

Part I

Wiltshire Council

Cabinet

11 December 2018

Subject: Outdoor Education

Cabinet Member: Councillor Philip Whitehead - Cabinet Member for Finance, Procurement, ICT and Operational Assets

Key Decision: Key

Executive Summary

- The Cabinet at its meeting on the 27 March 2018 considered a review of outdoor education facilities. Outdoor education is a non-statutory function of the Council and to avoid significant medium to long term costs Cabinet at that meeting decided that both the Braeside and Oxenwood Outdoor Education Centres would close on the 31 August 2018.
- Following this decision Council received representations from the public and community groups and contact by organisations expressing an interest in continuing the operation of the centres as an outdoor education facility. As a consequence, a soft market testing exercise was conducted to explore the interest further. As a result, Cabinet at its 2 June 2018 meeting resolved to keep the centres open until Christmas 2018 and to commence a formal bidding process. The aim was to market the sites as going concerns to explore any viable alternatives to complete closure of the services.
- The marketing of the services and offer process concluded on 1 October 2018 with the receipt of 7 proposals that have been evaluated against an agreed set of criteria.
- The offers received do present the opportunity for the Council to consider selling and/or transferring to other providers the outdoor education operation which would enable outdoor education to be continued to be offered within Wiltshire.

Proposals

- I. Cabinet delegates to the Director for Children's Services in consultation with the Cabinet Member for Finance, Procurement, ICT and Operational Assets, the commencement of negotiations with the preferred bidders Wiltshire College and Community First, having regard to the recommendations and advice of the Outdoor Education Scrutiny Task Group.

- II. Cabinet approves the deferral of closure of Braeside and Oxenwood outdoor education site until at the latest January 2020 to allow for negotiations and successful transfer arrangements.
- III. Cabinet delegates to the Director for Children's Service in consultation with the Cabinet Member for Finance, Procurement, ICT and Operational Assets the completion of contracts to sell and/or transfer the Councils outdoor education businesses on terms to be agreed, including sale of the asset at less than best consideration providing social value benefit can be demonstrated.

Reason for Proposal

- I. Following the Council's review of the two outdoor education sites, Braeside and Oxenwood, and the Cabinet's decision to close both sites, interested parties have come forward through a formal process with viable proposals for the continuation of outdoor education in Wiltshire.
- II. This report considers the formal submissions received and how best to continue the provision of outdoor education in Wiltshire.

Terence Herbert – Corporate Director, Children and Education

Wiltshire Council

Cabinet

11 December 2018

Subject: Outdoor Education

Cabinet member: Councillor Philip Whitehead - Cabinet Member for Finance, Procurement, ICT and Operational Assets

Key Decision: Key

1. Purpose of Report

- 1.1 To consider the proposals received for the sale of the Council's outdoor education sites and operation and to identify preferred bidders.

2. Proposals

Cabinet delegates to the Director for Children's Services in consultation with the Cabinet Member for Finance, Procurement, ICT and Operational Assets, the commencement of negotiations with the preferred bidders Wiltshire College and Community First, having regard to the recommendations and advice of the Outdoor Education Scrutiny Task Group.

Cabinet approves the deferral of closure of Braeside and Oxenwood outdoor education site until at the latest January 2020 to allow for negotiations and successful transfer arrangements.

Cabinet delegates to the Director for Children's Service in consultation with the Cabinet Member for Finance, Procurement, ICT and Operational Assets the completion of contracts to sell and/or transfer the Councils outdoor education businesses on terms to be agreed, including sale of the asset at less than best consideration providing social value benefit can be demonstrated.

3. Relevance to the Council's Business Plan

- 3.1 The proposals are relevant to the Council's priorities and objectives as laid down in the Councils Business Plan; specifically, the proposal supports the following outcomes:
- a. Strong communities and particularly the ambition of communities where everyone can achieve their part.
 - b. Protecting the vulnerable and schools that help all pupils achieve.

