



Gower Activity Centres Feasibility Study

EXECUTIVE SUMMARY - FINAL REPORT



Prepared by
Planning Solutions Consulting Limited
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Executive Summary

Over the past four months, Planning Solutions Consulting Limited has been working with the City and County of Swansea, on behalf of the Swansea Rural Development Programme's (RDP) Local Action Group (LAG), to develop a plan and business model to maximise the potential of the Gower Activity Centres: Ty Borfa and Ty Rhossili. Specifically, the brief has been to provide a robust feasibility study grounded on research, consultation and business modelling as the foundation for a practical plan of action to guide both subsidised and commercial opportunities at the Centres.

Gower Activity Centres represent a key component of Swansea Council's Poverty and Prevention Service. The Centres engage with a large number of schoolchildren, young people and families each year, offering a range of adventurous residential visits.

Swansea Bay continues to develop as a major visitor destination with its strong rural, coastal and city centre product. The area attracts over 4.6m visitors a year, supports over 5,674 jobs and contributes over £400m to the regional economy¹. The area's outstanding natural environment and the exceptional quality of the Gower landscape in particular are key strengths identified by visitors. Enhancing the visitor offer and growing rural the local economy depends not only on what the area has to offer environmentally but also the services and infrastructure available to contribute to the overall visitor experience. In addition to the services to school and other disadvantage groups, the Centres provide weekend group accommodation through its partnership with YHA.

Activity and adventure tourism continue to be recognised as a growing market opportunity. The relatively more benign coastal landscape makes Gower ideal for beginner, learner and young people's activities, with little use conflict at popular sites. Proximity to the city of Swansea and M4 is a significant market advantage but also perpetuates the view of Gower as a convenient day visit destination for activity groups. Discussions with potential partners demonstrates interest in future collaboration with the City Council with regards to the Centres.

¹ Scarborough Tourism Economic Activity Monitor (STEAM) 2016

GAC SWOT Analysis

| Strengths | Weaknesses |
|--|---|
| <ul style="list-style-type: none"> • Established local base market • High levels of user satisfaction • High quality in-house instructor team • Superb seafront location for Ty Borfa • Current markets are complementary (Schoolday/ Weekend and Term-time/ Holiday) • Committed management team • Positive service ethos • Links with national brand (YHA) | <ul style="list-style-type: none"> • Limited access to capital • 'Passive' approach to leisure/ tourism market • Brand awareness and value: limited web profile • Site footprints are constrained (especially Ty Rhossili) • Awkward access to Ty Rhossili (which is not in Rhossili....) • Ty Rhossili needs reinvestment if only to match Ty Borfa standard and deliver consistency • Annual budgeting • One primary client and source of funding |
| Opportunities | Threats |
| <ul style="list-style-type: none"> • Potential partnerships with high reputation operators • 'Walk-up' Activities for casual visitors • Pro-active approach to leisure market • Gower Dark Sky status • Differentiate the offer between the 2 centres to better suit location, capacity and configuration • Growing reputation of Wales for Adventure Activities • Move to self-catering 'house-party' option for some market segments • Continued investment in activities product in wider destination | <ul style="list-style-type: none"> • Other residential sites on Gower with stronger brand/ story • Continuing tightening of core budgets available for social/ learning outcomes • AONB location will limit range and scope of development • Product development and aggressive marketing of rival destinations – Pembrokeshire, North Wales, Cornwall |

| | |
|--|--|
| <ul style="list-style-type: none"> • Positioning of Gower as a place to learn activity skills • Develop particular specialisms/ themes for each site | |
|--|--|

Future Options

- A. **Proactive Status Quo** – retain management in-house but with a higher commitment to re-investment and diversification
- B. **Delivering the service in partnership** with an interested party as a joint venture
- C. **Enabling an interested party to deliver the service** on behalf of SCC through commissioning/ procurement

| | Option | Benefits | Constraints |
|---|--|--|---|
| A | Pro-active status quo | <ul style="list-style-type: none"> • Retain full management control • Strong organisational ethos and link to core markets • Retain current in-house expertise • Provide continuity | <ul style="list-style-type: none"> • Limited access to additional capital/ revenue via SCC or other public resources – improvement is likely to be incremental • SCC conditions of service and on costs have to be retained or renegotiated • SCC continuing to challenge delivery options for non-core services |
| B | Working in Partnership (Joint Venture 'Trust') | <ul style="list-style-type: none"> • Shared risk for budgeting, programming and activities • Access to external investment and innovation • Additional expertise in new and existing markets • Market strength of chosen partner brand and values • A number of candidate partners in the market with strategic fit | <ul style="list-style-type: none"> • Dilution of SCC GAC brand • Requires clear agreements and detailed planning • New ways of working may challenge SCC culture in short term • Length and scope of agreement needs to incentivise partner to commit and continue investment • Some impact on in-house employment |

| | | | |
|---|--------------------------------------|--|---|
| | | <ul style="list-style-type: none"> • SCC retains control of assets | |
| C | Enabled Partner delivery (Outsource) | <ul style="list-style-type: none"> • SCC retains ownership of assets but without business risk • Fixed and therefore predictable budget impact • Significant organisational experience of existing outsourcing models (e.g. Leisure Services) • Protection of core business can be included in specification/ Service Level Agreement • A number of candidate delivery partners in the market | <ul style="list-style-type: none"> • Difficult to build the optimum level of flexibility into management contract • Length and scope of agreement needs to incentivise partner to commit to and continue investment (10+ years) • Major impact on in-house employment (but TUPE should apply) • Loss of direct management input • SCC still bears some reputational risk |

Next Steps

The research and consultation demonstrate that the Gower Activity Centres are seen as providing an important service and facilities, which contribute to poverty prevention, building resilience and in providing group visitor accommodation on Gower. The Centres engage with a large number of schoolchildren, young people and families each year, offering a range of adventurous residential visits.

