

MAIDSTONE BOROUGH COUNCIL

CABINET

WEDNESDAY 11th FEBRUARY 2015

**REPORT OF HEAD OF COMMERCIAL AND ECONOMIC
DEVELOPMENT**

Report prepared by Marcus Lawler

1. A SUSTAINABLE FUTURE FOR MOTE PARK (ADVENTURE ZONE)

1.1 Issue for Decision

1.1.1 To consider approving the establishment of a pay-to-use leisure facility, or 'Adventure Zone' in Mote Park comprising: adults' and children's internally belayed high-course; Segway hire; adventure golf course; and climbing walls. To receive a further report on the provision of a café at Mote Park.

1.2 Recommendation of the Head of Commercial and Economic Development

1.2.1 That Cabinet approves the creation of a pay-to-use leisure facility in Mote Park. This will include: an internal belayed high course; internal belayed high course for children; climbing wall; adventure golf course; Segway hire facility.

1.2.2 That a capital budget of £790,000 is made available to deliver the project and that authority to spend the project budget is delegated to the Head of Commercial and Economic Development, in consultation with the Cabinet Members for Community and Leisure Services and Corporate Services, including the purchase and installation of the necessary equipment for the Adventure Zone.

1.2.3 That authority is delegated to the Head of Commercial and Economic Development to obtain the necessary approval and consents for the Adventure Zone.

1.2.4 That authority is delegated to the Head of Commercial and Economic Development to finalise and implement an operating model for the Adventure Zone in consultation with the Cabinet Member for Community and Leisure Services.

1.2.5 That Cabinet receives a further report detailing the proposals for the provision of a café in Mote Park.

1.3 Reasons for Recommendation

1.3.1 In June 2013 Cabinet approved the formation of Maidstone Culture and Leisure and delegated authority to the Director of Communities and Regeneration to develop proposals to create an Adventure Zone in Mote Park. This report sets out the proposals relating to the establishment of the Adventure Zone and the work undertaken to date.

1.3.2 The decision record from the June 2013 Cabinet shows:

3. That the principle of reducing the net cost of cultural and leisure services to the Council be agreed and delegated authority be given to the Director of Regeneration and Communities to progress the projects identified in paragraphs 1.3.7– 1.3.9 of the report of the Director of Regeneration and Communities and, in particular, agree:-

(iv) The principle of a Mote Park adventure zone, subject to the necessary approvals and consents being achieved.

(v) The possible provision of a new café and retail outlet for Mote Park to be considered as part of the Council's capital programme.

1.3.3 In order to ensure the robustness of the Mote Park Adventure Zone proposals a significant amount of work has been undertaken including market research, residents' and user surveys and a detailed financial appraisals.

