

Manchester City Council Report for Information

Report to: Children and Young People Scrutiny Committee – 13 October 2023

Subject: Ghyll Head Outdoor Education and Activity Centre Update

Report of: Strategic Director (Neighbourhoods)

Summary

In November 2019, the Children and Young People Scrutiny Committee supported a proposal to recontract the operation of Ghyll Head Outdoor Education and Activity Centre (Ghyll Head) to Greenwich Leisure Limited (GLL) under a variation coterminous with the Council's existing leisure contract. The purpose was to sustain and grow the education and community offer on site and to reduce the Council's revenue pressures enabling the facility to become more financially viable.

From 1st April 2020, Ghyll Head became part of the Council's Indoor Leisure Contract which saw the operation of the centre transfer from One Education to GLL. An initial 12 month 'step in' operating arrangement (with an option to extend) was progressed with GLL by way of variation to the existing leisure contract monitored by MCRactive.

Alongside the new management arrangement, a £1.4m development scheme - met by a capital receipt from the sale of Buglawton Hall - was mobilised to safeguard the long-term financial stability of the centre by refurbishing and enhancing its facilities to a modern standard.

This report provides an update on the capital works undertaken on site, sets out the progress made since GLL stepped in with the operational management of Ghyll Head and provides context for the current operating environment.

Recommendation

The Committee is recommended to consider and note the progress made at Ghyll Head since the re-contracting the operation of the centre to GLL.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The capital investment has delivered energy efficiencies across the operation of the centre along with more efficient operational management across waste and recycling and energy management.
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Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Ghyll Head Champions an unrelenting emphasis on diversity, inclusion, skills, and behaviours through residential opportunities in an accessible environment in the heart of the Lake District.

Ghyll Head continues to ensure a broad appeal of physical and mental activities ensuring children and young people access a variety of activity regardless of ability.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Increased participation in outdoor adventurous activity contributes to the economy of the city whilst new programmes in the city will attract new participants which can encourage new investment and funding in the city which will lead to an enhanced and expanded offer for our residents.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	This report outlines how outdoor adventurous activity contributes greatly to health and fitness and continuing participation in outdoor pursuits, it also encourages the maintenance of a healthy lifestyle into adulthood. Active learning and adventure outdoors introduces young people to the environment in a way which develops an understanding and appreciation.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Giving residents and school children the opportunity to access outdoor adventurous activity in a residential setting that is set in a unique environment outside of the city. Contributing to individuals' life experiences and creating an appreciation for the outdoors.
A liveable and low carbon city: a destination of choice to live, visit, work	This report describes work towards ensuring access to a varied cultural, leisure & recreational offer that has an impact on supporting community wellbeing, and maintaining a healthy lifestyle along with an understanding of the environment that residents can appreciate back in the city.
A connected city: world class infrastructure and connectivity to drive growth	Access to the Lake District national park connecting residents and school children to the outdoor experience.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

There are no specific or additional revenue consequences arising from the operation of Ghyll Head, GLL have absorbed the additional financial pressures of inflation and phased return to site following covid recovery. Work is underway to consider extending the contract to be coterminous with the existing leisure contract which runs to 2028, given today's changing financial climate this is a continual watching brief.

Financial Consequences – Capital

There are no specific or additional capital consequences arising from the adoption of the capital works reported, however further capital improvements will be required in the future to maintain the current standards. A capital investment plan for the bungalow is currently being explored along with appraising further development to make the POD village more accessible.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Children and Young People Scrutiny Committee - Ghyll Head Outdoor Education Report – 6th November 2019

1. Introduction

- 1.1. This report provides an update on the capital works undertaken on site, sets out the progress made since GLL stepped in with the operational management of Ghyll Head and provides context for the current operating environment.