The investment at Ty Borfa means that the centre is delivering a quality experience. Proposals to develop new accommodation pods and extend 'pay and play' facilities on Port Eynon beach could make a significant impact on future revenue generation.

Action:

- **Develop an operational plan for the planned glamping pods at Port Eynon, including piloting the pods for independent travellers**
- **Develop a programme (including pricing and timetable) for enhanced 'pay and play' activities on Port Eynon beach to include new provision at Rhossili (on car park site)**

- **Establish a dedicated booking website for both accommodation and ‘pay and play’ activities**

The situation at Ty Rhossili is different in that significant capital investment is required to up-date the centre and make it fit for purpose. One option being considered is to change the offer at Ty Rhossili in the short term from a residential centre for school groups to a large house rental. The rationale is that this would reduce staff costs, with the additional rental generated at Ty Rhossili being used to subsidise service provision at Ty Borfa. Clearly, the centre would still need to meet its school bookings, which currently run until July 2019. In the short term further work is needed to assess this option.

Action:

- **Assess investment requirement to adapt Ty Rhossili for large house rental**
- **Develop financial projections for large house rental at Ty Rhossili**
- **Discuss proposal with YHA regarding the market for all-year-round exclusive hire**

The medium – long terms options and opportunities for Ty Rhossili will still require consideration. The building configuration would seem to indicate that re-development would be the sensible approach although any new development would not too sensitive to the local environment and landscape. Within the AONB, development must have regard to the purpose of the designation to conserve and enhance the natural beauty of the area. Critically, it needs to be of a scale, form, design, density and intensity of use that is compatible with the character and landscape of the area. Further technical work is required to consider the planning and spatial issues of any new development on the current site.

Action:

- **Develop an accommodation schedule for a new residential outdoor activity centre to cater for the schools’ market**
- **Generate concept drawings of the proposed new centre (RIBA Stage 1 / 2) for discussion with the planning department**
- **Assess capital costs and development structuring package for the proposed new centre**

The research and consultation have generated interest from a number of local and national stakeholders. Formal discussions need to take place to determine the level of interest and commitment to partnership working.

Action:

- **Establish City Council’s core aims and objectives in the form of a Partnership Prospectus**
- **Invite core partners to a round-table meeting to discuss feasibility study and partnership options**
- **Set out a set of questions for interested parties to respond to, e.g.:**
 - **operational experience**
 - **investment ability**
- **Establish a future vision for Ty Rhossili**

Appendix 1

Partnering opportunity to design and deliver outdoor learning centres in Swansea

Swansea City Council currently owns and operates 2 highly regarded outdoor learning centres, **Ty Borfa** in Port Eynon and **Ty Rhossili**, which offer day and residential visits, adventurous and curriculum based activity courses and outreach learning as well as providing group accommodation for the tourist market. Gower remains a premium destination within Wales for adventure activities as well as other forms of rural and coastal tourism.

The centres are managed by Gower Activity Centres (GAC), a key department within Swansea Council's Poverty and Prevention Service. The centres and programmes provide a positive life experience to children, specifically from within the city, who would not otherwise encounter such opportunities. Through taking part in a wide range of high quality outdoor activities, individuals can develop meaningful and positive relationships with others and the environment around them.

The City Council is now looking for active partners to enhance provision and explore future opportunities for its outdoor learning centres, including:

- Delivering the service in partnership with an interested party;
- Maximising the potential of the centres by creating experiences and facilities that are worthy of their unique locations.

Close to Worm's Head and Rhossili Bay, Ty Rhossili's current amenities and facilities on site do not match its world-renowned location. There is a genuine opportunity to create a new business model to sustain the overall service. The City Council is particularly keen on exploring partner investment to re-develop Ty Rhossili into a best-in-class residential facility.

We are flexible in terms of exploring different types of business and investment models. However, we are keen to ensure that the centres retain their core functions to local people, helping to cultivate skills of resilience, independence and self-awareness for participants.

A recent feasibility study undertaken by Planning Solutions Consulting Limited (PSC) identified a number of interested partners, who are keen to work with the council on taking the Gower Activity Centres to the next level. We are interested to hear from potential partners with proposals for partnering with the City Council to work with the two centres and, in particular, proposals for innovative development at the Ty Rhossili site including commercial opportunities.

This is a market testing exercise to explore partnership opportunities with a select number of stakeholders, who have previously expressed an interest in working with the Council.

In the first instance, interested parties should contact xxxxxxx for further details, format of the response and the indicative timescale.