

CABINET MEMBER DECISION REPORT

Published on 11 May 2011

Future use of GCC's Outdoor and Environmental Education Centres

Dates between which decision will be taken	19 May - 26 May 2011
Portfolio	Community Safety and Youth
Key Decision	Yes
Background Papers	Cabinet Member Decision Report & Decision Notice 28 February 2011 (incorporates MFTS/Budget/Council Strategy/Consultation Papers/EIA) Appendix on work of independent surveyors
Main Consultees	Young People Staff and trades union representatives Schools, colleges and other partners and users of services
Planned Dates	Consultation and market research by independent surveyors completed
Divisional Councillor	All
Officer	Any representations should be sent to: Linda Uren Commissioning Director: Children, e-mail: Linda.UREN@gloucestershire.gov.uk By 5pm on 18 May 2011
Purpose of Report (Decision to be taken)	To determine the future use of Outdoor and Environmental Sites at South Cerney, Wilderness, Buckstone, Plump Hill and Pwll Du
Recommendations	The Cabinet Member is recommended to: <ol style="list-style-type: none">1. Confirm that South Cerney Outdoor Education Centre is offered in the open market as a going concern, on a 125-year lease stipulated for the primary purpose as an outdoor activity centre.2. Confirm that the Wilderness, Buckstone, Plump Hill and Pwll Du Centres are closed and offered for sale with vacant possession.

<p>Resource Implications</p>	<p>A savings target of £3.6m has been set for young people’s services as part of Meeting The Challenge. In addition, the council aims to save £4.4m on servicing debt by reducing capital assets.</p> <p>The environmental and outdoor education service currently generates income through sale of services; however this was supported by council budgets of £530k in 2010/11. The GCC-owned facilities and sites at South Cerney, Wilderness, Buckstone, Plump Hill and Pwll Du also require £750k of maintenance, with the Wilderness Centre in particular needing substantial further investment to make it fit for the future.</p> <p>The combination of revenue and capital investment needed to continue to run outdoor and environmental services from these sites is not sustainable into the future. Within the new Youth Support Service, a small mobile outdoor education team has been resourced to ensure ongoing provision to at-risk and vulnerable young people.</p> <p>There are currently 29 members of staff (16 with contracted hours and 13 with zero hour contracts) employed through the Wilderness Centre and its satellite sites at Buckstone, Plump Hill and Pwll Du. As part of the main reorganisation of the service all staff have been given the opportunity to apply for voluntary redundancy and for positions in the new service. If the recommendations of this report are accepted any remaining staff employed in these sites will be the subject of compulsory redundancy.</p> <p>For staff in any business being sold as a going concern, such as is being proposed for South Cerney Outdoor Education Centre, it is anticipated that this will result in a Business Transfer scenario under the TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006). There are currently 6 full time members of staff who may be transferred in this scenario. In addition, there are 12 members of staff with seasonal contracts and a further 25 with zero hour contracts.</p>
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Background

As part of the MTF5 2011 – 14 proposals for substantial budget reductions have been developed, consulted upon and agreed by council. Savings targets of £3.6m have been set for young people's services which will reduce the council's role in directly provided universal youth services and prioritise investment in services for vulnerable young people. In addition the council aims to save £4.4m on servicing debt by reducing capital assets.

The council has provided a range of outdoor and environmental education services from five sites across the county for many years. These services generate income from a range of sources including schools but also require continued GCC investment. In addition to the main consultation on Meeting the Challenge proposals a separate consultation was run in respect of the future of outdoor and environmental education.

On 28 February 2011, Cabinet agreed that the council should no longer directly provide outdoor and environmental education at the GCC-owned facilities and sites at South Cerney, Wilderness, Buckstone, Plump Hill and Pwll Du.

Officers were requested to identify a range of options for the future use of these facilities and sites, including their viability as centres for outdoor and environmental education businesses, and to prepare a report. These centres have not been part of the community asset transfer scheme operating in respect of youth centres and libraries.

A specialist independent surveyor was commissioned to survey and value the businesses, facilities and sites in current market conditions, and this advice has been incorporated into this report and recommendations.

