

# **Options appraisal of the future management arrangements for Leisure and Cultural Services in Crawley**

## **Executive Summary**

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## **1. Introduction**

1.1 In recent years Crawley Borough Council has entered into arrangements with a variety of external organisations to manage leisure facilities on behalf of the Council. The Council's regional K2 leisure centre, (currently operated by Freedom and Greenwich Leisure) and the Tilgate Golf Centre (currently operated by Glendale Limited) being the most recent examples

1.2 Notwithstanding the above, the Council still owns and directly manages a range of other leisure facilities including:

- The Hawth Theatre
- 4 Adventure Playgrounds
- 14 Community Centres
- Tilgate Park Nature Centre, Walled Garden and associated catering and water-based amenity facilities.

1.3 In order to ensure best value and secure efficiencies this feasibility study explores the options available to deliver these services in a different way.

1.4 It was agreed to evaluate the following future management options for each service area:-

- Direct management (as now)
- Management via a leisure / community trust
- Lease to a third party, commercial or voluntary sector organisation / community group, to manage on behalf of the Council and to Council requirements.

## **2 The study methodology**

2.1 The Council wishes to ensure best value and secure efficiencies through consideration of different ways of delivering these services in the future and the agreed issues which underpinned the Options Appraisal assessment are as follows:

- Cost of future operation/investment required
- Current service levels and quality standards
- Staffing
- Opportunities and control
- Central and support services
- Legal/Procurement issues
- Market Testing and benchmarking

2.2 Each service has been evaluated against each of these issues. However, the conclusions and key recommendations are based upon individual service needs and

the future opportunities available. The results have been reported below in differing ways to suit the needs of each service area.

### **3 Summary of service provision**

#### **3.1 The Hawth Theatre**

- 3.1.1 The Hawth provides a wide-ranging cultural, social and commercial programme to meet the diverse needs of the community. The venue has regional significance, with an annual throughput for all activities in 2008-9 of 212,214 and for The Hawth alone of 184,457.
- 3.1.2 The commercial value of The Hawth for business meetings, seminars and exhibitions is well established as is the potential of the Catering Service.
- 3.1.3 The Hawth is also home to the Community Arts Team who work to encourage local people to actively participate in the arts, offering a range of workshops and projects tailored to meet the needs of specific sections of the community, in particular the variety of ethnic groups which now form part of Crawley's demographic mix. Individual projects and festivals are designed to attract a wide cross section of the community. The service also acts as an enabler, offering advice and resources, where appropriate, to support initiatives which come from individuals and community groups.
- 3.1.4 The Promotions and Entertainments Team is also part of The Hawth. This section organises and promotes a wide range of arts and entertainment events throughout the town. Many of these are supported by partnerships with local community groups and organisations plus strong links with other Council services.

#### **3.2 Tilgate Park**

- 3.2.1 Tilgate Park and Nature Centre is Crawley's most visited park and one of the most popular parks in the SE region. As a flagship for the town, it has an estimated visitor throughput of 500,000 per annum; comprising an almost even spread of residents and non-residents of the Borough.
- 3.2.2 Extending over 80 hectares and adjacent to the Tilgate Forest Golf Course, the area offers lakes, lawns, ornamental gardens, woods; children's play area; walled garden (with café); craft units, nature centre with rare and endangered species plus domestic animals and birds; GreenZone and Discovery Room education centres, with lectures on wildlife and conservation. The park has been awarded and retained Green Flag status since 2003.
- 3.2.3 The park is also home to Gatwick Greenspace Partnership and seven small business ventures within the craft units. St Catherine's Hospice has a shop adjacent to the walled garden café. To the north west of the park are Tilgate Recreation huts, which are leased to leisure related clubs and societies.
- 3.2.4 Admission to the park and Nature Centre is free; but there is a £3 car parking charge per visit in the main car park, (the fisherman's car park is free) and a donations box is located in the entrance area of the Nature Centre.