2. Background

- 2.1. Ghyll Head is owned by Manchester City Council and is located in Cumbria with facilities on the edge of Lake Windermere. The site has been offering residential outdoor education since 1967 predominately to Manchester Schools. The Centre has been a key part of the Council's Education offering, providing support for learning outside the classroom for over 40 years.
- 2.2. Overlooking Lake Windermere, the Centre is set with 17 acres and is located within its own grounds. It is believed that the main building was originally constructed in 1850 as a manor house with an extension added in circa 1900. In recent years the property has been used as an outdoor education centre and consists of bedrooms, bathrooms, commercial kitchen, offices and storage areas. A residential bungalow, several sheds, greenhouses and a climbing wall and zip line are also located within the grounds. The centre benefits from an accessible boat house and jetty on the banks of Windermere.
- 2.3. With the exception of the boathouse, there had been limited capital investment into the site for over 10 years and, as a consequence, the condition of the build assets were poor, and the general décor was tired which presented challenges in maintaining uptake with schools. To compete with other educational facilities on offer to schools, considerable investment was required to upgrade the facilities. A business case was subsequently developed.

3. Capital Business Case and Implementation

- 3.1. A Conditions Survey was undertaken in 2016 by Atkins on behalf of the Council identifying that c£800k would need to be spent on essential high priority works over an 8.5-year period. GLL were asked to review the business model to examine how they could transform the site to ensure that it was financially viable in the long term without the need for ongoing subsidy being provided by the Council. The assessment concluded that there was a need to undertake the essential priority works identified in the conditions survey and further upgrade works to continue to meet user requirements for a sustainable future.
- 3.2. Proposals were progressed to provide a modern fit for purpose residential offer, a digital solution and online booking capacity to accommodate more school and community groups to support a growth strategy from the site. A cost plan to the value of £1.4m was progressed to assist with getting the facility to an improved and secure financial footing.
- 3.3. Conterminous with the Council's existing leisure contract, GLL developed an 8.5-year revenue business plan forecast based on the need to progress

identified works. The revenue forecast projected that GLL would deliver a financially viable facility that would achieve a net operating surplus by year 3 of the operation. Over the term of the contract, a total net surplus of £225k was forecast which would be reinvested back into the centre. The transition in GLL operationally managing Ghyll Head from 1st April 2020 would result in Children's Services resolving a budget pressure of £595k over the term of the 8.5year contract. Furthermore, the council would avoid c£770k of unallocated Asset Management Programme (AMP) spend over the same period.

- 3.4. It was agreed that ring-fencing part of the Council's capital receipts for the sale of Buglawton Hall into another education facility was beneficial to Manchester schools and was a preferred option to borrowing against savings and AMP funding that wasn't allocated.
- 3.5. The business case was approved in November 2019 to progress recommended works which included the implementation of the following:
 - Enhancement to the educational and community offer with investment into the main education rooms within the house.
 - Reconfiguration of room layouts and usage to increase occupancy.
 - Creation of more flexible bedroom spaces to ensure that the venue is more attractive to a range of different booking types, including smaller group bookings.
 - Creation of more flexible spaces to accommodate meetings/conferences.
 - New low-cost outdoor accommodation to include the introduction of a Bunk House and a Hive Pod Village complete with 8 x camping pods, ancillary facilities and a community room.
 - Introduction of a new digital solution and online booking capability.
 - Development of a broader Marketing Strategy, which not only focuses on strengthening uptake by Manchester Schools, but also focuses on generating alternative uses and increasing occupancy.
- 3.6. To achieve best value GLL procured and managed the capital works under an agency agreement, the Council's Capital Programme Team assisted with the monitoring of the works. The impact of the global pandemic and one of the world's biggest ships jammed on the Suez Canal resulted in delays to completing the capital project. The work programme was adjusted on several occasions to navigate through ever changing national and local COVID lock down restrictions, advised safety working operations and delays to supply chains. The capital project scheme was due to be completed late 2020, however due to the outlined challenges, there were delays resulting in the main house opening in June 2021 with the remaining works completed in late 2022.
- 3.7. As a result of the works, the main house can now accommodate up to 60 people for residential use which is an increase of 8 beds. The main feature of the refurbishment has been the reconfiguration of rooms creating some private ensuite washroom facilities which is a significant improvement to the previous

layout enabling a much-improved customer service offer and has created more flexible spaces.

