

CITY OF PLYMOUTH

Subject: Councillor Call for Action - Budshead Trust
Committee: Cabinet
Date: 16 November 2010
Cabinet Member: Councillor Mrs Watkins
CMT Member: Director for Corporate Support
Author: Tim Howes, Assistant Director for Democracy and Governance
Contact: Tel: 01752 305403
E mail: tim.howes@plymouth.gov.uk
Ref:
Key Decision: no
Part: I

Executive Summary:

At its meetings on 6 and 27 October 2010, the Overview and Scrutiny Management Board considered a Councillor Call for Action with regard to the lack of core funding for the Budshead Trust, in the sum of £30,000.

The Overview and Scrutiny Management Board made a number of recommendations for consideration by Cabinet which are set out as an appendix to this report. In the meantime, many of those recommendations have been actioned in advance of this meeting, where Cabinet authority is not required.

Corporate Plan 2010 – 2013 as amended by the four new priorities for the City and Council:

The work undertaken by the Budshead Trust would contribute towards the Council's priorities to raise aspiration and reduce inequality.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

There is no financial provision in the current budget to meet such requests. The Community Grant Scheme is available to councillors, within given criteria, to allocate to community schemes.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

The Budshead Trust have identified community safety implications in the councillor call for action request considered by the Overview and Scrutiny Management Board.

Recommendations & Reasons for recommended action:

1. Cabinet notes the concerns regarding the Budshead Trust and the work already undertaken at a locality level to address some of those concerns and the opportunities for additional funding in the short-term.
2. Cabinet is unable to identify any additional funding from the Council (except the Community Grants Scheme at councillor’s individual discretion), to support the running costs of the Budshead Trust. The reason being that Cabinet is likely to receive a number of such applications and there are no financial resources available for this purpose
3. Cabinet will not support the granting of a temporary lease of the disused university sports facilities for the reasons set out by the Head of Capital and Assets in this report.

Alternative options considered and reasons for recommended action:

To meet the shortfall in funding, would require the virement of resources from other activities and alternative funding opportunities could be available as outlined in the report.

Background papers:

Reports to Overview and Scrutiny Management Board on the 6 and 27 October 2010.

Sign off:

Fin	SA/ Chs 031 0/51 120 10	Leg	TH0 000 8	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Tim Howes											

1.0 Background

1.1 Councillor Lowry submitted a Councillor Call for Action on 16 August 2010 relating to the Budshead Trust.

1.2 The summary of the issue presented was that –

‘The Budshead Trust provides invaluable support to young people in Ernesettle and in particular in the area of drug and alcohol misuse is at risk of closing after ten years of excellent work, due to the withdrawal of core funding.

Whilst it remains successful in achieving specific project funding, the lack of £30,000 of core funding puts those projects in jeopardy and may well require repayment of hard fought project funding received to date.

The withdrawal of core funding has already led to the closure of facilities provided for the Ernesettle community and as a direct consequence; there has been an increase in crime, particularly low level crime since June 2010.’

2.0 Overview and Scrutiny Management Board

2.1 At its meeting on 6 October 2010, the Overview and Scrutiny Management Board considered the Councillor Call for Action. Minute 45 of the Management Board is set out at Appendix 1. Further information was sought and the issue was further considered by the Management Board on 27 October 2010. The draft minute is attached at Appendix 2.

3.0 Budshead Trust

3.1 Budshead Trust has indicated that it needs £30,000 p.a. to meet its core costs (salaries, running costs) and that its current reserves are such that it will cease to operate shortly (within 2 weeks) without an immediate injection of funding. Consequently, consideration has focused on identifying in the order of £15,000 to secure the Trust’s future through to 31 March 2011. If successful, this would enable current services to be delivered and allow more time to address strategic issues and to explore potential funding opportunities.

3.2 Budshead Trust is in receipt of £15,288 from the Children and Young People’s Service for delivery of the ‘Locality Alcohol Support Initiative for Young People’ in the North West Locality. Discussions are ongoing as to whether any additional funding might be possible from this source. Initial indications are that this could only be possible if additional benefits, over and above those in the contract, could be identified.

4.0 Funding Possibilities

4.1 Discussions have taken place with a number of other service providers. All are sympathetic to the situation but it is clear that prioritisation issues and the impact of reductions in public sector funding that are currently being faced are significant factors in reaching decisions. The Community Safety Partnership has identified a one-off contribution of £500 subject to certain conditions being met, including the remaining £14,500 being identified to enable Budshead Trust to continue through to 31 March

2011 thereby enabling more time to either achieve a sustainable future or to agree an exit strategy. Plymouth BCU (the Police) has been approached and is considering opportunities to provide funding support, potentially up to the amount identified by and based on similar conditions to those of the Community Safety Partnership. The Primary Care Trust has also been contacted but has not been able to identify any support funding to date.