4. Background

- 4.1 Wiltshire Council currently operates outdoor education centres at Braeside, Devizes and Oxenwood near Marlborough. Both sites offer a range of outdoor education activities, residential courses and some off-site sessions.
- 4.2 Outdoor education is a discretionary function for the Council and after an extensive review of the services, Cabinet at its meeting on the 27 March 2018 decided that it no longer wanted to continue with direct provision of this service. At the time of this decision there was no identified viable alternative but to close both outdoor education sites.
- 4.3 Following this decision, and as a consequence of public interest, several interested parties contacted the Council with a variety of proposals for the continued operation of outdoor education. As a result, a soft market testing exercise, open to all was undertaken and reported to Cabinet on the 12 June 2018.
- 4.4 This 'soft market' testing exercise illustrated considerable interest from the private and charity sectors in purchasing the outdoor education venues as going concerns and Cabinet agreed on the 12 June to keep both outdoor education sites open until Christmas 2018 to allow for formal offers via an open and transparent sale process.
- 4.5 At the 12 June Cabinet Meeting, Cabinet recognised the need to consider social value as part of the requirements to meet Best Value which may mean that the financial value gained for the sites could be less than what could be achieved for alternate uses (subject to planning).
- 4.6 The calling for formal offers gave the opportunity for interested parties to submit offers for the purchase outright of the business and or assets (freehold interest) of one or both of Braeside and Oxenwood outdoor education centres. These offers were due to be received on the 31 August 2018 but following feedback from potential bidders, the deadline was extended to the 1 October 2018.
- 4.7 To make every 'best effort' to find an alternative provider the outdoor education sale process was supported by extensive marketing through a specialist external property agent. This led to a range of leisure and property trade based publicity and marketing, that developed 985 impressions on LinkedIn newsfeed, 976 Twitter hits, and 591 website hits. Overall the approach yielded 32 solid enquiries which translated into 7 offers for the outdoor education businesses.
- 4.8 A set of criteria to evaluate the bids was developed that placed a broad 50:50 balance on price offered and social value. In terms of social value bidders were asked to explain how their offer was of benefit to Wiltshire young people and the bidders approach to staff and management of the operation, target market and activities offered. The evaluation criteria are at table 1 overleaf.

Table 1	
Outdoor education facilities - Evaluation Criteria	
Price: the price payable on completion. To include – Analysis of assumptions: the valuation basis and assumptions applied in arriving at offer price. Any additional due diligence required by the bidder. Approvals: required for your offer	50%
Commercial plans: Commercial plans for the business, including a summary of how outdoor education would be positioned within your operation going forward.	10%
Management and employees: an outline of plans for involving the existing management and employees in the future success of the business including your approach to TUPE of the sites employees.	10%
Plans for maintenance and provision of a safe and secure site.	10%
Benefits and opportunities to young people and the education sector and delivery of social value.	20%
	100%

5. Submissions

5.1 The submissions received are summarised in table 2 below.

Table 2: Submissions received summary			
Organisation	Site	Offer	Proposal
Adventure Learning Foundation	Braeside	Details included in Part 2	Adventure Learning are an established outdoor education provider. The proposal is to continue outdoor education at the site and to develop the existing programme expanding out centre use into birthday parties, family fun days, etc.
Adventure Learning Foundation	Oxenwood	Details included in Part 2	Adventure Learning are an established outdoor education provider. The proposal is to continue outdoor education at the site and to develop the existing programme expanding out centre use into birthday parties, family fun days, etc.
Wiltshire College & University Centre	Braeside and Oxenwood	Details included in Part 2	The proposal is for the transfer of Wiltshire Council employees to the Wiltshire College site at Lackham where a new outdoor education facility will be created (120 beds). The provision will be a comprehensive range of outdoor education facilities and opportunities that exploits the location next to the river Avon and agricultural college facilities. The college is looking for a grant/loan/assistance in initial start-up costs; however, this proposal enables Wiltshire Council to sell the current Braeside and Oxenwood sites.
Magdalen Environmental Trust	Braeside	Details included in Part 2	Magdalen is an experienced outdoor education provider and will continue to provide outdoor education experiences from Braeside. The proposals create a registered charity; trustees include Devizes TC and Wilts Wildlife Trust.

			The charity has a successful track record of obtaining grant funding to support work with young people used to target missed opportunities at weekends and evenings for charitable community work. A teacher training role will also be developed as well as weekend and evening activities.
Community First	Oxenwood	Details included in Part 2	Community First propose to continue outdoor education at Oxenwood, with curriculum based outdoor education services that build on the current, ethos, approach and existing delivery plan. The proposal integrates Community First's established work with Wiltshire young people and youth groups. For example, providing free access to the service for 250 young people who are vulnerable and facing disadvantage.
Classes Abroad	Braeside	Details included in Part 2	Classes Abroad will continue outdoor education at Braeside combined with a focus as a foreign language school. Core business is providing for and managing European school visits for educational stays in the UK.
Oxenwood CIC	Oxenwood	Details included in Part 2	The Oxenwood Community Interest Company has been established to bid for the Oxenwood operation and will continue outdoor education at the site. It will build on the existing offer and curriculum based approach. Additional activities will be provided at weekends and evenings and some outreach work into local communities.

