

REPORT TO: Executive Board
DATE: 6 September 2007
REPORTING OFFICER: Strategic Director – Health & Community
SUBJECT: Groundwork Mersey Valley
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To agree a response to proposals from Groundwork Mersey Valley regarding the way their Service is organised.

2.0 RECOMMENDATION: That:

- i) The proposals to merge Groundwork Mersey Valley and Groundwork Wirral be supported in principle, but that the concerns raised in Paragraph 4.1 be forwarded to Groundwork and a response requested.**
- ii) The support in principle does not represent any financial commitment or support.**

3.0 SUPPORTING INFORMATION

3.1 Groundwork Mersey Valley was set up in 2001 as a new Trust with the transfer of staff from the former Mersey Valley Partnership, an organisation working with local people and other organisations on a range of environmental improvement projects. It was one of fifty such Trusts operating in England. Over the years its emphasis has changed, and now its major objectives are: -

- To promote the conservation, protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time activity with the objective of improving the conditions of life for socially deprived areas.
- To advance public education in environmental matters.

3.2 The Council has had a contractual agreement with Groundwork Mersey Valley since October 2001 and this terminates on 30 September 2007.

3.3 In 2006/07 the cost associated with this agreement was £78,620.

For 2007/08, in recognition that the agreement ceased at the half year stage the payment was halved.

- 3.4 Groundwork provide a number of services to the Council to support community groups and environment projects. In addition, they have worked well with the Council on the Neighbourhood agenda and won a number of awards. They have also attracted and levered in additional funding to Halton as they are able to apply for funds not accessible to other partner organisations.
- 3.5 Currently there are two Groundwork Trusts operating in Merseyside; Groundwork Mersey Valley covering the area of Halton and Warrington, and Groundwork Wirral covering the area of Wirral and Ellesmere Port and Neston. There was a Groundwork Trust for St Helens, Knowsley, Sefton and Liverpool but this went into liquidation in 2006. Nationally Groundwork have reviewed its operation and concluded that it needed to move to larger business units, with the merger of a number of Trusts.
- 3.6 The proposal, as it affects Halton is to merge Groundwork Mersey Valley and Groundwork Wirral into one organisation, and then to extend its remit to cover the whole of Merseyside. The new Trust (Groundwork Merseyside) would be operational from April 2008. Halton's views have been sought on this proposal, with the hope that it may be able to support the approach. Groundwork's view is that the smaller Trusts are not sustainable in business terms, nor geared up to taking a strategic approach to their objectives. An Extraordinary General Meeting of the existing Trust will be called seeking support for the proposals.

4.0 **COUNCIL POSITION**

- 4.1 In principle and in business terms the proposals appear to be sound. They recognise the financial climate and in particular the reliance on local authority financial support cannot be guaranteed. They offer the obvious economies of scale with the non-duplication of overheads, managerial spans, etc.
- 4.2 There are, however, some concerns.
- a) The new amalgamated organisation would give itself a remit to cover the whole of greater Merseyside plus Warrington and Ellesmere Port. Currently only Wirral and Halton/Warrington are funding through grants. By their own recognition Groundwork Wirral has recently struggled financially on top of the demise of Groundwork St Helens. There would need to be some proper assurances that a focus of attention was still on Halton.
 - b) As Local Authority funding for Groundwork reduces or dries up, they have, by necessity, become increasingly commercial in their

approach. Given the sub regional reach of the new organisation the Council would need to ensure that Grounwork's focus does not deviate and greater priority given to other areas.

- c) The Governance arrangements are unclear as far as Local Authority representation and influence is concerned. The organisation has Local Authority representatives as "members" but a Board of Trustees controls Strategy and Direction. Although this does seem a good commercial business structure, there needs to be some clarification on the role of Members.
- d) The proposals do not begin to suggest how the service will be monitored and how value for money will be assessed. Indeed, at present, we have not seen any firm business plan.

5.0 **POLICY IMPLICATIONS**

- 5.1 At this stage Halton Borough Council is being asked for its views on the proposals. It is suggested that 'in principle' support is given, but that the concerns raised in Paragraph 4.2 should be considered and a response provided by Groundwork. It is also proposed that in giving such support does not represent a financial commitment to Groundwork Merseyside. Current obligations have been met for 2007/08. The Council will have to consider its future ability to contribute to Groundwork as part of its budgetary process for 2008/09.

6.0 **OTHER IMPLICATIONS**

None.

7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 **Children & Young People in Halton**

None

7.2 **Employment, Learning & Skills in Halton**

Groundwork offer volunteer opportunities, particularly for those with learning difficulties.

7.3 **A Healthy Halton**

None

7.4 **A Safer Halton**

None

7.5 **Halton's Urban Renewal**

Groundwork focus on environmental improvements, particularly at neighbourhood level.

7.0 **RISK ANALYSIS**

7.1 Concerns are listed in Paragraph 4.2

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 None at this stage.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
A Vision for the Future	Grosvenor House	Howard Cockcroft, Operational Director, Culture & Leisure Services