- 3.8. The new Hive pod camping village comprises of 8 camping pods that can accommodate 3 or 5 people in each and are available for both community and commercial bookings. This could accommodate, for example, a single class with staff and can be used for self-programming groups.
- 3.9. The detached fully accessible bungalow provides accommodation for 23 people in a single storey building with a meeting room/classroom. Recent changes have allowed the bungalow to increase in capacity from the existing 16 through minor configuration of rooms. The refurbishment of the bungalow was not included in the capital investments and is in poor condition and needs decoration. A capital investment plan for the bungalow is currently being explored. The new bunkhouse accommodates 12 with an additional bed for school staff, the concept of the bunkhouse is to support the bungalow so that larger groups can access this space.
- 3.10. The old boathouse is in poor condition but meets statutory compliance, it comprises of changing rooms on the first level and boat storage on the lower level. The new boathouse is a purpose built 3 storey new build circa 2011/12, the boathouse offers a meeting room/classroom, changing facilities and access to the lake. The wooden jetty has recently been replaced in 2021 through AMP.
- 3.11. A further £50k of external funding was also successfully procured in partnership with the Manchester Outdoor Education Trust (MOET) to install a new low level ropes course which enhances the experience that was previously provided for school, youth and community groups who stay at the centre. This allows accompanying staff to oversee activities without relying on Ghyll Head staff.
- 3.12. The capital improvements have addressed build efficiencies and created modern leisure facilities that will enable improved educational and community outcomes for residents for the next 25 years.
- 3.13. The above improvements will support Ghyll Head to retain its place in the market as a competitive National Curriculum Outdoor Residential Experience for the benefit of Manchester School's and provide extended high-quality outdoor learning opportunities for Manchester Youth and Community Organisations and will support a more efficient trading position.

4. Trading Position and Challenges

- 4.1. From 1st April 2020, (8 days after the 1st National lockdown) Ghyll Head became part of the Council's Indoor Leisure Contract which saw the operation of the centre transfer from One Education to GLL. An initial 12 month 'step in' operating arrangement (with an option to extend) was progressed with GLL by way of variation to the existing leisure contract managed by MCRactive.

- 4.2. Ghyll Head could not trade due to the global pandemic, all staff were placed in furlough except for the Partnership Manager who oversaw building checks, security and supported with the capital development programme. The staffing structure comprises of 13 permanent employees, and on average 17 casual/seasonal instructors dependent on the time of the year.
- 4.3. It was agreed to extend the step-in arrangements for a further 12 months in April 2021, 2022, and 2023 to complete the capital programme and return to partial trading following the lifting of covid restrictions. It is anticipated to extend the step-in arrangements to co-terminus with the indoor leisure contract in April 2024.
- 4.4. A Ghyll Head Strategic Advisory Stakeholder Board has been established to provide the appropriate oversight and governance arrangements to ensure that Ghyll Head delivers to Manchester Schools, Youth and Community groups and residents. The board is made up of representatives from Council Education, Leisure and Youth Services, MOET, MCRactive and an elected member. All representatives on the board have strong links with Ghyll Head. The board meets quarterly, and their contribution is valuable. The Ghyll Head Strategic Advisory Board has a key role in ensuring that the developments, activities and leisure contractual arrangements meet the statutory compliance of operating an Outdoor Education and Activity Centre, ensuring the facilities maximise the return from its assets.
- 4.5. The Government lifted restrictions and allowed residential to take place from June 2022. Initially there was a slow return by schools, community and youth groups, however the roll out of the vaccine programme and more stability with staffing resources enabled groups to have the confidence to coordinate their school or youth visits. GLL successfully managed the various peaks of the coronavirus pandemic (including the management of cancellations and reduced numbers) and facilitated visits from several Manchester schools and user groups in a COVID safe environment. The Ghyll Head staffing team have developed an inclusive programme of outdoor learning that provides challenge, adventure and enjoyment, a new or deeper understanding of the world, and the development of confidence and resilience, as well as many more benefits for children and young people.
- 4.6. The current participation of children and young people in outdoor learning must be seen in the context of a number of significant challenges, including covid recovery, reduced funding, competing demands on curriculum time in schools, and a risk-averse health and safety culture. Furthermore, the cost-of-living crisis, school and youth staffing resources and heightened inflationary costs to transport has seen groups opting to deprioritise residential or shorter visits to the centre which heightens demand on domestic staffing requirements. In addition, unforeseen circumstances such as the school strikes in early 2023 have also impacted bookings to the value of nearly £50k due to cancelled bookings due to clashing with the strike days.
- 4.7. Recruitment has been challenging in the current climate and it should be noted that the hospitality industry in Cumbria has also been facing significant