1.4 Market research.

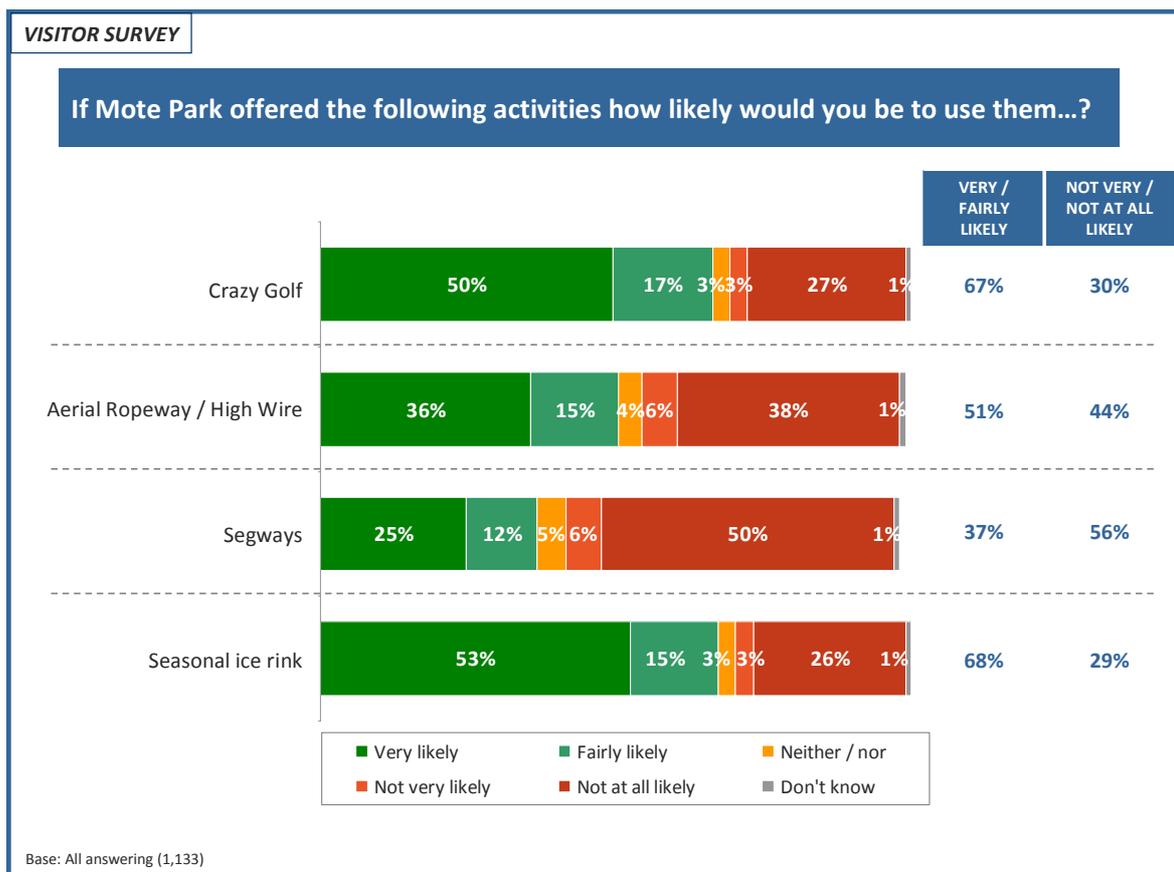
1.4.1 The first piece of research was focused on identifying a configuration of activities that would be suitable for Mote Park; and identifying the costs and revenue potential applicable to that model. This included liaison with other authorities and also Serco, the managing agent of the council's leisure centre who operate several similar facilities. Various options were identified and visited by the Parks and Leisure Manager. The recommended configuration would be based on the Adventure Zone owned by the National Watersports Centre in Nottingham. This is because:

- The internal belay design has a superior safety record when compared to traditional high ropes courses.
- The footprint is relatively small, which will minimise the ecological; heritage; and spacial impact on Mote Park.

- The configuration allows a greater flow of customers per hour than traditional designs, providing greater revenue potential and lower overhead ratio.

The Adventure Zone at the National Watersports Centre is operated by Serco and they have been helpful in providing operational and commercial data. This information has formed the first basis of the financial projections in the exempt annex.

1.4.2 The second piece of research focused on understanding the wants and needs of the users of Mote Park, and the borough’s residents. In particular they measured the appetite of the public to use the proposed activities. Lake Market Research was commissioned to undertake a face-to-face survey of users of Mote Park; a postal survey of a representative demographic sample of residents; and to publicly advertise an online survey. A total of x survey responses were completed and analysed. The full results are available in a consultation report, but the most pertinent data for defining a potential market can be summarised, as follows:



The average of those very or fairly likely to use the various activities (51%) was applied to the known number of visits which took place in

Mote Park last year (1.1m). It is therefore estimated that our maximum annual market would be 561,000 customer uses. For financial forecasting it has been assumed that the Adventure Zone will service ten percent of that number (56,100) with a phased increase to that figure over 3 years. This is in line with the National Watersports offering which serviced 41,000 customers in its first year of operation. This data formed the second basis for the financial projection in the exempt appendix to this report.

1.4.3 The last piece of research concerned pricing and competition. The location of the nearest potential direct competitors, and their pricing was identified; the results were as follows:

Activity	Location	Price	Comment
Children's high course	Aylesford	£5.95	
Adults high course	Essex	tbc	Operated by Essex County Council. It is currently being installed and prices are to be decided. Due to open summer 2015.
Segways	Shorne Woods, Kent Leeds Castle, Kent	£12 £20	
Climbing wall	Maidstone Tunbridge Wells Rochester	£6 £10 £12	
Adventure golf	Sidcup	£8 adults £6 children	

The final price schedule will be determined during the selection of the commercial model, in due course. This research shows that the prices currently charged at the National Watersports Centre would be the cheapest amongst the likely competitors. When weighed with the fact that the proposed Adventure Zone will already enjoy an existing passing footfall of 561,000 potential customers, it is considered that the National Watersports Centre prices would be achievable. They are:

Activity	Price
Children's high course	£5
Adults high course	£5
Segways	£10

Climbing wall	£4
Adventure golf	£6

This group of data formed the final basis for the financial projections in the exempt appendix.