Summary of Proposals

The independent surveyor assessed the viability and value in current market conditions of the Outdoor and Environmental Education Centres at South Cerney, Wilderness, Buckstone, Plump Hill and Pwll Du, both as going concerns and as sites. The specialist advice recognises the different situations in respect of South Cerney Outdoor Education Centre and the other outdoor and environmental education facilities operated all from the Wilderness.

Appendix 1 summarises the advice received by the council.

The survey concludes that South Cerney Outdoor Education Centre is capable of operation as a viable business, and recommends that it is offered to the open market as going concern, with a long lease for a 125-year term stipulating use to be for the primary purpose as an outdoor activity centre. It recognises that this is likely to involve TUPE applying to existing staff based at the centre.

The survey also concludes that the Wilderness, Buckstone, Plump Hill and Pwll Du Outdoor Education Centres are not viable businesses at these sites in their current form, and could not be self-supporting businesses in the long term without continued council support. The Wilderness, in particular, needs substantial capital investment to ensure it can meet health and safety requirements in the future. In these circumstances the report recommends that these centres are closed and offered for sale with vacant possession.

The proposals therefore seek to balance securing access to outdoor education and activities for the children and young people of Gloucestershire and achieving value for the council in current circumstances through efficient use of its capital assets.

Consultation

The main 'Meeting the Challenge' consultation feedback supported the council's proposals to prioritise services for vulnerable people. On the specific consultation in relation to outdoor and environmental education respondents emphasized the high value they gave to these services and the Duke of Edinburgh Award scheme. Schools and colleges in particular were concerned that viable alternative arrangements were found, although there was little support for additional charging. The feedback on equalities issues also highlighted that current provision worked successfully with vulnerable and at-risk young people, and was especially inclusive of disabled young people.

Most of the 140 individual responses to the consultation paper were from service users, and over half were from users of South Cerney Outdoor Education Centre. Many of these responses wanted outdoor education opportunities to be maintained; in addition a range of organisations have contacted the council expressing an interest in some involvement in future provision at the sites.

A large petition in respect of South Cerney has also been received, arguing that outdoor education should be maintained and requesting 'that the council keeps the site and supports the transfer of SCOEC to a trust or partnership to continue providing outdoor education at Lake 12'. This is due to be debated at full council on 18 May 2011. The Cabinet Member will take account of the discussion of the petition at full council in coming to his decision regarding the future of South Cerney Outdoor Education Centre.

As a response to the consultation a small outdoor education team is being established within the new targeted youth support service to ensure that outdoor education continues to be available for vulnerable groups, including disabled young people. Duke of Edinburgh Award support and accreditation services (though on a more limited scale) will continue. The consultation and representation from stakeholders supported the drawing up a range of options for the future use of the facilities and sites (at South Cerney, Wilderness, Buckstone, Plump Hill and Pwll Du), including their viability as centres for outdoor and environmental education businesses.

Risk Assessment

In preparing this report two main risks have been identified:

1. That vulnerable young people will no longer be able to benefit from outdoor education
2. That the council will not achieve the necessary savings in its budgets

It is undoubtedly the case that vulnerable and at-risk young people derive good outcomes from participating in outdoor education. This risk has been mitigated by ensuring that the new service maintains an outdoor education team to ensure this access for priority groups

of young people. If the recommendations of this report are accepted outdoor education opportunities will still be available at South Cerney.

The council is committed to achieving Meeting the Challenge savings of £4.4m in the Medium Term Financial Strategy by reducing interest payments through a reduction in capital assets. Implementing the recommendations of this report will make a significant contribution to this target and reduce the likelihood of needing to identify further, alternative savings.

Officer Advice

Given the huge financial challenges the Council faces, we have to balance giving young people access to outdoor and environmental education with the need to protect vital frontline services. Outdoor and environmental education services have shown that they are able to generate considerable income from selling their services to schools, colleges and other users, but the council has continued to provide revenue and in-kind support to the centres, so they are not self-sustaining. They also need capital investment the council does not have, and have value as capital assets that could be used to reduce council financial risk.

Based on the research undertaken by the specialist independent surveyor, we are advising that the business at South Cerney Outdoor Education Centre is likely to be valuable marketed as a going concern, and likely to be of interest in current market conditions to an alternative provider. The sale of South Cerney as a going concern as an outdoor activity centre would mean that many of the current activities would continue, potentially with the same or similar staff group, while the money raised from the sale could be invested back will protect frontline services.