challenges across the industry. GLL continue to invest in workforce development through training grants, as well as awarding staff a pay increase of between 5 and 12% in April 2023 to support staff through the cost-of-living crisis. All GLL staff in Manchester are paid a minimum of Manchester Living wage, as Ghyll Head is an extension of the contract this extends to the centre staff at Ghyll Head. Notwithstanding the climate, retaining and recruiting staff remains a challenge and therefore the centre has had to adapt by creating roles outside of the 'usual job families' to attract the required complement of instructors and domestic staff to successfully operate the site. In addition, GLL has optimised the wider leisure contract and has offered its wider Northwest workforce the opportunity to undergo secondments at the centre during the busy summer periods. This has been a real success with a number of staff taking up the opportunity.

- 4.8. Despite these challenges, there is a real commitment from staff at Ghyll Head and those working with and supporting children and young people to offer an all-round high-quality outdoor residential education and activity offer.
- 4.9. The return to site in the academic year 2022/23 has been strong with patronage exceeding pre pandemic levels, operating at 47% above the same period in 2019 when operated under One Education, and a further 25% more users in 2022/23 compared to 2021/2022. Raising inflation, high utility and food costs and a continued challenging recovery from the pandemic however have all impacted on GLL's business plan, which was written before any of the aforementioned.
- 4.10. In response, GLL have led on initiatives to encourage the longer 3-5 day stay-overs to some success, however the additional staffing and financial resources required to facilitate a visit remains a challenge to schools and groups. Additional offers have been available to teaching staff (Bed for the Night) to encourage them to visit, as well as the centre diversifying its offer with a focus on providing spaces for revision weekends for pupils prior to exam periods.
- 4.11. Outside of education, targeted efforts have also focused on widening participation for youth and community groups within the school holidays of the academic year. The result of which has seen several strong partnerships developed between youth and children's services with the centre - the number of visits by these groups steadily growing. Groups include Aspiring Art, The Hideaway Project, YPAC, M13, Enterprise Youth, Manchester Youth Zone and KYSO. Targeted provision has also been given to Young Manchester Care Leavers and Barnardo's providing tailored specialist provision. Also supporting the widening participation agenda, Ashgate Primary and Manchester PRU returned to the centre this year.
- 4.12. It is recognised that outdoor adventurous activity contributes greatly to health and fitness and continuing participation in outdoor pursuits also encourages the maintenance of a healthy lifestyle into adulthood. Active learning and adventure outdoors introduces young people to the environment in a way which develops an understanding and appreciation. For this reason,

Manchester schools' access is protected through a booking protocol that protects prices and gives priority to Manchester schools over all other usage. The business plan permits other bookings/activities outside of school and community use such as public lettings and conferencing however, full occupancy by schools has meant this type of booking is minimal.