- 4.2 Budshead Trust made enquiries about support for core and project costs funding to the Ballard Trust in May 2009. The Ballard Trust considered this enquiry at a meeting in July of that year indicating that it was unable to support core funding but might be able to support project costs. No further progress was made at that time but it is possible that further consideration may be given. Budshead Trust has indicated that it has also previously approached other funders such as the Tudor Trust, Community Grants, Tesco, Lloyds TSB and Children in Need but without success. Budshead Trust does not actively fundraise and has relied upon funding from grant sources.
- 4.3 The Children & Young People 'Extended Services' Team has offered to meet with Budshead Trust with the purpose of undertaking a 'funding search' which could inform funding bids which they (Budshead Trust) could go on to write.
- 4.4 Contact has been made with 'Routeways' which, via a contract with the 3rd Sector Consortium as part of the 'Change-Up' programme, is delivering business support and advice to Budshead Trust. Routeways is supporting the Trust in carrying out a strategic review as required by one of their funders (Comic Relief) and has also indicated that it could offer 2-3 hours per week to support any further bids for funding or other business advice.
- 4.5 'Business in the Community' has been contacted to establish whether it is in a position to offer support but this is not currently possible. A Community Impact Manager is to be appointed and there may be scope in the future.
- 4.6 Plymouth University has been contacted and an immediate response was received from Plymouth Business School. Plymouth Business School is able to offer 'commissioned' services, including the preparation of funding bids and undertaking a cost benefit analysis through the 'Enterprise Solutions Service'. Given the current lack of finances, this is unlikely to be followed up at the present time but may prove beneficial in the future. Plymouth Business School is also exploring opportunities for community organizations to link to business student research capabilities as part of their studies. This will be in place fully next year, but is being piloted this year. However, cost benefit analysis may not be part of the suite of activities that students will be trained in to help community organizations but marketing/fundraising could well be part of the offer. Timescales and an assurance of certainty (i.e. that the project will continue) will be critical for any student led research i.e. as part of a dissertation. This would need to be agreed now for completion during the 2nd semester (i.e. Jan – Mar).
- 4.7 Each councillor has a small annual grant allocation of £1,750 to assist projects in the city. Councillors may 'pool' their grants with other councillors. The grants are for a wide range of groups and activities, e.g. vulnerable adults or children; young people; facilities for older people; community facilities; local environment projects; community safety; climate change. However, the current criteria identifies 'salary or routine administration costs' as an example of 'what's not eligible' under the Community Grant Scheme and as

such, it may be necessary to revise the eligibility criteria requiring Portfolioholder approval.

- 4.8 It is worth noting that some of the services delivered by Budshead Trust are not restricted to the Honicknowle Ward, e.g. the 'Young People's Alcohol Support Initiative' is provided for young people and service providers across the North West locality.

5.0 Disused University Sports Facilities

- 5.1 Following a suggestion that the Trust may be able to take a temporary lease of the disused University sports facilities to help them generate income, the Head of Capital and Assets was asked to comment.
- 5.2 The site is identified as a contingency site for the Energy from Waste Plant, whilst the preferred bidder's site continues to be without appropriate planning permission. As such, there remains a significant risk to the Council, should the site be required for the Waste Project, indeed any other alternative use, if the use is returned to that of playing pitches. As at present, due to the passage of time (greater than 5 years) since the sites last use as playing pitches, there would be no requirement to re-provide an alternative pitch facility, or to consult Sport England in the removal of the pitches.
- 5.3 As a result of enquiries with the Council's Area Planning Manager it is concluded that: If the Trust was to be granted even a temporary lease or licence of the site, for the use as sports pitches, upon the cessation of this use, should the site be required for alternative use by the Council, Sport England would need to be consulted and/or the pitch facility would need to be re-provided. Sport England has the authority to call a Public Enquiry, even if as Planning Authority the Council was minded to grant planning permission for anything other than playing pitches. In turn this creates the risk of sterilizing the site for any future alternative use or obliging the Council to identify and provide an alternative facility.
- 5.4 Due to the risks identified above it is not recommended that the Trust be offered a temporary lease of the subject site for use as playing pitches.
- 5.5 The Trust has been offered a 12 month licence to use the former sports hall.

6.0 Potential Reduction in Rental Costs

- 6.1 This issue has been raised with Plymouth Community Homes. Budshead Trust have 2,4 & 6 Hornchurch Road in Ernesettle on a nil rental and 8 Hornchurch Road on a rental of £2,250 per annum. Plymouth Community Homes has confirmed by email that it is happy to reduce the rental on 8 Hornchurch Road to a peppercorn rent to assist Budshead Trust in continuing their work within the community.

