

Coombe Hill Golf Club

A strategy towards 2020



June 2009 Revised December 2009

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1. Introduction

After the AGM in November 2008 a small committee was commissioned to examine the medium term strategic issues facing the Club with a view to putting forward recommendations to the membership before the 2009 AGM as to the direction in which the club should be heading in the next 5 to 10 years. The terms of reference for this Strategy Committee were very broad but essentially required an answer to the fundamental strategic questions “Where are we now and where do we want to be in 5-10 years time?” These recommendations, once presented to the GPC and finalised after consultation with the membership will provide a strategic framework for future GPCs to work within.

The Committee was drawn from a reasonable cross section of the Club, comprising younger and older members, Jewish, non Jewish, male and female. The committee was deliberately kept small and apart from the Captain, it contained no members of GPC because the GPC needs formally to consider the adoption of the proposed strategy only after it has been through a proper consultation process.

The members of the committee are: Stephen Bennett, Penny Bourne, Alex Brick, Tony Gover, David Kershaw and Stephen Rees. Apart from a number of sub meetings, the committee has met 5 times from January to date.

2. The purpose of this paper

It is very important to appreciate that this paper deals with the “what” and the “why” but not necessarily the “how”. It is put forward to stimulate discussion. In parliamentary terms it is the equivalent of a “green paper”, an outline template through which important strategic issues can be debated by the membership. Some of the issues considered are straight forward and will warrant little debate. However, some are more thought provoking and potentially contentious. We would be surprised if they did not elicit strong views and healthy discussion.

We have quite deliberately not included an “executive summary”. We want Members to express their opinions and in order to do so they need to consider the *detail* contained within rather than reviewing a synthesis of the thinking condensed into a few short paragraphs. In our opinion this would be counter productive.

Coombe Hill is a members' club and as such it should be the *members* who decide the sort of club they want to build. This paper, therefore, is a chance for every member to contribute to that debate and to put his or her views on the shape of the club's future. Hopefully, when doing so, members will endeavour to set aside personal bias and look to the well being of the Club and to those current and potential members who will form the backbone of the club in 2015 – 2020.

3. Process through to adoption

The Strategy Committee proposes to hold a series of meetings to explain the detailed underlying thinking of the recommendations in this discussion document and to understand the views of the membership. So far as possible, these meetings will be held for different groups of members who are part of some common constituency - such as age, gender, class of membership etc. These meetings will take place during the summer and autumn. At the end of the consultation period we will send out a questionnaire to all members asking for written views. Together this feedback will be the basis of the final document.

We anticipate a final report being submitted to the 2009/10 GPC for consideration early in its term – possibly at its November meeting.

4. Market position

Coombe Hill has a proud tradition as a club which, when created in its current form in 1946, was open to any suitable applicant irrespective of colour or religious beliefs. It has remained open in this way ever since.

Coombe Hill has a proud tradition of enlightenment having been formed as a Club where Jewish members could play golf whereas they were unable do so at most other golf clubs in the vicinity. Its constitution states that no applicant should be denied membership on the grounds of colour or religious beliefs. Over the years, because of legislation and changing attitudes, golf clubs have largely (but not wholly) ceased to discriminate against potential members on religious or colour grounds and as a result the imperative for Jewish members to join Coombe or its "sister" clubs has diminished. At the same time more and more non Jewish applicants have applied to and successfully joined Coombe.

NB: Coombe is regarded as a Premium Club. Its ideal target membership is families who will use the Club and participate in its social and golf activities.

It is fundamental to Coombe Hill's ongoing culture that the original attitude of religious and cultural tolerance remains and that we will always welcome a mix of younger and older members drawn from different religious and cultural backgrounds. However, a number of other premium members' clubs, such as St. Georges Hill, Walton Heath and Sunningdale and quality proprietary Clubs such as Wisley, Queenwood and Wentworth are within easy drive. In short, we face a great deal of competition.