1.5 Adventure Zone Proposals

1.5.1 The Adventure Zone will consist of adults' and children's internally belayed high courses; climbing walls; Segway hire; and crazy golf. Decisions on the exact layout and final siting will be taken following: a heritage impact analysis; ecological impact analysis; pre-planning advice; and commercial and operational modelling. These pieces of work would form the first phase of the project.

1.5.2 The activities will be co-located to facilitate a more efficient operation and it is intended that the Adventure Zone will be co-located with the proposed café and retail outlet, should it subsequently be approved. A separate report on the proposals for the café will be presented to Cabinet in March.

1.5.3 The total area required for the Adventure Zone and café combined will be no larger than 1.76 acres. This represents 0.38% of the total area of Mote Park.

1.5.4 The planned date for the Adventure Zone to be operational is July 2016.

1.5.5 Establishing an Adventure Zone at Mote Park support the council's commercialization strategy and medium term financial strategy by generating income to support the continued delivery of services. It will also enable investment in facilities such as the toilets and the café at the park, which were highlighted in the recent Mote Park user surveys conducted by Lake Market Research.

1.5.6 The Adventure Zone will improve the leisure and recreation offering within the borough and will be a boost to the visitor economy and promote Mote Park as a visitor destination. The Adventure Zone will promote physical wellbeing by encouraging physical activity in adults and children.

1.6 Alternative Action and why not Recommended

1.6.1 The council could chose not to approve the recommendations in this report but that would be contrary to the June 2013 Cabinet decision and would mean that none of the benefits set out in 1.5.5 and 1.5.6 would be realised. This would have particular implications for the

Medium Term Financial Strategy and the Commercialisation Strategy as alternative income generation would have to be identified.

1.7 Impact on Corporate Objectives

1.7.1 This project supports the delivery of the council’s Corporate Priority:

For Maidstone to be a decent place to live.

Continues to be a clean and attractive environment for people who live in and visit the borough.

1.8 Risk Management

1.8.1 A number of risks have been identified as part of the market research and these will need to be managed. A risk assessment of this project has been conducted and the risks identified will be managed as part of the formal project management arrangements.

1.9 Other Implications

1. Financial	X
1. Staffing	X
2. Legal	X
3. Equality Impact Needs Assessment	
4. Environmental/Sustainable Development	X
5. Community Safety	
6. Human Rights Act	
7. Procurement	X
8. Asset Management	

Financial Implications

1.9.1 The financial implications of the project have been reviewed and the exempt appendix details the set up costs, the capital requirement and the projected 5 year income contribution. The actual position in relation to the financial assumptions will be subject to the selection of the final design of the Adventure Zone and the operational model. The financial assumptions will continue to be reviewed as part of the project management arrangements.

1.9.2 Staffing - Depending on the final operational model, the Adventure Zone will require staff to be recruited and trained to operate it. This will be a combination of permanent and seasonal staff on full time and part-time engagements. The recruitment process will be undertaken in line with the relevant council policies and procedures.

1.9.3 Legal – Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 empowers the Council to provide such recreational facilities as it thinks fit either without charge or on payment of such charges as the Council thinks fit.

1.9.4 Environmental. Part of the project will include external analysis of the ecological and heritage impact of the Adventure Zone on Mote Park. The results of these analyses will be considered when the final design and siting is decided and the planning application is made. The Adventure Zone and proposed café area will require an area approximately 1.76 acres of Mote Park.

1.9.5 Procurement – The project will be undertaken in accordance with EU and UK public procurement rules as appropriate, together with the Council's Contract Standing Orders. Input from the Procurement team will be provided as part of the project management arrangements.

1.10 Relevant Documents

1.10.1 Appendices Financial projections (exempt).

1.10.2 Background Documents

- Commercialisation Strategy.
- Maidstone Borough Council Mote Park Consultation Report.
- Report of the Director of Communities and Regeneration June 2013.

IS THIS A KEY DECISION REPORT?

THIS BOX MUST BE COMPLETED

Yes

No

If yes, this is a Key Decision because: The budget required is in excess of £250,000.

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Wards/Parishes affected: All wards and parishes will be affected as Mote Park is the largest and most heavily used open space in the borough.

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