

# Malvern Hills District Council

## Capital Strategy 2003 to 2007

### Context Sheet

The Malvern Hills district lies in the south west of the County of Worcestershire, in the West Midlands Region. It covers 57,710 hectares with a 2001 Census population of 72,196, resulting in a population density of 1.25 persons per hectare. Flowing through the District are the River Severn, Britain's longest river, and the River Teme. The main towns are Malvern, Tenbury Wells and Upton upon Severn, which have populations of around 31,000, 3,000 and 3,000 respectively. The District's most visible landmark are the Malvern Hills, which have been designated as an Area of Outstanding Natural Beauty.

In the 2001 census the population of the district was estimated at 72,196. 21% of the population are within the 0-17 age group, 58% are within the 18-64 age group and 21% are aged 65 or over, with 3% of the total population aged 85 years or over.

Over the period to 2021, the population is expected to remain fairly stable in terms of overall numbers but become increasingly older. The district has an ethnic community population of 1.4% (2001 Census).

In terms of the types of employment, 30.8% of the people in work are employed in non-marketed services such as health and educational services, public administration and defence, and 27.2% are employed in distribution and transport. 16.5% are employed in manufacturing and 16.4% in business and other services.

The local workforce is highly skilled particularly in mechanical engineering, electrical engineering and the sciences. The largest employer in the district is QinetiQ, based in Malvern which employs approximately 2,500 people. Adjacent to this site is the magnificent Malvern Hills Science Park which continues to grow and allow for fledgling high technology businesses to reach their potential.

Of the six county districts, the district has the greatest proportion of small businesses employing 1-10 people with 87.0% of workplaces in the district employing less than 10 people. Only 0.8% of all workplaces employ more than 100 employees.

Unemployment in the district as a whole is 1.4%, which compares favourably with 1.8% in Worcestershire and 2.7% nationally. (Figures for March 2003).

Around 1.9 million visitors came to the district in 2000, comprising around 1.7 million day visitors and 0.2 million overnight visitors. Tourism plays an important part in the local economy with over 100,000 people visiting the district's Tourist Information Centres each year. The total annual spending by visitors to the area is estimated at over £59 million, and is estimated to support about 1,800 jobs.

Malvern Hills District Council is the only new shire district council created since 1974. It was formed in 1998 as a result of the re-organisation of the councils in the former county of Hereford and Worcester. The former Malvern Hills District Council had a population of about 95,000 (check???) people, and split into two parts, with the smaller part transferring to the new Herefordshire Council. The new council received part of the former Leominster District Council. The disaggregation of assets and liabilities was a complex matter and left the new council with substantially fewer capital receipts and a smaller capital programme.

The previous council was one of the first to enter into a voluntary housing stock transfer, under which its housing stock transferred to the new Elgar Housing Association in 1995. Interestingly, the former Leominster District Council also transferred its housing stock prior to 1998, and therefore the new Malvern Hills was created with debt-free status from the outset. The predecessor councils had both resolved that their surplus receipts should be re-invested in community assets, and the new council inherited a substantial programme of capital projects. That programme is now virtually complete.

Malvern Hills District Council has also been at the forefront of other innovative approaches to service delivery, outsourcing its leisure pool management in 1997, and the Martley Sports Hall management in 2001. The Council has been a major investor in the Malvern Hills Science Park, the Malvern Theatres redevelopment, Worcestershire Careline, and other projects and services. The Council has a strong track record of pursuing opportunities to secure investment in new areas of community development through partnerships and other approaches, and is committed to doing so in the future.

The Council has embraced the Government's modernisation agenda positively in recent years. It set up an Executive Board in June 1999 as a trial arrangement, and approved a modern committee system of political management in 2001.

In May 2003 the Council elections led to a change of political leadership within the Council, and the new controlling group, the LibDem/Green Group, is looking to decide its priorities following a period of community consultation in the late summer and early autumn of 2003. Subsequently the Council will align its spending programmes to reflect the new priorities, taking into account the available resources.

### **Financial Position**

Gross Revenue Budget for 2003/04	£25.511m
Net Revenue Budget for 2003/04	£ 7.331m
Revenue reserves on 31 March 2003	£ 2.2m
Available capital reserves on 31 March 2003	£ 6.3m

Of the £6.3m of capital receipts held on 31 March 2003, it is expected that the Council will use £3.7m to finance the capital programme for 2003/04.

The Council expects the following capital receipts over the period of this strategy:

2003/4	£1.1m
2004/5	£0.8m
2005/6	£0.5m
2006/7	£0.4m

## **Property Holdings**

### **(a) Operational Property**

36 properties with a total value of £7,240,000 and total GIA of 6,647 sq.m.

Includes:     4 administrative buildings in Malvern  
                  2 tourist information centres  
                  1 depot  
                  1 leisure pool  
                10 car parks  
                  9 public conveniences

### **(b) Non-operational Property**

27 properties with a total value of £ 4,830,000 and total GIA of 32,387 sq.m.

Includes:     9 industrial units  
                  1 industrial estate owned jointly with others  
                  3 industrial freehold reversions  
                  2 buildings leased to others  
                  2 theatres leased to others  
                  1 shop leased to others

### **(c) Infrastructure Assets**

4 properties with a total value of £4 and a total site area of 11,738 sq.m.

Includes:     1 industrial estate road  
                  3 other access roads.

### **(d) Community Assets**

20 properties with a total value of £ 590,000 and a total GIA of 838 sq.m.

Includes:     1 nature reserve  
                  3 areas of playing fields  
                  3 formal gardens/parks  
                  1 allotment site freehold reversion  
                11 areas of open space in residential areas.

#### Notes:

1. All of the assets were valued for balance sheet purposes on 1 April 2001, and will be revalued every five years on a rolling basis.

2. Condition surveys carried out in 2002/03 have identified a maintenance backlog of about £1,300,000.

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