5. Strengths and weaknesses

In order to answer the strategic question "Where do we want to be?" it is firstly necessary to understand "where we are now?" Our analysis of Coombe's strengths and weaknesses is as follows:

Strengths:

- Top quality golf course, playable throughout the year
- No waiting list and relatively quick to become a member
- Uncrowded and easy to use – like having one's own private course
- Eclectic mix of interesting and "quirky" members
- Not stuffy. Easy to fit in and relax. Not typical of more traditional golf clubs.
- Multi racial and multi cultural and proud of its heritage
- Located close to Central London making it easy to use for both members living in London and their guests
- Staff are "nice", friendly and know all the members (not just by name but likes and dislikes)

Weaknesses:

- Location is no longer conducive for attracting young Jewish members who live in North London and wish to join a golf club with a similar heritage
- Coombe has a brand as a "Jewish" club despite its virtually equal religious split of membership. Potential non Jewish applicants are unaware that the club is open and welcoming to them.
- Club is seen from the outside as exclusive but also *excluding*;
- Too few members, meaning that golf activity is too low at the weekends
- Big divide between Men and Women and little family involvement

- Too few meaningful external matches leading to lack of pride in the teams and little competition for places
- Membership is too old; lack of youth policy; succession problem as fewer members' children come through to adult membership
- Little sustained social structure and activities
- Staff are very friendly but sometimes lack the professionalism expected in a premium club
- Poor "front of house" care
- Ambience in the restaurant is not conducive to entertaining and the quality and presentation of food is not good enough
- Financing structure relies too heavily on joining fees because of insufficient annual revenue from subscriptions
- Communications between GPC and the Membership could be better
- Inconvenient practice facilities
- Web site

6. Vision, mission and objectives

6.1 Vision

To be the most desirable members' golf club close to central London. The club of first choice for eligible members.

6.2 Mission

To offer a growing membership the combination of a great course, a premium quality clubhouse experience and an atmosphere of informal camaraderie arising from our unique history.

6.3 Objectives

- To increase our adult membership by 25% in all categories
- To create an annual operating surplus (and a positive cash flow after capital expenditure) sufficient to allow at least £250,000 pa to be set aside, first to pay off the current short term debt and subsequently to be reinvested in the Club's facilities
- To create greater playing activity within the Club
- To create a greater "Club atmosphere" by increasing social activity amongst the Club's Membership

- e. To create an excellent restaurant which is desirable in its own right and therefore makes a positive contribution to the club's finances
- f. To enhance the Club's playing status within Surrey
- g. To increase the flow of two way communication between the General Purposes Committee and the membership

7. Increase adult membership by 25%

7.1 Analysis

Appendix 1 sets out details of the current main membership categories and their movement over a 10 year period.

This shows a steady, albeit undramatic, decline over the past 10 years. There is little in the economic and social environment to suggest reversal of that trend unless there is a significant change in the way the Club attracts new members and retains existing members.

The considerations on how to reverse the trend are both financial and social.

If we were able to reverse the trend over the next 10 years and during that period increase our 7 day membership categories by 25% (net of attrition), based on current subscriptions and assuming no increase in costs we would create additional recurring annual revenues by year 10 of approximately £260k. When added to the current budgeted surplus of approximately £100k (after a full charge for depreciation), this would comfortably enable the Club to reach its financial objective of creating an annual operating surplus (assuming no additional entrance fees from those joining) of £250,000. The broad assumptions underlying these numbers are for a net annual increase of 10 (7 day) members based on 15 leavers and 25 new joiners each year. Even a more conservative assumption of only 5 additional members per annum over each of the next 10 years (i.e.: only 1.3% each year) would provide additional recurring fees of £130k giving an operating surplus of £230k. These numbers ignore any additional revenue created by these extra members on food and drink etc.

It is evident, therefore, that the most critical issues facing the club is how to retain the numbers we have and increase membership by 5-10 new 7 day members per annum.

7.2 Current joining fees

The current joining fee of £8,000 for a full male member between 40 and 60 is high in comparison to other clubs in the area and could be seen as a disincentive to attract acceptable members who are quite

prepared to pay the annual subscription but find the prospect of £11,000 in year 1 heavy. Appendix 2. demonstrates that Coombe does not bear favourable comparison with other prestige Surrey clubs whose joining fees are generally significantly lower (with the exception of Sunningdale which has a far higher profile than Coombe Hill). On the other hand, maintaining the entrance fees at current levels does attract members every year and underlines the premium nature of Coombe Hill and its membership.

