

**Community Services  
Scrutiny and Performance Panel**

**Agenda  
Item No.**

**DATE:** 14<sup>th</sup> July 2009

**5**

**Bryntysilio Outdoor Education Centre – Future Options**

**Ward(s)** All

**Portfolios:** Cllr B Sanders – Leisure & Culture

**Summary of report:**

The report is a discussion paper on the future of Bryntysilio Outdoor Education Centre, prompted by problems with current arrangements, the lapsing of the existing lease and anticipated future funding limitations.

The report sets out 4 possible options for the future of the service.

**Background papers:**

None.

**Reason for scrutiny:**

Bryntysilio, in comparison with other outdoor education providers, is a high cost service and is in need of additional investment if the deterioration of the building is to be arrested and remedied. Walsall Council does not own the premises and the lease has expired – although our occupancy continues under the terms of the previous full-repairing lease. Steps have already been taken to manage costs; however achieving further savings with the current service model is unlikely. Given the anticipated pressure on future resources, scrutiny of the future of Bryntysilio is both essential and timely. In the context of the lapsed lease, the ongoing dilapidation of the premises and the uncertainty this places upon the staff, there is now some urgency in the resolution of the Council's position.

### **Resource and legal considerations:**

The resource implications vary depending on the option chosen – a cost summary is presented as paragraph 6.6 / Table 2.

Similarly the legal considerations will vary depending on the option chosen, but essentially:

- Options 1 – 3 (paragraphs 6.2 – 6.4) would require the extension or possible renegotiation of the lease with the Camp Trust.
- Option 4 (paragraph 6.5) would require the termination of the lease and upto 19 redundancies; the financial implication of this is costed within option 4.

### **Citizen impact:**

There should be no impact on the public as all options involve either continuation or replacement of the existing service.

### **Environmental impact:**

No environmental impact is anticipated.

### **Performance management:**

No performance management implications are anticipated.

### **Equality Implications:**

An Equality Impact Assessment will be completed on the chosen option.

### **Consultation:**

Children's Services (Universal Services)  
Regeneration Services (Property Services)

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## **1 Bryntysilio Outdoor Education Centre**

- 1.1 Bryntysilio Outdoor Education Centre in Llangollen, North Wales, is used as the venue for Walsall schools' residential outdoor education.
- 1.2 The centre sits within Neighbourhood Services, Leisure & Culture, and the Sport & Leisure Service. Revenue costs are wholly funded by Neighbourhood Services with no support from Education Walsall or Children's Services. Property maintenance costs are met by Property Services from within the Regeneration Directorate. Discussions with Children's Services have confirmed that Bryntysilio would not be in a more favourable position if it was within the Children's Service Directorate.
- 1.3 The centre sleeps 36 children plus visiting staff and is staffed by 5 full time instructional staff, 2 trainees, 2 admin staff and 12 part-time domestic / maintenance staff. Just under 1,100 children make curriculum visits to Bryntysilio each year.
- 1.4 The centre is owned by Walsall Holiday Camp Trust (the Camp Trust) and is leased by the Council – and has been for the past 40 years. The Camp Trust uses the centre to provide free holidays to “underprivileged” children during school holiday weeks.
- 1.5 Under the current lease Walsall Council has full maintenance liability for the premises and meets all running costs – including those relating to hosting the school holiday activities by the Camp Trust.

## **2 Current Budget Position**

- 2.1 The centre's revenue budget break-down for 2009/10 is:-

Table 1 – Leisure & Culture Expenditure

	£
<i>Employees</i>	376,227
<i>Premises</i>	45,198
<i>Transport</i>	38,458
<i>Supplies &amp; Services</i>	84,828
<i>Central Costs</i>	67,894
Total Expenditure	612,605
Property Services costs (approx)	75,000
Sub total	687,605
less Income	182,046
Net Expenditure	505,559

- 2.2 Property Services have spent approx £75,000 per annum in recent years to maintain the centre on the terms of the full repairing lease over and above the £612,605 revenue costs. In addition there are also one-off costs that are

occasionally shared. The most recent example is to connect the Centre's effluent drainage to the main system. The total cost of these works is around £140,000, being split on a 50:50 basis between the Camp Trust and Property Services.

- 2.3 As indicated in Table 1, the annual gross cost of Bryntysilio is estimated as £687,605 (£505,559 net). Based on 1,100 curriculum visits, this equates to a gross cost of £625 per child per visit, and a net cost to the Council of £460.

### **3 Income**

- 3.1 At some stage over the past ten to twenty years, the charges levied to children for visits to Bryntysilio seem to have fallen out-of-step with other outdoor education providers, with our charges now being disproportionately low. Up until 2009, Walsall was charging £133 per pupil for a five day course. The most relevant comparator is Sandwell's residential outdoor education centre (Plas Gwynat) which charges £264 per child for a 5-day stay; 100% more.
- 3.2 For 2009/10 the charges levied at Bryntysilio have increased to £185 per child. It is intended that this pattern of incremental price rises will continue over the next 3 years to bring the Centre into line with Sandwell's pricing structure. The increased charges were revealed to schools in December 2008 and thusfar there has been no adverse feedback, nor a negative impact on booking numbers.

### **4 Staffing**

- 4.1 As with charging, the staffing of Bryntysilio had fallen out-of-step with other outdoor education providers. By 2007 the Centre was employing a team of five qualified teachers (employed on teachers' salaries, enhancements and "threshold", and terms & conditions) to deliver sessions – including a headteacher and deputy (both provided with free houses as part of their remuneration package). Most other outdoor education providers have moved to using qualified instructors – a significantly more cost effective staffing structure.
- 4.2 Since 2007 the Centre has successfully moved to a more effective management model by replacing two of the qualified teachers with instructors, and reducing the overall grading of the head and deputy and removal of the provision of the free house from the deputy.

