

MEETING:	HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE
DATE:	14 DECEMBER 2012
TITLE OF REPORT:	YOUTH REVIEW – OUTDOOR EDUCATION
REPORT BY:	HEAD OF LOCALITY SERVICES

Classification

Open

1. Key Decision

This is not a key decision

2. Wards Affected

County-wide

3. Purpose

The purpose of this report is to comment on the recommendations made.

4. Recommendation(s)

THAT the Committee comment on:

- (a) The Director supporting the recommendation that the LA ceases directly providing outdoor education activities at Bodenham Lake and at Castle Green, and that the provision closes;**
- (b) The Council provides a list of alternative outdoor education providers to be made available to schools and families and that this is published on the Council's website;**
- (c) The Director agreeing for further work to continue to explore options for other providers to deliver canoeing at Castle Green at no cost to the public purse through soft market testing; and**
- (d) The Director agreeing the sale of youth service assets surplus to delivery for disposal according to council policy.**

5. Key Points Summary

- In June 2012 Cabinet made the recommendation that Outdoor Education (the Sailing Centre and the Canoe Centre) will be subject to market testing to determine if they are commercially viable with no public subsidy.
- Recommendations have taken into account financial considerations, as well as wider implications of closure.
- Broader usage of both sites is restricted by nature of access and location.
- This financial year the service has been able to income generate against a third of its costs.
- Closure will result in three members of staff being placed at risk.
- Assets totalling £90k would be available for sale.
- There is sufficient water based sports available in the county and in neighbouring counties for families and young people to access.
- Early discussions with other providers suggest that an alternative option may be available to secure access in the city for water based activities for vulnerable groups at nil cost to the LA.

6. Alternative Options

- 6.1 If the outdoor education service is not commercially viable without public subsidy then there is no option other than to close. This is because there will be insufficient funds in the Peoples Services budget to subsidise the service.

7. Reasons for Recommendations

- 7.1 The recommendation to close the outdoor education provision at both Bodenham Lake and Castle Green have been based not exclusively on financial considerations and have taken into consideration the educational implications of closure, and existing commercial and voluntary provision across the county.
- 7.2 In terms of financial considerations it is clear that as the service is not commercially viable without subsidy from the public purse. Further investment in terms of marketing and promotion may increase income generation from schools but there is an unmitigated risk that users will not be able to afford to pay for usage. Our evidence is that any extra income generation is unlikely to alter the commercial viability significantly. It is therefore not economically viable for the council to continue to provide the service.
- 7.3 A recent mapping exercise has identified 29 existing commercial and voluntary providers of outdoor education services both in Herefordshire and in surrounding counties. This suggests that the market has sufficient provision. This makes it difficult for the council to compete in a challenging market, but also suggests that if there is already sufficient provision that the council does not need to provide such facilities themselves. A list of providers is at Appendix A.

8. Introduction and Background

- 8.1 In June 2012 Cabinet made the following recommendations that:

- Outdoor Education (the Sailing Centre and the Canoe Centre) will be subject to market testing to determine if they are commercially viable with no public subsidy and;
- Should no suitable provider be found, the Director is authorised to make arrangements to close the provision.

This report makes the recommendation that the Sailing Centre and the Canoe Centre are not commercially viable without public subsidy and therefore should close.