It is clear that joining fees are an important source of revenue for the Club and that Coombe's financial stability currently relies very heavily on these fees to maintain an operating surplus. Although an important source of revenue, in our opinion joining fees should be regarded as a "bonus" available for capital improvements and not as the major contributor in achieving an operating surplus. It is, therefore vital to increase the membership numbers to a level where the operations of the Club are covered by annual subscriptions, not joining fees.

7.3 Tradable shares

There is a body of opinion which supports the principle of creating a further category of membership based on tradable shares which will rise or fall in value according to demand. These shares would be issued to new members at significantly above the current £8,000 joining fee, at perhaps £20,000 or £25,000. No new members would be admitted under the current system and transitional arrangements would be made for existing members to "upgrade" their membership to a tradable share for a limited period if they so wish (there would be no compulsion to do so). This scheme operates satisfactorily in Clubs such as Queenwood and Wisley but it was introduced at the formation of those Clubs.

The strategy Committee considered the merits of this proposal carefully but on balance believes that a tradable share system would not be in the best interests of Coombe because:

a. It is not consistent with our mission of being a truly *members* club. Experience of clubs that operate a tradable share membership is that they are more "corporate" in their feel.

b. The financial case in favour of this arrangement (which would be an irreversible step), has not been proven. Coombe would have to restrict the right to trade the shares until such number had actually been issued by the Club as would be sufficient to bring the Membership to the required level. In turn

this would have a dampening effect on the price at which they could be issued. Once this number had been issued the Club would only receive a commission on the price at which a share is traded and this “commission” is likely to be quite small thus depriving the Club of joining fees in the future.

c. It could create a two tier membership. A number of long term memberships were sold in 1993 to fund the purchase of a long lease. This method of fundraising has created friction from time to time and such friction could be exacerbated under a tradable share system.

7.4 Recommendations

In our opinion further serious consideration should be given to the correct level at which joining fees should be levied bearing in mind our ability to compete for acceptable members with other premium golf clubs in Surrey. If the key aim is to achieve an increase of 25% in members over the next 10 years the joining fees must be levied to achieve this. However, change must not be achieved at the expense of quality (of members) and the financial hurdle must be set sufficiently high to maintain standards as must the new member interview procedures.

8. Equality of membership

8.1 Basis of new proposals for equality of voting and playing rights

The main objective of increasing our membership is not purely a financial consideration. We need to create greater activity in the Club and in part this suggests more emphasis on making families welcome. We have an active ladies section which has a greater part to play in helping achieve the Club’s mission. However, in order to do this we need to address the situation regarding equality for ladies in terms of voting rights and playing rights. Part of the obstacle to greater equality has been financial.

In a vote some 3 or 4 years ago the ladies rejected “equality” as it would have carried a large financial penalty to bring female membership to the equivalent male membership rate.

We propose that a new category of “Family Membership” is introduced. This would entitle a husband and wife who are both full 7 day members to pay a “Family” subscription which would be set at the aggregate of the current full male and full lady subscription rates. Family membership would give both husband and wife full voting and playing rights (subject to the restrictions set out in 8.2 below).

Existing 7 day lady members who do not have a husband with full 7 day membership could either elect to remain as they are at the moment (with no vote and restricted playing rights at weekends) or to increase their subscription rate to the full 7 day rate (i.e. the current 7 day men's rate) gradually over a period to be agreed.

Under these arrangements, lady members joining the Club and not eligible for Family Membership would only be able to join as either full members at the current 7 day male member rate or as 5 day members. Restricted weekend membership would, therefore, be phased out over time.