- 5.2 The submissions received present a range of opportunities for the continuation of outdoor education in Wiltshire and have been reviewed and evaluated by officers from Human Resources, Finance, Commercial and Property services. In addition, they have also been considered by the outdoor education staff, outdoor education specialists and the outdoor Education Scrutiny Task Group (Please also see section 7).
- 5.3 The recommended preferred bidders both from the evaluation and from the Scrutiny Task Group deliberations (see comments at section 7) are Wiltshire College and Community First. To deliver a successful potential transfer of the outdoor education operations both preferred bidders will need to be engaged in more detailed dialogue and negotiation to bring a successful conclusion to the process. Therefore, the recommendation is to progress these negotiations but to not preclude other bidders at this stage in case such negotiations do not come to fruition.
- 5.4 To allow for these negotiations to take place it is proposed that the current outdoor education provision at both Oxenwood and Braeside will need to continue. This will facilitate transition to the new providers and ensure no breaks in service provision. It is recommended that Cabinet approves the deferral of

closure of both Braeside and Oxenwood outdoor education sites until January 2020 subject to final negotiations and transfer arrangements.

- 5.5 It should be noted that if any of the proposals are accepted Council is potentially accepting a 'less than best financial consideration' for one or both sites for alternative uses. This decision, if made, is offset by the broader social and economic values which are likely to be delivered through the proposals.
- 5.6 When the decision was made to close the outdoor education sites in March 2018 the Council received many communications and expression of concern from local community groups, schools and via the save Braeside and Oxenwood Facebook petition. The proposal to enter more detailed dialogue with a preferred set of bidders supports the desires of these interested parties as it potentially retains outdoor education provision in the county and can make Wiltshire an outdoor education destination fit for the future.

6. Property Considerations

- 6.1 The sites will have multiple values depending upon their intended use; if, for example, a site is to be used as an outdoor education centre it will be valued differently than if it were to be used for development.
- 6.2 It should be noted that Cabinet needs to consider a value for the sites being less than could be achieved, based on Red Book Valuations received. The social value of any proposals has been considered in the market testing process.
- 6.3 The sites have been valued by an independent Registered Valuer, who has determined the market value in accordance with recognised market valuation guidelines:
- Braeside - £500,000
 - Oxenwood - £80,000 to £155,000 (depending on whether the value of bio-mass income is taken into account)
- 6.4 In anticipation of the potential requirement to repurpose the sites a report was agreed at the 12 June Cabinet 2018 that granted formal agreement for permission to dispose of the Braeside and Oxenwood sites. This allows officers, in consultation with the relevant Cabinet members, to consider the most appropriate method of disposal.
- 6.5 To aid the Cabinet in the decision-making process and support the interested parties in development of their proposals the condition surveys for both sites have been updated.

7. Overview and Scrutiny Engagement

- 7.1 Scrutiny has been engaged in two rapid scrutiny exercises on outdoor education and traded services conducted on 13 September and 18 October 2017, following which a specific outdoor education Task Group was established.

- 7.2 The Outdoor Education Scrutiny Task Group met on 7 February 2018 and subsequently carried out site visits to Oxenwood and Braeside on 27 February 2018. A report from the Task Group was included in the papers considered by Cabinet on the 27 March 2018. The Cabinet decision on the 27 March to close both outdoor education sites were called in and the decision was upheld.
- 7.3 Further meetings of the outdoor education Scrutiny Task Group have been held on the 20 June, 26 September and 17 October 2018. At the meeting on the 17 October the Task Group were supplied with all the information from the 7 bidders and reviewed each submission in detail.
- 7.4 Based on its key findings on the draft Cabinet report, and the evidence it has received so far, the task group would recommend that the Cabinet member/Director:
- open negotiations as soon as possible with Community First with regards to the Oxenwood site, independently of negotiations with other bidders;
 - open negotiations with Wiltshire College and University Centre taking into account the task group's concerns raised in paragraphs 35 to 41 (of the scrutiny task force report, see appendix 2) and that consideration be given to loaning the money to the centre, or agree terms that guarantee a return for the council on its investment;
 - undertake a detailed assessment of Adventure Learning Foundation's performance in other locations where it has been working in partnership or on behalf of local authorities;
 - consider further engagement with Classes Abroad to ascertain if a mutually satisfactory sale value for Braeside could be achieved.
- 7.5 These recommendations are welcome and have been considered and reviewed. key areas of concern have shaped consideration of the Scrutiny Task Group report:
1. The need to give staff clarity on the future and the route forward, they have faced a considerable period of uncertainty and this will be ongoing during the negotiation period.
 2. The sites continue to be a financial risk to the Council; this can be mitigated through swift negotiations and transfer arrangements.
- 7.6 Given this context delaying decision making while further investigations are undertaken seem unreasonable for staff and potentially costly to the Council. Given this context it is recommended that these negotiations are progressed quickly with Wiltshire College and Community First but that they do not preclude other bidders at this stage in case such negotiations do not come to fruition.

