

Padel Proposal

Southdown Sports Club



Padel Proposal :

- Outset assumptions
- SDC long term strategy
- Commitment to Members
- Options
- Positives of each option
- Capital needs to deliver
- Returns to club on steady state year
- Disruption
- Club Council Recommendation
- Resolutions to be voted on by electronic ballot
 - Introduction of new sports
 - Change of use/ Location and Level of borrowing
 - Constitution updates

Padel Proposal : Outset assumptions

The majority of members:

1. Want Padel at the club as per previous AGM where Council were instructed to investigate an in-house option
2. Want a democratic vote regarding location
3. Are prepared to borrow reasonable amounts
4. Do not want the club put at significant financial risk
5. Want to ensure the club's long term ability to thrive and meet membership needs

Padel Proposal : Padel & The SDC Long term strategy

FINANCIAL SECURITY / MEET SPORTING DEMAND / COMMUNITY

- Grow membership through appealing to younger demographic / target emerging sports that have synergy with existing club offerings
- Padel meets demand of both youth and older generation (less running, underarm serving, smaller court, ease of starting) - keeping people in sport, staying relevant, as does Pickleball
- Underpin financial future, a fresh income stream to strengthen financial reserves to meet future Club challenges, principally the maintenance and replacement of the larger assets (plus gym offering, club house facilities etc)
- Increases footfall to the cafe/bar, feeds other racket and club membership categories

- **Note:** *A Roof could be a bonus feature, securing a higher financial return by enabling a greater amount of use*

Padel Proposal : Commitment to members

- Financing Padel will not lead to the neglect of the existing sporting estate
- Upfront, **before** Padel, site commitments:
 - Upgrading of lighting on courts 3,4 & 5, now completed
 - Introduction of NEW lighting on courts 6,7 (& 8)
 - Resurfacing / improvement of existing courts 13 & 14 or 6,7 (& 8)
- Financing will be from:
 - Existing cash balances excluding Hockey Pitch sinking fund
 - Cash generated over the next 2 years from Club operations
 - Unsecured Member loans with interest

Padel Proposal : The 3 Options

1. 2 x Padel courts located on courts 8 & Mini - no roof
 - Planning permission approved (Nov '25)
2. 2 x Padel courts located on courts 13 & 14- with roof
 - Pre-planning application for roof to span both courts - approved April '26
3. No Padel at SDC

Note: Delivery timeframe materially the same under options 1 and 2 due to Members needing to vote, finalising quotations, builder's lead times, arranging finance, no start until after County Closed tournament

Padel Proposal : Positives of 2 Padel courts on 8 & MINI - No roof

- SDC only lose one tennis court *
- We preserve floodlit 13/14 court positions
- Padel noise has less impact on adjacent courts
- Places Padel on the edge of the tennis estate maintaining a core square of tennis courts

* 9 Hard courts (7 floodlit + 2 floodlit Bubble)+ 2 floodlit Multi-use = 11 overall courts + Grass x 6

Padel Proposal : Visual 8+mini



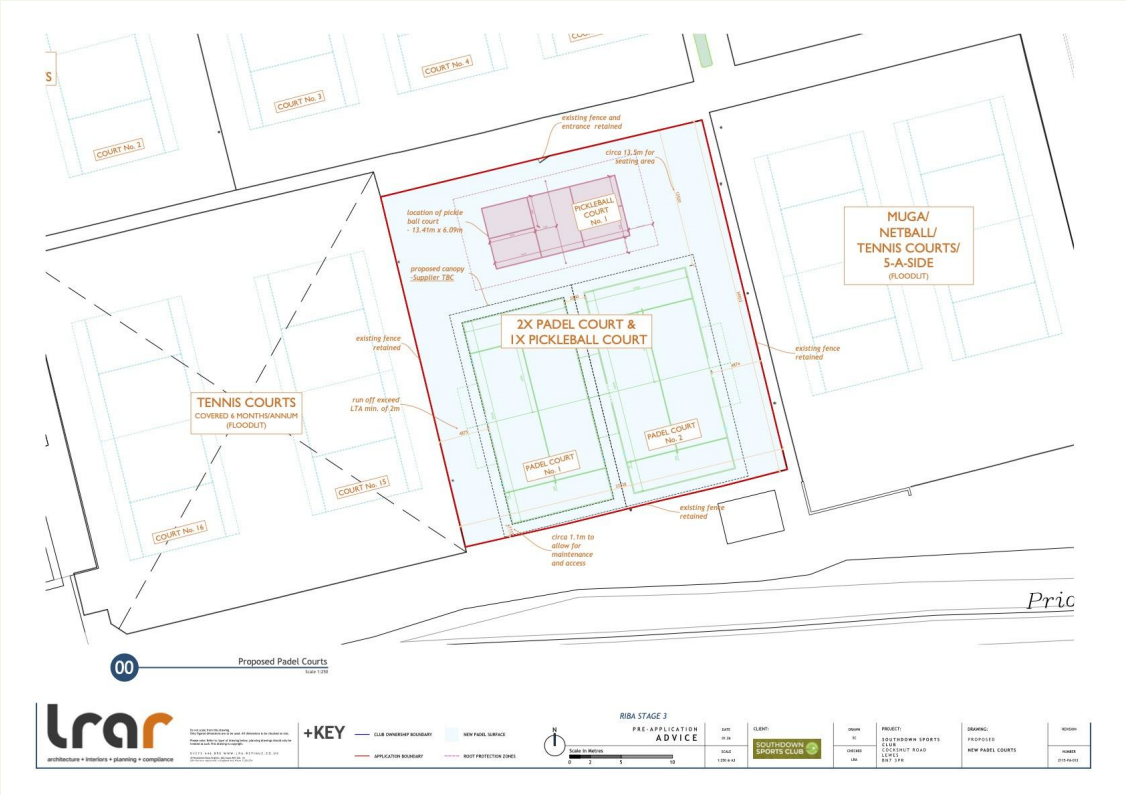
Padel Proposal : Positives of 2 Padel courts on 13/14 - with roof