8.2 Equality of playing rights

Ladies, of whatever category, would retain Wednesday mornings and the tee would be reserved for ladies until 11am after which (subject to a major competition clearing) men would be free to play. Single ladies who have elected to pay for full membership or ladies who fall in the new "Family Membership" would be entitled to play at any time on Saturdays and after 11am on Sundays. There will need to be some flexibility in the application of these restrictions. For example, if there is a designated "major" competition (of which there are 6 per annum) the tee will be reserved for male members until all players in the competition have started (generally well before 11 am). Occasionally, where there is a male only competition with lunch (such as the Captain's prize or the Calcutta Cup) on a Saturday arrangements will be put in place to allow ladies unrestricted play on the Sunday to compensate.

Inevitably there will be specific fixture and competition circumstances that will need to be dealt with on a case by case basis. However, if the general principle is acceptable, with goodwill on all sides, careful diary planning and the Caddy Master exercising sensible discretion, it should be possible to work these through to the satisfaction of all members.

9. Junior Members

9.1 Introduction

Royal Wimbledon G.C. has had a long and highly effective arrangement with Kings College School and Wimbledon High School for Girls, allowing playing and teaching benefits to pupils. Over the years this

has provided a steady flow of new members to the golf club and is a significant contributor to the success of its membership drive.

Coombe Hill has no such arrangement with any schools.

We believe that Coombe Hill needs to be clearer about its Junior membership policy and its implementation. Historically, children of non members have not been encouraged to join and although there has been a change in attitude over recent years the club has not gone far enough identifying appropriate Junior members, systematically recruiting them and then supporting them once they have joined.

9.2 Advantages of a strong Junior section

A strong Junior section gives four main advantages:

- i) It is an emotive benefit to existing members who want their children to belong to the same club as they do;
- ii) It should encourage Juniors to feed through to senior membership. Undoubtedly many will take advantage of the membership as a Junior and subsequently join elsewhere for reasons of cost and geography. Some, however, will feed through to Junior membership and even only two or three per annum is significant
- iii) Parents of Junior members are potential new members themselves. Again, if only two or three join each year it would help significantly in building membership to the required level. The current view of the GPC that parents should be encouraged to join as social members and to participate in club social activities is endorsed.
- iv) Junior participation in Surrey and National events will help to put Coombe Hill back on the golf map. We have Junior players who can bring prestige to the club and enhance its status.

9.3 Recommendations

Much has been achieved in recent years to attract good Junior members. The effectiveness of this policy is being seen in the success of our Juniors in competitions. However, greater emphasis is needed to

attract Juniors who have the right characteristics to feed through to adult membership or whose parents are likely to join as adult members.

Currently, Junior activities are arranged and coordinated by a volunteer club member (currently Shelley Harris) who puts in a tremendous effort within the constraints of her “other life”. However, in order to provide focus and continuity for the Club Youth Policy, we recommend the appointment of a Junior member secretary who would concentrate on building up the provision of youth facilities at the club, arranging teaching and practice and a full programme for Juniors particularly during the summer holidays.

The role of the Junior Secretary could be filled by the Junior Assistant Professional for a relatively modest annual fee.

Part of the Junior Secretary’s responsibility would be to form links with appropriate local boys and girls schools such as St. Paul’s and Lady Eleanor Hollis School leading to a special arrangement with one or two along the same lines as Royal Wimbledon has with Kings. To maintain balance this should be formed with Jewish pupils in local schools, possibly through local synagogues and youth organisations.

We also recommend that:

- i. The Junior membership structure, which currently comprises 5 categories, be rationalised such that Junior membership should cease at 18;
- ii. The intermediate category of “Colt” should apply between 18 and 25. However, Coombe should not be considered a “cheap” golf option even at this level and the fees in this category should more properly recognise the earning capability at the upper end of this range. Where appropriate, in cases of exceptional talent, the GPC could award a “scholarship” to Juniors and Colts who are likely to bring great prestige to the club but whose personal circumstances would not enable them to play at Coombe without some help;
- iii. A Family Membership (see section 8.1) carries with it the right to one “free” Junior or Colt membership. Second and subsequent children of family members pay at 50% of the Junior and Colt membership rate.
- iv. The rules as to what competitions Junior and Colt members may play in need to be reviewed, clarified and applied.
- v. GPC should set a cap on the number of Junior members.