9. Key Considerations

- 9.1 'Learning Outside of the Classroom' encourages young people to engage in positive behaviour, develop positive relationships, develop self-confidence and deal with change and challenge.
- 9.2 Young people who attend the canoeing and sailing Centres grow in self-esteem, confidence and independence.
- 9.3 The educational value of these activities are not in doubt, and the implications of closure have been considered in the light of this.
- 9.4 This financial year, 2012/13, the focus has been on trying to evidence commercial viability by increasing income generation from sailing and canoeing. This would have resulted in reducing the public subsidy. However this year this has been difficult due to uncontrollable external factors. Poor weather during the summer season and the need to close the lake due to the growth of algae has meant that the income generation targets have not been achievable. These external factors continue to be a risk to the commercial viability of the service.
- 9.5 One consideration in terms of improving commercial viability would be to increase activity at both sites to increase income generation by attracting tourists, families, businesses and schools.
- 9.6 There are a number of issues with increasing activity at both sites.
- 9.7 An increase in water based activity at Bodenham Lake is restricted due to covenants detailing the types of educational activity that can be carried out. A covenant established by Lord Hereford in 1969 details permitted usage of the lake by sailing boats. A further covenant was written in 1995 when the land transferred to Leominster District Council restricting use of any buildings.
- 9.8 Increased activity at the lake will undoubtedly generate opposition from those that seek to maintain the area as a nature reserve, and from local residents objecting to increase in traffic in particular minibuses and coaches bringing large groups to the lake. This means that it would be difficult for increased activity at the lake to be provided by the Local Authority or other providers and therefore is unlikely to ever be commercially viable.
- 9.9 Access to Castle Green by vehicle is restricted making it difficult to encourage greater use from families, tourists, businesses and schools. The Castle Green site is a protected site which limits the nature of activity.
- 9.10 There is no access to facilities at Castle Green for users with disabilities.
- 9.11 Whilst access to the river at Castle Green is separate to the Castle Green training centre, any future use of the building will restrict access.

- 9.12 Currently there is storage and limited changing facilities within the Castle Green training centre, and this may be affected by future use of the building. The building is being leased to Friends of Castle Green and storage and use of changing facilities is secured on a temporary basis. The changing facilities are not suitable for any commercial use.
- 9.13 Income generation and current usage of the facilities have been taken into account:
- 9.14 Groups are charged £25 per hour to take part in water based activities. Groups participate with a ratio of 8 users to one instructor. If a school brings a group of 24 young people, then 3 instructors are required at £25 an hour each. The cost to school for a 2 hour session is therefore £150.
- 9.15 During 2012/13 there have been 837 individual users of the facilities, from 22 different settings including 14 schools. Income generated to date is £15,372. The service manager is profiling an income of £22,000 for this financial year but it is doubtful this will be achieved due to the poor weather conditions. Current users have been asked to attend a meeting to discuss the future of the service. Only four users responded and they were unable to commit to using the centre next financial year.
- 9.16 The full year budget for the Bodenham sailing centre in 2012/13 is £38,775.
- 9.17 The full year budget for the Canoe Centre in 2012/13 is £22,495.
- 9.18 The total operating budget for the outdoor education service is therefore is £61,270.
- 9.19 Should the income generating target of £22,000 be met this financial year, this means that the shortfall is £39,270. The service is therefore generating only 33% of total costs. It is unlikely that the service can generate sufficient income to cover 100% of costs. The risks are likely to be increased as pressure on schools budgets increase and they are no longer able to commit to paying for outdoor education services.
- 9.20 It is my recommendation that the service ceases from April 1st 2013 as the service is not commercially viable without subsidy from the public purse.
- 9.21 Closure will impact on 3 members of staff. One FTE and two part time staff. These staff will be placed at risk. I am awaiting redundancy forecasts for these staff. Should the decision to close be made, the HR process will need to begin during December in order to realise savings by 1st April 2013.
- 9.22 Assets at both sites have been valued at £90,000 and authority to release these assets for sale would generate significant income. Corporate property services are currently valuing the mobile classroom and changing facilities at the lake.
- 9.23 Future options to secure continued to access outdoor education activities in Herefordshire:
- 9.24 In testing out the commercial viability of the provision there has been an evaluation of the alternatives available to the Council to secure the long-term future of canoeing and sailing. A mapping exercise has established that there is a range of provision across the county and in nearby counties – see Appendix A.
- 9.25 Some soft market testing has begun to identify a range of options for the future use of the facilities and to secure access to water based activities in the city. Early discussions with Taste for Adventure, the Herefordshire Outdoor Trust and with Friends of Castle Green suggests that there may be opportunities to negotiate free access to activities for a number of vulnerable groups in return for access to the river at Castle Green. Letters have been received from Taste for Adventure, and the Herefordshire Outdoor Trust offering the

opportunity to enter into dialogue to discuss those groups possibly taking on some or all of the delivery of outdoor education services. These are attached at Appendix B. These discussions with these and other providers can move forward should the Director make the decision to cease LA provision of the service.