### **3.3 Community Centres**

- 3.3.1 Crawley's 14 Community Centres are neighbourhood based. The centres vary in size but all offer a main hall and kitchen facility. They are available for use by Crawley residents and seen as a focal point in the community. A broad range of user groups with very different aims and objectives hire these venues. They can be used by regular hirers – such as playgroups - or on a one off basis for parties, meetings and the like.
- 3.3.2 The Community Centres are managed by the Community Facilities Team with following staff structure.
- 3.3.3 Community Centres Supervisor: Oversees all operational matters, provides shift cover as required, contract monitoring (cleaning), and compliance with various operational, licensing and health and safety matters.
- 3.3.4 Community Centres Officer (x3): One CCO on duty at all opening times. CCO's undertake daily safety checks, open and lock facilities depending upon bookings, meet and greet for parties and functions, undertaken reactive maintenance and improvement works, meet and provide access for specialist contractors.
- 3.3.5 Resources to this service area have always been tight with a greater concentration on health and safety, operational and quality service considerations. The opening of the new Bewbush Centre and the revised staffing arrangements which will flow from that will allow for an increased focus on development of activities alongside the ongoing operational management.

### **3.4 Adventure Play**

- 3.4.1 Crawley Venture Play offers 4 Adventure Play sites in the neighbourhoods of Langley Green, Furnace Green, Broadfield & Bewbush. Children are able to engage in freely chosen adventure play, indoors or outdoors, with structured workshops also available.
- 3.4.2 Entry to sites is free during term times with a £1 fee being payable on Saturdays and school holidays. A membership scheme exists with different rates for residents/non residents.
- 3.4.3 Site opening times vary depending on the time of year. Children of all ages are welcome, but any under the age of five must be fully supervised by a responsible adult.
- 3.4.4 The Adventure Playgrounds are particularly popular during school holidays and especially on fun days, attracting high numbers of children and young people.

## **4 The Study Findings**

### **4.1 The Hawth Theatre**

- 4.1.1 There needs to be a clear definition of the outcomes the Council wishes to achieve through its investment in Arts Services. This will assist in clarifying which of the three options is best for the future management of The Hawth.
- 4.1.2 A key question is whether the Council wants to maintain the link between The Hawth and the Arts Development and off site events programming currently undertaken by Arts Services using the resources of The Hawth and its specialist staff.
- 4.1.3 All options offer an opportunity to either review the catering business model to maximise profit as well as contribute to 'healthy eating' agenda or outsource provision of catering services. The cost of contracts in Options 2 and 3 will be influenced by whether operators are willing or not to take on multi-site catering.
- 4.1.4 In both Options 2 and 3 it is assumed the Council retains core policy and strategy staff e.g. delivering cross directorate advice, policy input, heritage services, public art and so on.

#### **Option 1 In-house**

- 4.1.5 This option is not seen as the status quo i.e. the services delivered as they are currently. It assumes production of a new 'Arts Strategy'. The scope would cover the Arts Service as a whole including the role of a venue – The Hawth – as part of an overall strategic approach to the role of the arts in achieving prosperity and well being in Crawley.
- 4.1.6 The aim would be to build on current best practice in the service and at The Hawth whilst clarifying the issues outlined in this options appraisal around, for example, the scope to increase income generation in order to either reduce the subsidy required from the local taxpayer or enable more community activity at no additional cost to the Council; staff structure; hires policy; conference business development and business sponsorship; and whether to outsource or review the business model of the catering operation.

#### **Option 2 Trust**

- 4.1.7 There is a model in the relationship with Freedom Leisure which could be replicated at The Hawth i.e. the trust is responsible for the operation of the venue whilst the arts development staff remain employed by the Council but are co-located with the trust and work on both the venue related education and community activity and continue to deliver the off site community and events activity they do now elsewhere in the borough using the resources of The Hawth.

#### **Option 3: Outsource/contracting out**

- 4.1.8 In this option it is likely that the operator would expect to include a community/education role in the staff structure to run schools and other activity

related to the venue programme. If the Council wants to retain the cross borough events and non-venue based community arts programme then this would need to be negotiated with the operator at presumed additional cost. Alternatively the service could be kept in house: the team would either have to change the way they work so they do not require The Hawth facilities or in effect hire them from the private operator.

## **Key recommendations**

- 4.1.9 Initial market evaluation would indicate that option 3 would offer the best prospect of the Council reducing the overall subsidy for this service going forward.
- 4.1.10 Whichever option is adopted, there is a need for the development of a clear specification and business plan that delivers against the Councils corporate objectives.
- 4.1.11 A better balance needs to be achieved between community and commercial objectives and the new specification will need to clearly set out the Council's ambitions in this respect.
- 4.1.12 As part of this process, a new arts strategy needs to be produced.
- 4.1.13 Following this work, it is recommended that an advert is placed inviting suitably experienced trusts and commercial operators to express an interest in the future management and operation of the Hawth. The options available will include:
- A contractual relationship with the Council that includes capital investment
  - An option of a contract with or without the catering operation
  - An option of a contract with or without arts development
- 4.1.14 It should be emphasised that this does not exclude the option of an in house Trust expression of interest, however significant risk would remain with the Council in the short term unless the Trust was able to identify an external partner to underwrite the business plan and associated financial projections.