- 4.13. The first full year of trading (2022/23) was a difficult year from a financial perspective, although GLL's business case forecast a deficit in year one, this was higher than expected and was 15% off their bid position. Unfortunately, the higher volume of bookings are not translating to the financial performance, GLL continue to promote a strong marketing campaign.
- 4.14. There have been encouraging signs, particularly considering the annual patronage was up by c. 47% compared to pre pandemic figures in 2019. Furthermore, the number of youth and community groups using the centre has increased substantially, which when considering that these groups previously would have been impacted by the pandemic and there has been a real nervousness around visiting the centre, especially experiencing residential has demonstrated a real step forward.
- 4.15. Numerous Manchester schools return to the centre every year due to its unique location that offers a wide range of activities for pupils in contrasting environments, giving them the ability to develop essential life skills and experiences outside of the normal school routine. This is also evident in the feedback that the centre receives direct from the young people, for example post course every education group is asked to submit scores out of four for instructor delivery, accommodation and overall experience with the scores regularly between 3.8 – 4.
- 4.16. The table below sets out the usage for 2022/23 academic year showing the number of schools and organisations that visited and experienced a residential at the centre, many of which brought groups on more than one occasion. As a result, in total 5,314 individual young people accessed the centre, giving them the opportunities to develop essential life skills and have experiences outside of the normal school routine.

Manchester Schools	80
Non-Manchester Schools	18
Manchester Youth & Community Groups	30
Non-Manchester Youth& Community Groups	8
Total Annal usage	5,314

- 4.17. GLL have also introduced a digital data capture system to improve on the accuracy of the demography of users, enabling improved year on year comparisons to be made around users of the facility, with GLL reporting that the number of disabled users is tracking 30% up compared to 2022/23. Collecting demographic data is a challenge and previously was not collected under the management of One Education. The centre team are working with schools on data capture and building a clear picture of usage however this is a

work in progress. In the last quarter we only had 30% of demographic data for the overall number of visits.

- 4.18. Although the increase in usage is a real positive and it is seen across almost all user groups, usage of Manchester schools has been highlighted and needs to be monitored this academic year. Feedback from school's state rising costs of transport is a factor and the cost-of-living crisis hitting families therefore schools are required to subsidise pupils further. There have been additional challenges with school strike action taking place and schools either requesting to rearrange visits or in some instances cancelling which has put pressure on the centre team and budgets. The centre will however continue to prioritise Manchester schools and the centre team continues to implement a strategy to engage with more schools supported by Manchester Active.
- 4.19. There is a vast choice of activities which offer a high standard of delivery by qualified education staff, giving pupils the opportunity to be independent and try new activities. All of the equipment is provided and is of a high-quality giving schools assurances that activities are delivered in a safe, structured environment. The capital development and the quality of the setting and activities are held in high regard by many schools. The centre is accessible and has developed expertise in providing outdoor education experiences for children with special educational needs and disabilities (SEND) and is used by a number of Manchester special schools. In recent years it has also provided short breaks for children with SEND with their parents/carers.
- 4.20. Whilst each course is tailored to the desired needs of each group, the underlying themes of raising self-esteem, promoting tolerance, developing communication and problem-solving skills all help to deliver the Council's 'Learning through Adventure' and 'Skills for Life' strategies. A number of schools use the Centre to enhance their curriculum offer for example running Maths, English and Science revision weekends, GCSE/BTEC P.E outdoor modules and A-level Geography field study courses. The Centre has been involved in the delivery of Duke of Edinburgh programmes and provides workforce development opportunities in the form of Outdoor National Governing Body skills and coaching courses.
- 4.21. Despite the ongoing and emerging challenges which has seen significant expenditure costs in catering and energy, GLL have made significant headway to absorb the additional costs without having to ask the council for additional subsidy, however GLL are currently forecasting 20% off their predicted bid figures set out in their initial forecast which they are committed to absorbing in year to mitigate an additional budget pressure to the council.
- 4.22. The Hive Village (Glamping Pods) have been available for community and commercial bookings from May 2022. The Hive bookings started off slow, and revenue generated was under performing against the bid causing initial concerns. GLL refocused their resources and promoted a significant marketing campaign, including paid social media, the creation of a dedicated website for the facility, the addition of the facility onto various national and local booking

agencies and have created and prompted discounted campaigns to Manchester community groups and residents. All of which has resulted in a 20% increase in 2023 bookings from the previous year, as well as a number of repeat bookers for future months. Further focus is required to optimise the Hive Village booking potential.