8. Safeguarding Considerations

- 8.1 The outdoor education centres provide an education experience for all children including those in vulnerable groups. Safeguarding standards and implications

will be the responsibility of the organisation which purchases the business the Council will though make sure that safeguarding issues are a key component of a bid and new operations.

9. Public Health Implications

- 9.1 The outdoor education centres provide outdoor activities for children, contributing to a healthy lifestyle. Access to these activities will remain available through the potential purchaser(s) and the various facilities within Wiltshire and in neighbouring counties.

10. Procurement Implications

- 10.1 The formal market offer and bidding process for the outdoor education sites enables a fair and transparent process to be followed that is compliant with procurement guidelines and legislation.

11. Equalities Impact of the Proposal

- 11.1 A full Equalities Impact Assessment has been completed and as the outdoor education process progresses it has been and will be updated at key milestones of this project. The sale of the operation or new purchaser/s potentially mitigates any detrimental effect or impact for disadvantaged communities and ethnic minorities who may not get the chance to experience the benefits of outdoor education. Equality impacts will be reviewed during this process.

12. Environmental and Climate Change Considerations

- 12.1 There are no environmental or climate change impacts.

13. Risks & Opportunities of this report have been considered.

- 13.1 Risks that may arise if the proposed decision and related work is **not** taken

If the decision is to **not** sell the outdoor education businesses, then the risks identified below as part of the planned closure process will remain:

Risk	Action to mitigate the risk
1. Negative feedback from customers re new provider/s	Engagement and consultation with all major stakeholders through established routes. Marketing and communication of new provider.
4. Inability to honour future bookings during transition phase	Working closely with the new purchaser/s to transfer any existing bookings/provide support for local schools.

Risks that may arise if the proposed decision **is taken** and actions that will be taken to manage these risks:

Risk	Action to mitigate the risk
1. Negative feedback from customers re new provider/s	Engagement and consultation with all major stakeholders through established routes. Marketing and communication of new provider.
2. Inability to honour future bookings during transition phase	Working closely with the new purchaser/s to transfer any existing bookings/provide support for local schools.
3. Redundancy risks to staff	Opportunities to TUPE transfer into new roles to be fully explored.
4. Impact on income	Options for promoting the services during transition phase.
5. Risk of commercial failure from the potential new purchaser/s.	Robust evaluation of the proposals and commercial models to ensure a satisfactory service for local schools.
6. Financial Risk to the Local authority	Mitigated through swift negotiation and transfer.
7. Risk of parties not willing to proceed based on offers made	Open dialogue with bidders and further due diligence on proposals.
8. Value of the asset potentially more than the offer made.	Adjusted through negotiation and dialogue with bidders.
9. Potential costs of keeping sites open for longer	Swift negotiation and transfer arrangements
10. Qualified and Experienced Workforce	The continued successful operation of the sites and transition will require the goodwill and cooperation of the workforce.

14. Financial Implications

- 14.1 The decision was made at the Cabinet meeting in March to examine and consider a variety of proposals for the continuation of outdoor education both in terms of financial burden to the Council and a measure of social value in Wiltshire.

- 14.2 Any decision to sell the two sites to continue the provision of outdoor education in Wiltshire must be with the least financial detriment, burden or, risk to the local authority either now or in future years.

15. Legal Implications

- 15.1 The Council is not required to provide Outdoor Education services or facilities.
- 15.2 The proposed disposals will take the form of sales as going concerns, therefore TUPE requirements will apply. Legal advice will be provided on any arrangements for transfer.
- 15.3 The issue of State Aid has been considered in the development of this report and full advice is set out in Part 2. The proposals are considered to present a low risk of being successfully challenged on the basis of State Aid.
- 15.4 Section 123 of the Local Government Act 1972 requires the Council to secure the best consideration reasonably obtainable for any disposal or for such disposal to fall within The Local Government Act: General Disposal Consent (England) 2003, which can include the consideration of the value of social and environmental benefits as well as economic or purely financial benefits.

16. Conclusions

- 16.1 The submissions made contain innovative and exciting propositions outdoor education services. They have the potential to bring significant social, educational and economic benefits to the County and present a unique opportunity for the Council to move away from direct provision of a non-statutory function, while retaining the benefits of this type of educational activity within easy access to local schools and Wiltshire young people.

Terence Herbert, Corporate Director, Children and Education

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Background Papers

None

Confidential appendices