Likewise, we are advising that the business and facilities at the Wilderness, Buckstone, Plump Hill and Pwll Du are **not** likely to be valuable marketed as going concerns, and **not** likely to be of interest in current market conditions to alternative providers. We are therefore advising that these centres are closed and marketed with vacant possession. Putting these sites on the open market would raise much needed capital receipts which will help to protect our frontline services from having deeper cuts.

Schools in Gloucestershire are actively engaged with a range of environmental issues. These are delivered through the statutory citizenship curriculum and wider school and community based initiatives. There are many excellent examples of schools being actively engaged in the creation of wildlife environments, saving energy and recycling. The council's [GlosEd](#) website will ensure that schools have access to a menu of support for environmental education including a quality assured directory of providers and a list of schools able to share good practice.

In the current financial circumstances the council needs to prioritise its investment where it will have most impact and cannot continue to subsidise these services; the recommendations of this report make good business sense.

Options

Two main alternative options have been considered:

1. To seek an alternative provider of environmental and outdoor education provision on the existing sites
2. To offer the sites to community groups/ interested parties/ partnerships

Seeking an alternative provider would involve the council in continuing responsibility for both the sites and activities run from them. As the independent advice demonstrates the Wilderness would need continued investment – capital and revenue – to keep it as a going concern. Pursuing this option would also fail to release substantial assets for the council.

Marketing South Cerney Outdoor Education Centre as a going concern (as well as the other centres as sites) might well lead to interest from a partnership, mutual or social enterprise, as well as from an established provider: GCC has no preference for one sort of provider over another to transfer the business to. Pursuing the second option, though, would also fail to release substantial assets for the council and could imply continuing liabilities if ownership of the sites remained with council.

Recommendations

The Cabinet Member is recommended to:

- 1 Confirm that South Cerney Outdoor Education Centre is offered in the open market as a going concern, on a 125-year lease stipulated for the primary purpose as an outdoor activity centre.
- 2 Confirm that the Wilderness, Buckstone, Plump Hill and Pwll Du centres are closed and offered for sale with vacant possession.

Appendix 1

Independent surveyor's report on outdoor and environmental education centres

The County Council made the decision in February 2011 to no longer directly provide outdoor and environmental education which is currently provided at the following centres:

- South Cerney Outdoor Education Centre, Lake 12, Spine Road, South Cerney, Cirencester, Gloucestershire GL7 5TL
- The Wilderness Centre, Mitcheldean, Gloucestershire GL17 0HA
- Plump Hill Environmental Centre, Jubilee Road, Mitcheldean, Gloucestershire GL17 0EE
- Buckstone Adventure Centre, Staunton, Nr Coleford, Gloucestershire GL16 8PD
- Pwll Du Adventure Centre, Blaenavon, Nr Abergavenny, Monmouth, Gwent NP4 9SS

It was decided that officers would be requested to identify a range of options for the future use of the facilities and sites (at South Cerney, Wilderness, Buckstone, Plump Hill and Pwll Du) including their viability as Centres for outdoor and environmental education businesses. A further report on options for their future use was therefore requested.

The County Council went through a robust selection process of appointing an independent surveying practice who had the specialist expertise in this field to advise the Council on the future options of these sites, to include an assessment of the viability/market values of the various operations as a going concern. Four firms were invited to tender and Savills were selected.

Savills were supplied with back-up information to assist them in their report. This included HR information including summaries of the principal Terms of Employment of staff at each centre together with assessments of TUPE liability; income and expenditure accounts and copies of tariff and indicative occupancy levels and inventory information; and property details including summaries of title/floor plans and schedules of maintenance and repair at each centre.

Savills prepared their report based on the above information.

Their report concludes that South Cerney Outdoor Education Centre is capable of operation as a viable business, and advises that:

- It is offered in the open market as a going concern as an outdoor activity centre on a 125 year lease.
- The lease stipulates a primary purpose as an outdoor activity centre.
- The sale as a going concern would result in a Business Transfer scenario under the TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006).

Their report furthermore concludes that the Wilderness, Buckstone, Plump Hill and Pwll Du Outdoor Education Centres are not viable businesses at these sites in their current form, and advises that:

- They are closed and offered for sale with vacant possession.

Please note: The actual report from Savills is not included because of commercial confidentiality, given that the recommendations are to tender in the open market.