10. Coombe Hill's status as a major Surrey club

Coombe's membership has changed significantly over the past 15 years, mainly through demographics and the reluctance of Jewish members to travel from North London. However, despite the fact that Coombe is an entirely open club with a membership split approximately equally between Jewish and non Jewish members (and which proportion is rising annually) it is still seen from the outside as a "Jewish" club. We should continue to be proud of the Club's heritage. Its traditions must, so far as they are compatible with modern practice, be preserved. In this context fixtures against our sister Clubs in North London should be maintained. However it is incontrovertible that future recruitment of members will flow largely from Central and South West London. As such we need to make much greater effort to be seen as a front running Surrey club, ranked alongside the prestige clubs we regard as competitors such as Sunningdale, St. Georges Hill, Walton Heath and The Wisley. To some extent the Ladies and Seniors sections have achieved this balance in their fixture list but it is not so in the main male playing category. Whilst it is encouraging that members playing for the Club see it as a worthwhile *social* activity, sadly there appears little pride or prestige in representing Coombe. We need to re-establish Coombe as a real force in the Surrey League.

This itself will raise Coombe's profile and possibly attract new members. In time perhaps we could create a "super league" of prestige local clubs playing at Coombe in a prestigious annual tournament.

If the general principle of raising our profile in Surrey is accepted, it would be for the GPC and the Greens committee to work out detailed strategies for achieving this objective. However we would strongly recommend that the responsibility for implementing this strategy be part of the terms of reference of the Club Secretary and the Head Professional. This is an area which has not thus far been given sufficient attention.

11. Increasing Club activity

11.1 Playing activity

We believe that the proposals set out in section 10 will have the effect of raising the playing profile of the Club. However, there is a need for greater activity *intra* club not just *inter* club. This is particularly true at the weekends in the winter months and throughout the year during the week. The Captain of the day is generally too busy with competitions, Top Dog and Club Matches to spend extra time arranging roll ups, mid week competitions, new member days etc. The need for someone to look after this aspect is high.

Unlike most other Clubs, Coombe does not have a Vice Captain in the men's section (although the ladies do). We considered that the appointment of a Vice Captain who will serve throughout the year prior to his Captaincy would be advantageous and that it would:

- i. Enable him to generate interest and support in the arranging of roll ups and intra Club matches and generally concentrate on making sure that members, particularly new members, have the opportunity to meet and play with each other.
- ii. Ensure that the Vice Captain not only is able to lend full support to the Captain but will also be better prepared for his own Captaincy.
- iii. Mean that there is always known succession to the Captain of the day at the time he takes up the Captaincy.

Having revised this issue with the current GPC, it has been agreed that such a position will be in place for the 2009/2010 playing season and onwards.

11.2 Restaurant

The current subsidy in the catering and bar amounts to more than £70,000 in the year just ended. In a club of our size this is a serious drain on resources. The problem is principally not one of margins, which are largely being brought under control. It arises from the need to provide a service to members consistent with our status as a premium club for which our members pay a premium subscription. This implies a fixed staff overhead which is just too great for the "traffic" that flows through the bar and restaurant. Clearly the measures outlined in this paper, if successful, would have the effect of raising the usage of our catering facilities. However, we believe that the restaurant will remain an under utilised resource and the loss of a potential source of revenue without a more radical approach.

Strategically, it is clear that before considering any radical plans for the restaurant, we have to achieve a "premium eating experience" for our members and their guests at a price competitive for that experience. Unless we can achieve this, attempts to attract new members will be undermined which, in turn, will reduce "footfall" in the restaurant even further. GPC is currently undertaking a radical review of our offer in the restaurant and bar with a view to substantial improvement by May 2010.

The rest of this section below assumes that this improvement has been achieved before more radical long term options are explored.

The suggestion has been mooted by successive GPC's in recent years that the restaurant could be franchised to a proven restaurateur and be opened to the public during the day time and the evenings. We fully endorse this suggestion. Apart from the commercial potential, Coombe could become a focal point in the local area, building the Coombe profile. In this respect it is essential that the style and ambience of the restaurant is consistent with the premium nature of our brand. In this way, service to members will be enhanced and the deficit on catering account could be eliminated. Members will no doubt be concerned that the price to them of a meal would rise under this agreement. We do not believe that this would be the case and a number of safeguards could be built in to ensure that this is not so.

