Impact

- Independent research for the 2006 Championship, compiled by Comperio, revealed:
- £4.9 million in Gross Total Economics Impact for Scotland and
- £1.7 million in Net Total Economic Impact for the host region.

1.4 In addition, if Nairn Golf Club is successful in its bid to attract and host the British Senior Open Championship in 2001, this will provide the Club and the Highlands with the opportunity of securing the return visits of this event to Nairn in future years. It will also provide new opportunities and strengthen the ability of the region to attract further major events within golf's international tour calendar to Nairn and to the Highlands in the future.

2. Advance Planning

2.1 The rights to host the Senior Open Golf Championships are awarded three to four years in advance to allow the host course to prepare any physical infrastructure changes and for the date of the event to be factored into the busy international golf calendar. In order to secure the funding package necessary to attract and host this event in the Highlands within the timescale set by the Royal and Ancient Golf Club and European Senior Tour, Nairn Golf Club has applied to the first round of the Highland 2007 Legacy Programme for financial assistance.

2.2 The two applications from Nairn Golf Club for £30K revenue and £30K capital support from the Highland 2007 Legacy Programme received the full support of Members and officials within both the local and central decision making panels. However, due to the timing of the proposed award of funding the central decision making panel requested that their recommendation to approve £30k towards the capital costs of the event in 2009/10 and £30K towards the revenue costs in 2010/11 be presented to Members of the ECS Committee for approval to endorse the future commitment of this funding from the Highland 2007 Legacy Programme.

3. Use of Proposed Funding

3.1 The Capital funding is planned to assist with –

- a) The financing of specific golf course alterations necessary to reach the standard required by the Royal and Ancient Golf Club to host the event, for example, the building of new tees and new bunkers.
- b) Financing of improvements to the parking facilities to accommodate the larger number of cars, and the installation of essential services for the

tented village which will service the organisers, the world's press and player support teams.

- 3.2 The revenue support is planned to assist with financing the running costs of the event, in particular the additional cost to be incurred in their provision of additional staff, stewarding, volunteer expenses, security of buildings, golf course and tented village, PR material, and hire of additional machinery.

4. Event Budget

- 4.1 The total expenditure budget for the event is estimated at £138k Capital and £120k Revenue. A break down of each of these sums is supplied in Appendix 1.
- 4.2 The Club has secured a facility fee of £55k from The Royal and Ancient Golf Club and is currently seeking support from a range of grant aiding bodies and business sponsorship.

5. Recommendation

- 5.1 Members are asked to approved the recommendation of the Highland 2007 Legacy Programme central panel to award £60K to Nairn Golf club towards the costs of attracting and hosting the Senior Open Golf Championship in 2011, with the award split as follows:

£30K towards capital costs in 2009/10
£30K towards revenue costs in 2010/11

Signature:

Designation: Director of Education, Culture and Sport

Date: 31 October 2008

Author: Ian Murray, Head of Community Learning and Leisure

Background papers:

Senior Open Golf Championship, Nairn, 2011**Estimated Capital Costs -**

	Expenditure
Construction of 7 New Championship tees	£35,000
Excavation work and installation of sprinklers to tees	£20,000
Construction of 8 New bunkers	£40,000
Installation of 2 Septic tanks for the Tented Village	£ 8,000
Installing power to the area for the Tented Village	£25,000
Widening of the entrance to the Cameron Course used for parking	£10,000
Total	£138,000
Shortfall	£108,000

Estimated Revenue Costs -

	Expenditure
Additional Staff	£15,000
Hire of additional machinery	£8,000
Promotional material	£5,000
Security	£ 10,000
Volunteer provisions (inc. volunteer value in kind)	£12,000
Reconstruction and repair cost after event	£10,000
Loss of Green Fee Income for the week	£20,000
PR / Marketing / Hospitality	£15,000
Replacement of clubhouse furnishings	£25,000
Total	£120,000
Shortfall	£90,000