- 4.23. The financial delivery model therefore remains a challenge and officers continue to work with GLL to monitor activities. Given the delays to some of the capital works, the slow return of schools following the understandable nervousness post pandemic, the on-going cost of living crisis making it harder for parents to fund trips for young people, and significant increase in both utility (increase of 50%) and food (increase of 35%) prices not accounted for in the original bid, GLL have currently only had 1 full year of trading, therefore it is important to continue to monitor their performance against the bid and further understand the full operations of the site. With full mobilisation of the site, and improved bookings from schools and the Hive Pod Village, we are anticipating improved income growth across the whole centre.
- 4.24. Manchester Active have commissioned a new Manchester Outdoor Learning and Adventurous Activity Strategy in which the operation of Ghyll Head plays a fundamental role in the residential offer that the centre offers to Manchester residents. It is anticipated that the skills and experience of Ghyll Head staff and Advisory Board will help guide this.
- 4.25. In addition to containing financial challenges, GLL have also spearheaded some fantastic work to significantly reduce energy consumption with a 14% reduction in consumption compared to 2022 which is a remarkable achievement alongside usage of the centre increasing. This has been achieved following a detailed focus by the team at the centre educating the young people in how energy use can be reduced, as well as some local initiatives such as switching to LED lighting in all areas and installing PIR sensors in areas with low use.
- 4.26. Strong progress has also been seen in waste management with the centre continuously exceeding its recycling target by again educating the young people around waste management and the importance of recognising what items should and can be recycled, whilst all at the same time expanding the growth of bookings on site. GLL have introduced several recycling initiatives at the centre which has reduced waste significantly. In the last quarter 76% of waste was recycled which is admirable as some recycling isn't provided by South Lakeland Council (Cumbria), the onus is very much but on businesses to deliver. For example, the centre has secured a relationship with a local food waste disposer which converts all food waste into renewable electricity, rather than the waste going straight to landfill, this is a clear demonstration of GLL's commitment to reducing waste.

5. Conclusion and Next Steps

- 5.1. The capital development improvements to the main house and the creation of the Hive area with glamping pods has been held in high regard by many

schools and community groups. The improvements have supported Ghyll Head to retain its place in the market as a competitive National Curriculum Outdoor Residential Experience for the benefit of Manchester School's and is providing extended high-quality outdoor learning opportunities for Manchester Youth and Community Organisations.

- 5.2. The impact of the global pandemic and other challenges outlined in this report have impacted on the operation of Ghyll Head. There has however been a strong and passionate commitment from staff at Ghyll Head and officers to support children and young people with an offer of all year-round high quality outdoor residential education and activities. Despite such challenges, the return to site has been strong with patronage exceeding pre pandemic levels (operating at 47% above the same period in 2019 under One Education's management), however rising inflation, high utility consumption and a continued challenging recovery from the pandemic have all impacted on GLL's business plan. The financial delivery model therefore remains a challenge and officers continue to work with GLL to monitor activities to enable a sustainable trading position.
- 5.3. The current operation and management by GLL demonstrates that there is strong growth potential for Ghyll Head which can build on the past successes of the school's residential programme and develops an enhanced offer that will grow participation and encourages Manchester schools to choose Ghyll Head as their first choice for their outdoor education experience along with developing relationships with community and youth organisations.
- 5.4. In partnership with the council GLL, MCRactive and MOET are exploring the next phase of capital works required at the centre and associated funding strategy with a particular focus on the bungalow and expansion of accessible provision over the next period.
- 5.5. The purpose of the proposal considered by this committee in November 2019 was to secure a future for Ghyll Head Outdoor Education Centre. Despite a variety of extreme difficulties over this time, as outlined in this report, this facility is in a position of being able to plan for a long future. This achievement owes a large debt to the commitment of the staff at Ghyll Head who have contributed to these developments through this very challenging period.