Clearly, there are many obstacles to overcome before such a plan could be implemented (licensing, planning, logistics, finding suitable restaurateurs etc.) and a full market research exercise would be required to test its viability. However, if the membership believes there is merit in looking further into this prospect, we recommend that a working party is established to test the viability and to report to GPC towards the end of 2010.

12. Communications and representation on GPC

The Club's Chief Executive Officer and his Staff are charged with running the Club's day to day affairs under the policy and guidance of the General Purposes Committee ('GPC'). The GPC should set policy in time with the membership's requirements but as in any elected body of representatives, it must be able to carry out its responsibilities without interference on routine day to day matters. On the other hand, it must be very aware of what the general body of the membership actually wants. This is more easily said than achieved because the membership has different sectional interests which, at times, can conflict.

It is important in any Club that there is a structure for open dialogue between the members and its elected body. There are many ways of achieving good communication in the Club but one area that we believe needs to be reviewed is the structure of the GPC and its sub committees to ensure it represents as many of the members as possible.

Currently there are 14 members of the GPC of which, 6 are non elected. Apart from its size, which could be unwieldy for decision making, it could be seen as less representative than might be possible with a different structure. We would recommend that the GPC reviews its current structure and its method of gauging membership views. In particular:

- i) That all members of GPC apart from the Captain, Vice Captain, Lady Captain, Lady Vice Captain and Treasurer are elected representatives and Trustee;
- ii) That neither the Vice Captain nor the Lady Vice Captain should have a vote on GPC;
- iii) That the GPC is reduced to 9 and comprises a majority of voting members, comprising Captain and Vice Captain, Lady Captain and Lady Vice Captain, Chairman, Treasurer, Heads of Greens, House and Membership. The Immediate Past Captain would no longer be a member of GPC;
- iv) The Trustee would continue as a member of GPC and be entitled to vote. However, because the Trustee has a responsibility, enshrined in the constitution, to safeguard the interests of current and *past* members, he should exercise his right to vote with caution and sparingly, principally on matters of policy and not on day to day matters;
- v) That each of the four main sub committees has 3 or 4 representatives from outside the main GPC who are either elected by the members at general meeting or co-opted by the Chairman of the sub committee where they bring particular expertise. A member of a sub committee may only serve on that one sub committee.
- vi) That two general meetings are held each year as a matter of routine, one as the AGM and a second to present a mid term statement and hear members views.
- vii) That an annual membership satisfaction survey is commissioned so that success (or otherwise) of the progress of the Club can be measured over time.

13. Conclusion

Golf Clubs are operating in a very fast changing and dynamic environment. There is little doubt that through current social and financial changes, golf clubs in the UK will come under increasing pressure to survive – and many will fail to do so. Some will be forced to merge with neighbouring clubs and others simply will cease to exist. The strong clubs with a clear market position, a strong differentiation and which offer what members really want will be able to capitalise on the opportunities arising from this turbulence and will emerge even stronger.