7.0 Summary Findings

- 7.1 Based on discussions thus far, the following is possible:
- Plymouth Community Homes has agreed a peppercorn rent on Budshead Trust's office premises. Precise details of the arrangement have yet to be agreed but assuming the peppercorn rent was £1 p.a. then this would amount to a saving of

£2,249 p.a. against core costs. Based on the final 6 months of the year then this could result in £1,125 towards the £15,000 target through to 31 March 2011.

- Assuming the Honicknowle councillors use their full annual entitlement to the Community Grant Scheme, then this would amount to £5,250 (3 x £1,750). If other North West Locality Ward councillors considered it appropriate to identify contributions then this would increase the available funding from this source.
- The Community Safety Partnership has identified £500 subject to conditions, including the full £15,000 being secured.
- Plymouth BCU (the Police) is considering opportunities to provide funding support which, if forthcoming, is likely to be subject to conditions including the full £15,000 being secured.
- Children & Young People's Service are giving further consideration to the possibility of additional funding subject to additional benefits being achieved. Potentially, this may result in some core cost savings.
- Further discussions are being held with the Ballard Trust.

MINUTE OF THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD OF 6 OCTOBER 2010

45. **COUNCILLOR CALL FOR ACTION - BUDSHEAD TRUST**

The Overview and Scrutiny Management Board noted the documentation which had been submitted in regard to the Councillor Call for Action (CCfA). The Chair drew Members' attention to the procedures for the meeting and reminded them that, having heard from the witnesses and debated the matter, they could come to only one of the following conclusions –

- Write a report setting out their findings and recommendations to Cabinet/a partner organisation as appropriate
- Decide that the CCfA matter is complex that needs further investigation and refer the matter to another body for more detailed scrutiny (refer it to the appropriate scrutiny panel or set up a task and finish group)
- Decide not to take any action

The Board then went on to hear from the witnesses scheduled to the effect that –

- (i) the Budshead Trust was a well-established community organisation which delivered youth projects in the north of the City which, although had a proven track record of successfully securing capital, had struggled to secure core funding and was now at risk of closure;
- (ii) in addition to delivering youth projects, the Trust had taken over two disused buildings from Plymouth City Council and brought them back into community use as an internet café, homework support club, youth club, drop-in centre, and a venue for councillor ward surgeries and police meetings;
- (iii) whilst the majority of the Trust's staff worked on a voluntary basis, £30,000 of core funding was required to cover the costs of a small admin team (including the Manager), paper and printing, rent (albeit peppercorn), utilities bills, insurance etc.;
- (iv) the majority of the Trusts' work focussed on drug and alcohol misuse, however, other unrelated projects were undertaken, one of which had involved working with young ladies in the area around teenage pregnancy;
- (v) if the Trust were to cease its operations there would be no provision of youth facilities in this area of the City;
- (vi) in order to try and save money, the Trust had cut back on its hours of operation since June. Evidence provided by the Police indicated that crime in the area had increased as a direct result and that 75 percent of that crime had been carried out by those within the ages of nine to 17;

- (vii) over £41,000 of funding had been made available to the Budshead Trust over the last three years from the Children's Services budget. Additional support had also been offered via the services of the Extended School's Co-ordinator who was qualified in submitting bids for fund raising and had been successful in pulling in £300,000 worth of funding this year;
- (viii) whilst the Trust had made numerous applications for funding to various organisations, including the Primary Care Trust, it was unable to apply to the larger consortia due to its size and budget not meeting the relevant criteria;
- (ix) the neighbourhood profile for Honicknowle supported the need for a youth facility of this type in the area given that –
- it had a higher number of residents aged 1-14 compared to the City average
 - it was demonstrating poor levels of educational attainment
 - it had high levels of antisocial behaviour
- (x) the social and financial benefits of the services provided by the Budshead Trust were shared by not only the City Council but the Police and health partners and had to far outweigh the cost of not being provided;
- (xi) four years ago the Trust had had reserves totalling £60,000. However, it had been using its reserves to support its core functions and was no longer able to do so;
- (xii) if core funding was not secured, the projects for which funding had successfully been bid could not continue and the money would have to be returned;
- (xiii) the Trust had incurred a £10,000 tax liability as a result of employing three members of staff who had claimed to be self-employed. Subsequent investigations had found this not to be the case;
- (xiv) the Police supported and commended the work of the Budshead Trust, working closely with them on various projects and community events, even funding one particular project to the sum of £2,000. Concern was expressed that the increase in crime would continue to escalate should the work of the Trust cease;
- (xv) the Trust hoped that by accumulating an asset base it would be able to generate an income and thereby become self funding. Negotiations with the Council's Head of Capital and Assets over temporary use of the disused University sports facilities had so far proven to be fruitless due to concerns about the site having been identified as a possible location for a waste to energy facility and the associated financial risks involved in reintroducing this site as a sports facility (even on a temporary basis).