- Cheaper by circa £67k (being £56k + vat) than alternative on 8 + Mini
- Plus potential cost saving on lighting replacements on 13/14
- Club achieves one extra floodlit court versus today's offering
- Significantly less complexity and disruption during the build
- Timing delivery realistically the same as location 8 + Mini
- Better security & easier access
- Better Social space & proximity to the Club House community
- Possibility of a 3rd Padel court or 1 Pickleball court

- *Real roof potential for this location which would secure player loyalty (due to all year round offering) and increase capacity and therefore income.*

Loss of 2 hard courts (13 & 14) will result in 8 Hard courts (6 floodlit + 2 floodlit Bubble)+ 2 floodlit Multi-use = 10 overall courts + Grass x 6

Padel Proposal : Visual 13/14



Padel Proposal : Funding Padel

NET OF VAT (£'K)	8 + Mini (no Roof)	13/14 (No Roof)	13/14 (with Roof)
<ul style="list-style-type: none"> Upgrade 3,4,5 lights (now complete) Resurface 13 + 14 Resurface 6,7 + 8 Relocate 6 & 7 (for Padel on 8 +Mini) Padel build access issues Lights 6 & 7 Lights 8 Padel power needs General fencing 	53 30 37 29 20 44 0 10 6	53 0 45 0 0 44 21 10	53 0 45 0 0 44 21 10
TOTAL (£'000)	229	173	173
<ul style="list-style-type: none"> Padel courts x 2 Padel roof 	130 0	130 0	130 150
TOTAL (informed estimates/ quotes) (£'000)	359	303	453
Funded by club reserves*	211	223	223
Maximum required borrowing	148	80	230

* after ring fenced hockey astro replacement fund and operational cautious cashflow needs.

Padel Proposal : Profitability Impact of a Steady State Year

	8 + Mini (no Roof)	13/14 (No Roof)	13/14 (with Roof)
INCOME: MEMBERSHIP	£'000	£'000	£'000
<ul style="list-style-type: none"> New Member Subscriptions (Qty) Income at £150pa in £'k 	150 23	150 23	200 30
INCOME: COURT HIRE			
<ul style="list-style-type: none"> Steady capacity usage estimate Income £26 (net)/Hr/Court, £'k, pa 	50% 131	50% 131	70% 183
TOTAL INCOME	154	154	213
Operational Costs	(60)	(60)	(60)
CONTRIBUTION TO THE CLUB	94	94	153
Capital cost	130	130	280

Padel Proposal : Disruption detail

Common issues

- Lay cabling, erect lights, resurface and backfill
- Excavate for padel and build padel
- 5 weeks to complete

8 + Mini issues

- Relocate 6 + 7 est 4 metres + excavate and backfill
- Build materials, hardcore, concrete, tarmac lights, padel courts access over Multi Use
- Spoil removal over Multi Use
- Access to grass 9 to 12 closed off
- Archeological issues arising from 6 + 7 Relocation and padel foundations
- Up to 8 weeks closure for 6 to 8, Multi Use and grass 9 to 12

Padel Proposal : Council recommendation

Club council are mandated by Members to manage the club and have a fiduciary duty to make decisions in the best financial, strategic and operational interests of the club.

The recommendation from Club council is location 13/14 with roofs

- There is a financial saving of c. £67k (pre roof) between the locations which is material in the context of the club's pipeline needs (Bubble, club house, replenish sinking funds)
- The separation of visitor access (security wise) and community space facilitated by location 13/14 is a better fit for the club.
- The loss of one court, in comparison to 8+mini overall does not negate our offering to members per LTA quotas. In line with LTA guidelines the tennis court offering across the updated 3,4,5,6,7,8 alone would be (6x60) 360 member capacity which exceeds our membership without reference to 15/16, multi use or grass capacity. Overall the club gains 1 extra floodlit court compared to the current offering and a specific pickleball court.
- The location 13/14 offers significantly less building works disruption to all users of the site
- Lastly, the potential to have a roof on location 13/14 (based on precedent of the 9m bubble adjacent), would deliver all year round play and secure loyalty of players to SDC with the associated increases in usage and therefore income.