### **5 Premises**

- 5.1 The centre is owned by the Camp Trust and leased by Walsall Council. The current lease expired on 25<sup>th</sup> December 2007 however the Council's occupancy remains under the conditions of this lease until a new lease is agreed or the service vacates the premises.
- 5.2 In terms of visitor experience the centre is in need of renovation, the bathrooms & toilets all need replacing, heating and ventilation is poor with a significant damp problem and cosmetically the centre needs updating. Sleeping accommodation is provided through very dated metal bunk beds.

- 5.3 Under the terms of the existing lease the liability for the premises sits entirely with the Council as tenant. Property Services undertook a condition survey in October 2006 and identified defects to the value of £253,150. There is some question over the accuracy and rigour of this survey and it has subsequently been agreed (mid May 2009) the Camp Trust will commission an independent survey jointly with the Council.
- 5.4 In the event that Walsall Council chose not to continue with Bryntysilio, the Council will be liable for dilapidation of the asset – whether this would equate to the £253,150 is unclear as we have been tenant for 40 years and the lease includes allowance for “*fair wear and tear*”.
- 5.5 Property Services investment in the premises over the last 3 years has averaged £75,000 per year. However as of 2009/10 Property Services have notified the service that due to budget constraints they will only be able to “*undertake minor emergency repairs which are deemed health & safety and could result in building closures*”. The 2009 condition survey may, it should be noted, identify further costs for the asset.
- 5.6 The Camp Trust’s finances are administered by Walsall Council and according to their most recent accounts it is clear the Camp Trust would struggle to resource a greater responsibility for the maintenance of the premise.

## **6 Options for the future**

- 6.1 The expiry of the lease, combined with unprecedented pressure on Council finances makes a re-examination of the delivery of residential outdoor education / Bryntysilio both timely and essential. There are broadly 4 options for the future:-
- 6.2 **Status Quo (option 1):** The fabric of the Centre is deteriorating significantly and neither Walsall Council nor the Camp Trust have sufficient resources allocated to resolve this. Furthermore, in the current economic climate, spending in the region of £500,000 per year to provide a week’s residential outdoor education for 1,100 children needs to be scrutinised – certainly in the context of the long-term lease requested by the Camp Trust (9 years with a tenant break clause at the end of the 3<sup>rd</sup> & 6<sup>th</sup> years). It is also worth noting that two thirds of children in Walsall cannot access Bryntysilio because of the limited capacity (Staffordshire County Council offers 5 days residential outdoor education to every KS2 pupil). Fundamentally maintaining the status quo offers no prospect of resolving any of the problems that led to this scrutiny.
- 6.2 **Increase Investment (option 2):** Walsall Council could allocate additional resources to maintain the centre and facilitate continued operation (estimated: £250,000 “one off” cost to bring the centre up to standard plus and additional £75,000 per year to maintain the facility). This would also allow the signing of the 9-year lease as requested by the Camp Trust. There would however need to be very significant increased investment both capital and revenue to allow every child in Walsall access to Bryntysilio (there would need to be a three-fold increase in capacity).

- 6.4 **Reduce Service (option 3):** There is potential to reduce costs at Bryntysilio by reducing the service to a 5-day per week operation (necessitating 2 compulsory redundancies). It is hoped this could save £75,000 per year. This would resolve the ongoing maintenance cost (though not the £250,000 “backlog”). However it is important to note that further savings would be extremely difficult and that because the centre capacity is 36 children, Bryntysilio will always be an expensive way to deliver outdoor education.
- 6.5 **Alternative Provision (option 4):** Walsall Council may consider to not to continue with Bryntysilio and instead procure residential outdoor education from neighbouring authorities. Based on very non-committal discussions with the Head of Outdoor Education for Staffordshire County Council the 1,100 residential places represent less than 7% of their total capacity and as such there is a strong likelihood they could accommodate our full provision.
- 6.5.1 The cost of replacement provision in Staffordshire would be £133 - £250 per child for a 5 day course – in comparison to the current cost of £625 at Bryntysilio. Staffordshire is just one of a range of potential provision options, wider alternatives could be investigated if members want this option pursuing.
- 6.5.2 The closure of Bryntysilio would incur certain one-off costs, specifically: possible liability for making good dilapidation of the centre (estimated as upto £250,000) and redundancy / pension costs which based on a termination date of 1<sup>st</sup> April 2010 would be £92,000.
- 6.5.3 If this was pursued with effect from April 2010, these one-off costs could be met from within the Bryntysilio 2010/11 revenue budget and would thereafter yield an annual revenue saving to the Council in the region of £430,000.
- 6.6 The costs of the above four options are presented in table 2 below:

Table 2 – Annual & one-off costs of Options 1-4

Option	Annual net revenue cost		One-off costs
	Min	max	
1	£380,000	£505,000	0
2	£455,000	£505,000	£250,000
3	£380,000	£430,000	£250,000
4	£0	£71,000	£342,000

**Table 2 Explanatory Notes**

- Option 1 – revenue costs vary based on potential income increase (approx £50,000) plus inclusion / non-inclusion of premises maintenance costs (approx £75,000)
- Options 2 & 3 – revenue costs vary based on potential income increase (approx £50,000)
- Option 4 – revenue costs vary based on seasonal pricing from Staffordshire County Council & whether Walsall Council continues to subsidise schools’ residential outdoor education