The Board recognised that the Budshead Trust worked hard to provide an excellent service within the community. Members acknowledged that the cessation of this service would leave a gap which could result in an increase in crime and antisocial behaviour. However, the Board was mindful that other areas of the voluntary sector would be watching to see the outcome of this particular call for action and did not want to set a precedent to open the floodgates for similar bids for financial assistance. In view of its concerns over the Trust's governance arrangements, its ability to secure core funding and how it was going to continue to manage in the longer term, it therefore recommended to Cabinet that –

- (1) Phil Mitchell, as the Localities Manager, for the north-west of the City is urgently requested to take the strategic lead in working with high-level partner representatives to identify ways of supporting the Budshead Trust to enable, in the first instance, identification of core funding to deliver its current projects and then, in the longer term, to examine –
 - the Trust's governance arrangements
 - potential future funding opportunities

A report on how this is progressing with timescales be submitted to the next meeting of the Overview and Scrutiny Management Board;

- (2) the Trust takes up the Council's offer of assistance in preparing future funding bids and Officers contact the University on behalf of the Trust to see if it can offer similar support;
- (3) officers approach the University about undertaking a cost-benefit analysis to demonstrate the benefit of the work undertaken by the Trust and compare it to the cost of dealing with the problems that could arise in the neighbourhood should the Trust cease operating;
- (4) subject to the Community Grant Scheme criteria being met, the Honicknowle ward councillors be encouraged to donate their allocation to the Trust as a short-term funding solution;
- (5) the Council's Head of Capital and Assets is asked to investigate further the possibility of the Trust taking a temporary lease of the disused University sports facilities to help them generate income;
- (6) enquiries are made concerning a potential reduction in premises rental costs to the Budshead Trust.

(Councillor Wildy declared a personal interest in respect of the above item).

DRAFT MINUTE OF THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD OF 27 OCTOBER 201050. **Councillor Call for Action - Budshead Trust**

Further to minute 45, the Chair invited the Localities Manager for the north-west of the City to update the Board on progress. A copy of the interim report was tabled for Members' information, highlights of which included that –

- (i) focus was on identifying £15,000 to secure the Trust's future through to March 2011. It was hoped that this could be achieved through a number of actions including via the Community Grant Scheme (CGS) and a potential reduction in rental costs;
- (ii) in order for ward councillors to be able to donate their portion of the CGS to the Trust, the scheme's criteria for allocating funding would have to be changed and this would require a portfolio holder decision;
- (iii) the Budshead Trust had prepared a paper setting out details of costs in 2010/11 and the services it delivered to help potential funders gain a better understanding of their work;
- (iv) discussions with a number of potential funders were ongoing, including –
 - Services for Children and Young People, through the 'Locality Alcohol Support Initiative'
 - Community Safety Partnership
 - The Police
 - Ballard Trust
- (v) the Children and Young People's extended service had offered to meet with the Budshead Trust with a view to undertaking a funding search to help inform future bids;
- (vi) Plymouth University was able to offer commissioned services through Plymouth Business School to prepare funding bids and undertake a cost benefit analysis, however, this was unlikely to be followed up due to the current lack of finances;
- (vii) the Budshead Trust did not actively fundraise and should be encouraged to do so;
- (viii) the position regarding the possible temporary lease of the disused University sports pitches remained unchanged;
- (ix) Plymouth Community Homes had agreed a peppercorn rent on Budshead Trust's office premises;
- (x) potentially half of the £15,000 required had been identified to date.

A query was raised in regard to use of the CGS and whether, because the services of the Budshead Trust benefitted other wards in the north-west locality and not just Honicknowle, other ward councillors should be encouraged to donate their funding allocation. In response, Members were advised that officers would be happy to take this on board, however, this would be subject to the change in the allocation criteria being approved by the portfolio holder.

The Board thanked the officer for his report and congratulated him on the progress made to date.

Agreed that –

- (1) a further report be submitted to the next meeting of the Board on 24 November, 2010;
- (2) as a matter of urgency, the portfolio holder responsible for the Community Grant Scheme be requested to reconsider the eligibility criteria in order that it can be used for core funding.

(In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chair brought forward the above items of business because of the need to inform Members).