## **4.2 Tilgate Park**

- 4.2.1 Tilgate Park is clearly a unique facility which provides residents and visitors with an experience that goes way beyond the remit of a traditional local authority managed public open space. The current management team is very customer focused, staffing levels appear adequate, yet the net cost of the park demonstrates extremely good value for local tax payers. There is an obvious close link with the Nature centre; the standards of horticulture are high and the recent availability of Section 106 funds has allowed some significant capital improvements to ensure the facilities such as play areas are as up-to-date as possible. The present, and soon to be adopted revised management plan, is comprehensive and well developed and the standard of maintenance and management it has provided has ensured the Park has been maintained to Green Flag standard since 2005.

- 4.2.2 Management direction is guided by a series of long standing and well developed strategic documentation from 'Vision for Crawley', the Council's Green Space Strategy and the Park's management plan and this strategic approach is essential to underpin funding and management structures, whatever the future.
- 4.2.3 Despite all of this though, it does appear that certain aspects of the management planning are somewhat reactive. Income from the Nature Centre is considered high (£38,000 p.a. approx) and while this level of voluntary contributions demonstrates high support from visitors, it is a low figure when one considered the number of annual visits.
- 4.2.4 There is no doubt that non statutory local Authority services will soon be facing some of the fiercest calls for cost reduction in the coming years, and we therefore recommend that the Council reviews its charging policy and introduces some form of admission charge, perhaps through a 'Friends of the Nature Centre' scheme.
- 4.2.5 Across the country customer's aspirations as to their expectations and the quality of service they should expect places such as Tilgate Park are rising as the experiences they enjoy at more commercially minded leisure outlets shape their views of the service levels that should be the norm.

### **Preferred Option**

- 4.2.6 On balance, the preferred option is to continue to operate the service in house, however it is also recommended to develop a new commercially focussed management plan for the overall Park.
- 4.2.7 We do not, therefore, believe it would be appropriate to consider traditional market testing as a future option, mainly due to the fact that we doubt that any significant savings will accrue. We also feel it would be difficult to accurately record in a specification the full range of countryside management and animal husbandry activities in which the two sets of staff engage.
- 4.2.8 We do, however, believe it may be advantageous to form a Tilgate Park Trust at some time in the future, although we are of the opinion that this should not be considered before the fundamental decisions on the management ethos, which are discussed throughout this report, are resolved.
- 4.2.9 Set out below are therefore, a series of actions that we recommend are addressed before any move away from the present In-House operation is considered.

### **Key recommendations**

- 4.2.10 The strategic direction for the management of the park is strong. Crawley Borough Council has developed a robust Green Space Strategy and will shortly adopt an updated management plan for the Park.
- 4.2.11 We believe that a new commercially focussed management plan for the Park should be produced for a 3 year period, with clear financial targets. This should be based upon reducing the current subsidy by £50k each year for the 3 year period.

Depending upon the success of this approach, the Council may wish to consider the establishment of a Trust at the end of this period.