10. Community Impact

- 10.1 During consultation 81% of respondents stated that the outdoor education provision should not close. 59% of responses from young people stated that outdoor education activities should raise the money to pay for themselves. The mapping of alternative provision has demonstrated that there is sufficient provision of water based activity in the county and in neighbouring counties.

11. Equality and Human Rights

- 11.1 This decision pays due regard to our public sector equality duty. The recommendations consider the needs and rights of different members of our community. We have considered how the recommendations will impact on particular equality groups in particular the impact on young people.

12. Financial Implications

- 12.1 The Council is facing significant challenges in financial terms and through the national settlement and reductions in funding. The Council's five year financial strategy includes an estimated 29.7% reduction in government formula grant. Budget decisions have been based on a set of core principles that include Supporting the Vulnerable. The process also includes fundamentally challenging what the council does to ensure appropriate use of public funding and quality of service.
- 12.2 The full year budget for the Bodenham sailing centre in 2012/13 is £38,775.
- 12.3 The full year budget for the Canoe Centre in 2012/13 is £22,495.
- 12.4 The total operating budget for the outdoor education service is therefore is £61,270.
- 12.5 Should the income generating target of £22,000 be met this financial year, this means that the shortfall is £39,270. The service is therefore generating only 33% of total costs.
- 12.6 Closure will incur redundancy costs in 2012/13 but will realise cost savings of £61,270 for 2013/14. Sale of assets may generate sufficient income to cover redundancy costs.

13. Legal Implications

- 13.1 There are no statutory duties to deliver outdoor education. The revised 'Statutory Guidance for Local Authorities on Services and Activities to Improve Young Peoples Well-being' states that the LA should publicise the local offer of services and activities available for young people. This we can deliver by publicising alternative providers on our council website.

14. Risk Management

- 14.1 Risk if the LA ceases to directly provide Outdoor Education facilities:
- Reputational risk to LA – public/legal challenge as seen in other LA areas. Mitigate by opportunity for needs and delivery to be identified and met locally.

- 81% of consulters expressed a clear view that they did not want outdoor education facilities to close. Mitigate through publicising list of alternative outdoor education providers across Herefordshire and surrounding counties.
- Loss of facilities for a range of children and young people including those most vulnerable. Mitigate by exploring outsourcing of delivery rather than ceasing delivery and funding will be targeted on young people with the greatest need, and the proposed investment in building local voluntary sector provision.

15. Consultees

- 15.1 As part of the youth review public consultation the views of the public were sought on whether outdoor education should close. All staff members affected by this decision have been consulted and informed. A meeting has been called inviting those who have purchased a service from the team to ascertain their needs for the service for 2013/14.
- 15.2 Widespread consultation has been undertaken across the county with young people, parents and carers, community groups and third sector organisations for a period of twelve weeks in order to consider the issues and proposals set out in the Youth Review Cabinet Report. A full report on the consultation feedback is available on request.
- 15.3 This recommendation has been informed by some informal soft market testing and consultation with third sector outdoor education providers. Should the decision be made to cease LA direct provision of the outdoor education services, then more formal consultation will take place with all providers. Whilst the LA is not looking for a fully commissioned model to deliver outdoor education services, the main focus will be on working with existing outdoor education providers to explore options to secure access to activities for the most vulnerable. We do not have a commissioning budget to do this; however we do have access to the river and that can be our contribution. There is scope and enthusiasm amongst existing outdoor education providers to develop this further at no cost to the Local Authority.

16. Appendices

- 16.1 Appendix A List of other providers
Appendix B letter from Herefordshire Outdoor Trust

17. Background Papers

- 17.1 Cabinet Papers – 15 December 2011