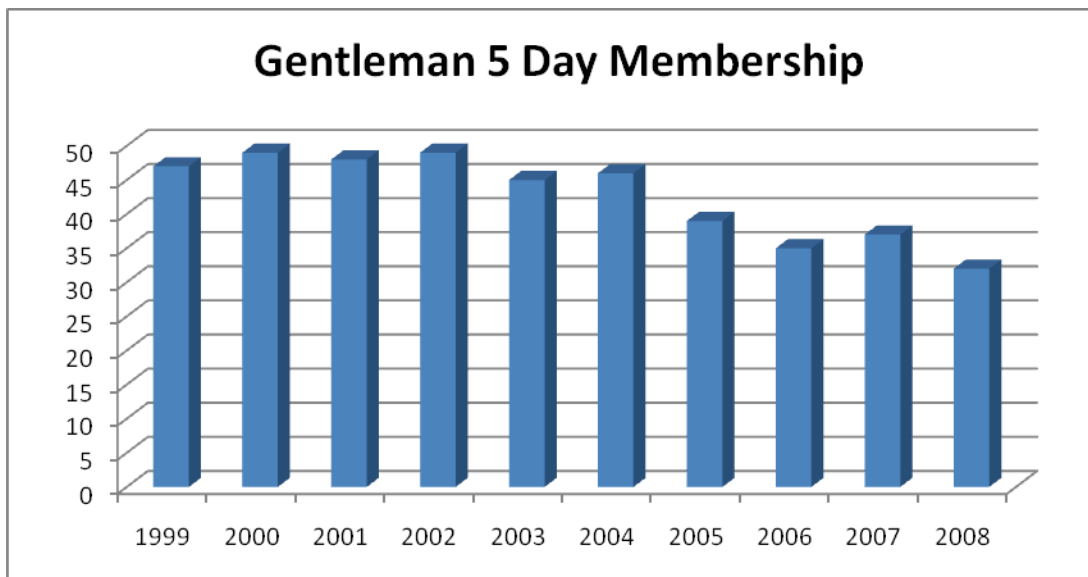
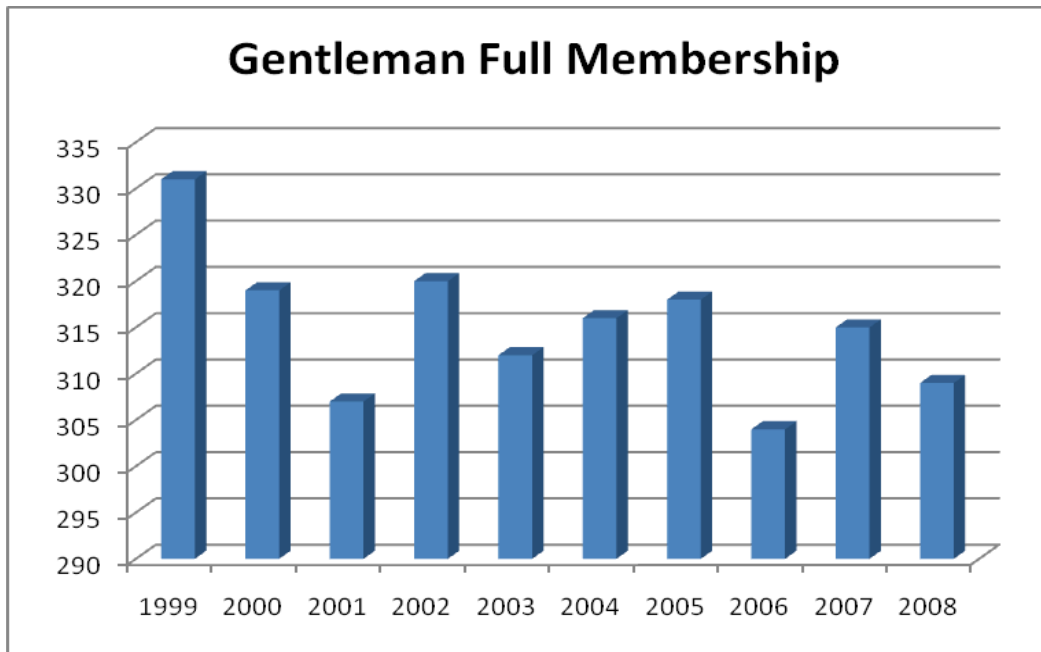
It is the current Membership's responsibility to look forward and to plan for Coombe Hill, not only to remain strong today but, critically, in the years to come.

We hope that this review will be helpful in that process.