- 4.2.12 We believe the Council should review its decision not to charge for admission to the Nature Centre and rely only on voluntary contributions. While there is obvious appreciation and support for the Nature Centre from visitors, the level of income these contributions make is small when compared with the high level of visitors.
- 4.2.13 We believe significant additional income could be generated from an access scheme that charges a flat charge for casual visitors yet rewards local visitors through an annual membership scheme.
- 4.2.14 Benefits of annual membership could include:-
- Free entry all year (family members)
  - A Discount in the café and shop
  - Early notice of the Park's annual events programme
  - Invitations to special events in Tilgate park
  - Discounts to major events in Tilgate park
  - A quarterly monthly mailing of an e-newsletter
- 4.2.15 If it is assumed that of the 0.5 million annual park visitors, 0.3m visit the nature centre at least 5 times a year, then such a scheme could generate £300,000 if it achieved a 50% take up at an annual fee of £20 and all being families. With the remaining visitors being casual visitors at a charge of £4/£2 this would bring the operating cost of the park into surplus. Obviously various similar scenarios could be explored to determine a preferred charging policy.
- 4.2.16 However, these projections are only indicative at this stage. Related charging needs further investigation. This will need to be addressed in the new 3 year management plan. Although there are clear commercial opportunities, a balance needs to be found between the need to drive down the current subsidy and the current ethos of providing affordable and accessible green spaces to the local community.
- 4.2.17 A more proactive approach to future development initiatives should be adopted, as at present it appears new attractions are dealt with in a reactive fashion. We believe the management plan should include these and set achievable timescales for their implementation and likely revenue contribution.
- 4.2.18 Tilgate Park is certainly large enough, and possesses enough diversity across the leisure attractions it provides to warrant independent management, with separation from Crawley's other green spaces.
- 4.2.19 If not already done so, park management must review the operation of the café to explore the cleanliness issues, the dirty café benches and toilets and the erratic closing times that conflicted with the signage, all of which arose through the Viewpoint research programme.
- 4.2.20 Further franchising opportunities should be explored, which include:
- Establishing a dedicated gift shop

- Riding lessons in the stables area
- Adopting a city farm approach and increasing the educational programme
- Develop an improved and varied catering offer
- Assessing the opportunities for golf and other outdoor activities i.e. Go Ape
- Water based activities when the Tilgate lake is reopened
- Other formal and informal indoor and outdoor recreational activities (subject to invitation to tender).

### **4.3 Community Centres**

- 4.3.1 Overall, there is a good in house service that generates income for the department through providing FM services for other organisations, however it is believed that income maximisation of the actual centres has not been fully achieved.
- 4.3.2 The scores between the two management options reviewed are very similar, with neither one being an outright leading option. It should be further emphasised that the Trust option is limited to a partnership with Freedom.
- 4.3.3 A review of charging policy is recommended, taking into account the need to provide protected programming and pricing for community groups and special interest groups.
- 4.3.4 A systems thinking review (which we understand the Council has undertaken on other services) on the administration of the booking system could prove to be beneficial.
- 4.3.5 There is a need to develop a new service plan and seek to develop new partnerships with, for example, Youth Services. The plan would more closely align the service vision and priorities with the Council's corporate objectives.
- 4.3.6 Due to the current relationship with Freedom that the Council has established, it is suggested that the procurement issues are investigated in order to determine whether the Council can request from Freedom a financial proposal and method statement for the future delivery of the centres. This will enable the Council to fully assess the potential benefits gained through this extension of the partnership on both service delivery and subsidy position compared to the current in house provision.
- 4.3.7 We do not believe that there are any other providers that would be willing to operate the Community Centres on a stand-alone basis.
- 4.3.8 In addition, the costs of setting up an in house Trust would negate any potential savings in years 1-4.
- 4.3.9 A number of other service development opportunities have been identified by the management team which should be taken forward. These include:
- Greater utilisation of the Community Centres as venues for neighbourhood service delivery.

- Providing activity programmes and classes to meet local need and gaps. In particular structured classes to support children's holiday activities and adult health and fitness programmes are considered areas which could become self financing and sustainable. Although there would be social benefits of such programmes, within the current economic climate, the aim of such activities would be income generation to reduce the financial deficit.

#### **4.4 Adventure Play**

- 4.4.1 Overall from the evaluation of Adventure Play, there are no obvious external partners that could manage the service for the Council. There are limited NNDR and VAT benefits that a local trust could accrue. It is therefore recommended that the service remains in house.
- 4.4.2 Any changes to the service must take place following the introduction of a clear user identification process. We understand that this service is used by a number of "at risk" and/or excluded children. It is essential that the impact on users of any reduction of service delivery is identified, as many of these children will need support from other agencies/departments such as social services or other child support agencies.
- 4.4.3 Further investigation should take place in relation to the identification of potential new users i.e. adults, older children and the potential to provide facilities as part of corporate team building days.
- 4.4.4 It is important to set the service in context of the wider play offer delivered across the town. Further work is required to ensure that play opportunities across the borough are coherent and meet the overall corporate objectives of the Council. The role of adventure play needs to be clear.
- 4.4.5 The reconfiguration of supervised play services in 2008 and the launch of a new Venture Service resulted in service rationalisation and reduction. It is important that any change to the current service delivery is set in the context of this ongoing work.