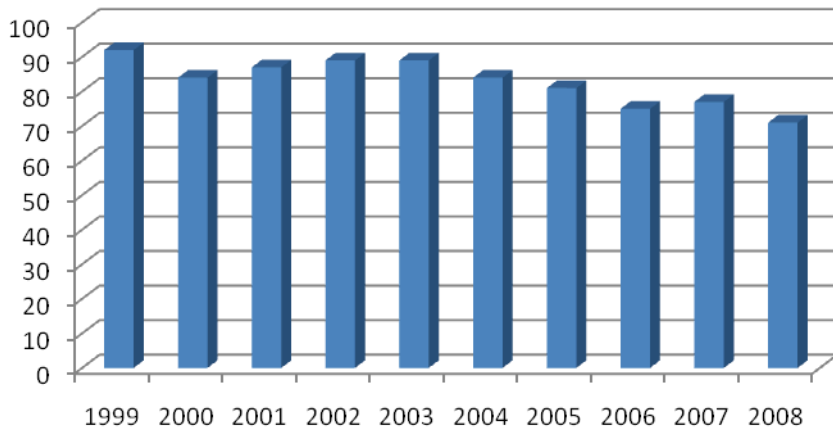
Stephen Bennett

June 2009 (Revised December 2009)

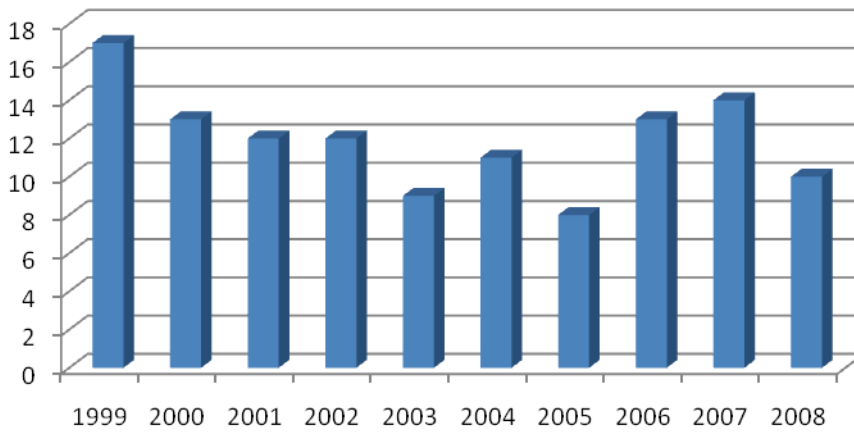
Appendix 1. Membership numbers



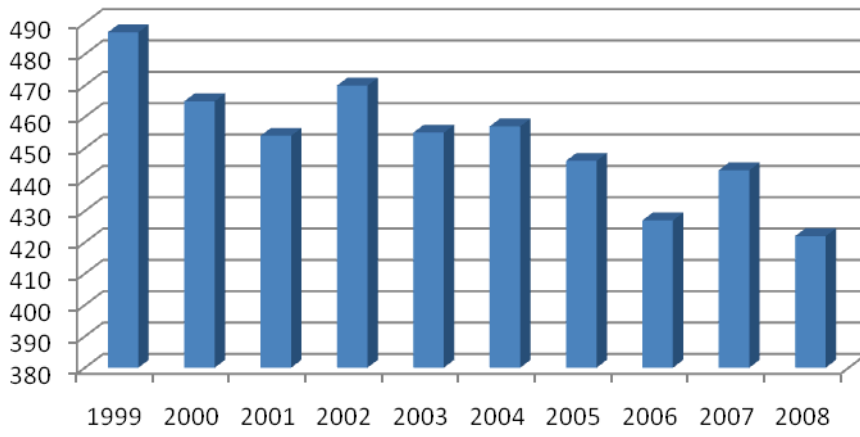
Lady Full Membership



Lady 5 Day Membership



Total Membership



Appendix 2. Some other premium Clubs in the area

Club	Subs 2009	Entry	Male / Female Equality	Waiting List
Sunningdale GC	£2,385	Up to 50 yrs x 5 Over 50 yrs x 10	Associate (No Vote) until 2025	Yes
St Georges Hill	£1,754	£5,250	Y	3/4 years (60 pers)
Walton Heath	£1,620	£4,860	Y	3 years but decreasing
Wisley GC	£3,750	Debenture/Share £40K	Y	N/A
Worpleston GC	£1,700	£4,500	Y	Yes