

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resource Committee
DATE	2 December 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Aberdeen Greenspace Trust Business Plan
REPORT NUMBER:	EPI/10/265

1. PURPOSE OF REPORT

The purpose of this report is to present Aberdeen Greenspace Trust's Five Year Business Plan (2010/11- 2014/15). The report requests that the Committee consider the allocation of third party contribution of Landfill Communities Funding based on Aberdeen Greenspace's new business plan.

2. RECOMMENDATION(S)

That Committee:

1. Note Aberdeen Greenspace Trust's Five Year Business Plan,
2. Agree to fund the allocation of third party contribution of Landfill Communities Funding to Aberdeen Greenspace Trust

3. FINANCIAL IMPLICATIONS

Aberdeen City Council provides 10% funding to environmental bodies which releases Landfill Communities Fund. The 10% funding from Aberdeen City Council will come from the Contributions to Environmental Bodies Budget, which is established for this purpose. It is estimated that this contribution will be in the region of £9,000 - £11,000. This amount is dependent on the amount of waste sent landfill by Aberdeen City Council.

The Landfill Communities Fund is regulated on behalf of the UK Government by ENTRUST, who undertake compliance auditing on an annual basis. Aberdeen Greenspace are Environmental Bodies registered and approved by ENTRUST with the long track record of satisfactory compliance.

4. OTHER IMPLICATIONS

Aberdeen Greenspace is an independent organisation and if no funding is forthcoming from the Landfill Communities Fund, it may choose not to proceed with funding and delivering projects in the City. This may restrict the ability of the Council to deliver the City's environmental strategies and policies.

If the remaining third party contributions for LCF is not distributed for this financial year, the funding from ENTRUST will not be released for use in Aberdeen.

An important strength and opportunity for Aberdeen City Council offered by Aberdeen Greenspace is the ability to use their funds as leverage to attract much larger funds, such as matching European funding sources. The Trust is interested in working as a partner in European Funded projects.

5. BACKGROUND/MAIN ISSUES

Aberdeen Countryside Project (now Aberdeen Greenspace Trust) was established in October 1997 through an initiative of Aberdeen City Council, in partnership with Scottish Natural Heritage and the Forestry Commission. These three public bodies were the initial subscribers to the Company which is Limited by Guarantee.

The purpose of establishing Aberdeen Countryside Project was to access to Landfill Community Funds not available to the Council so that projects which enhance the natural environment in and around Aberdeen and improve access to it could be delivered. By contributing the 10% third party contributions necessary to release Landfill Communities Funds, the Council has released additional funds for these purposes.

Aberdeen Greenspace Trust's (the Trust) established a business model which involved managing its reserves or endowment to generate dividends and capital growth. The income generated, just as similar organisations may have used initial capital reserves to purchase capital assets with which to generate income, is then used to cover operating costs while generating further income through match funding and leverage.

A report to the Finance and Resources Committee of 11 March 2010 summarised the applications by Aberdeen Forward Limited (which was approved) and Aberdeen Greenspace Trust for Landfill Communities Funding (LCF) for 2010/2011. Aberdeen Greenspace Trust's application was rejected by the committee as it did not provide an Expenditure Plan for all unused funds. Aberdeen Greenspace' expenditure plan submitted showed that a reserve of £640,535 in March 2012.

The Council has previously indicated that it wished to see the invested reserve deployed into community projects in Aberdeen; this was an intended condition of a five-year funding commitment made by the Council to the Trust in 2003.

In response to the committee's decision, the Trust's chair, chief officer and board representative met with the Council's Chief Executive, Council Leader and Deputy Leader on 22nd September 2010. At the meeting, it was emphasised that Aberdeen Greenspace needs to become financially less dependent on LCF. The Council requested the Trust prepare a five year business plan outlining how this will be achieved and also address the Trust's reserve.

Analysis of the five year business plan finds that the Trust aims to increase external funding resources, employ a project funding officer and improve partnership working with businesses, community and the Council. Through these aims, the Trust intends to broaden its scope of projects and increase its range of work, working in partnership with Council and other bodies to source, or lever in additional funding and reduce the dependency on Landfill Community Funding.

The Trust has set a target of raising a minimum of £100,000 per year external funding, for specific projects. These projects are identified in the business plan. The recruitment of a Project Development Officer will be investigated as a volunteer, secondment or through a short term contract. This will entail working closely with the Council and partner organisations to identify potential projects and to ensure that the projects are delivered on time and that external grant conditions are met.

The Trust recognises that Landfill Communities Funding is still an important funding stream. At its meeting on 13 February 2007 the Trust's board decided that it would seek new environmental projects that would make a significant contribution to the charitable objectives of the Trust, on which to spend the reserve, while at the same time seeking other income streams to support its work. It was agreed to spend £145,000 on projects annually over and above the routine costs of the organisation. This will reduce the reserve over the next 10 years.

Aberdeen Greenspace has been a key partner throughout the development and delivery of the City's Core Paths Plan, Open Space Audit and Nature Conservation Strategy.

Although preparation of the Core Paths Plan is a statutory responsibility of the Council, its delivery on the ground is not. Since 2008, the Trust has worked with the Council's officers to deliver funding, leverage and community engagement. It has facilitated and delivered good quality works on the ground, including new and upgraded paths, signage, interpretation and other greenspace improvements.

The skills and experience of the Trust has been valuable in terms of their contribution towards the completion of the Open Space Audit and development of the Open Space Strategy. This input, gained at no cost through good partnership working, may otherwise have resulted in engaging consultants to offer a similar service.

The Trust has been proactive in working with Neighbourhood Community Planning Officers, employing a 'can-do' attitude to identify and take forward early project opportunities and 'quick-wins' with communities, in response to the Open Space Audit's findings. The service they provide will be important in delivering the forthcoming Open Space Strategy and maximising the opportunities to meet shared objectives.

The Trust along with East Grampian Coast Partnership is now working with the Council to deliver parts of the South Aberdeen Coastal Regeneration Project.

The Trust's business plan emphasises the importance of partner projects with stakeholders, communities and the Council. As demonstrated by previous projects, the Council by working in partnership with the Trust has the ability to implement its policies including the requirements of the Single Outcome Agreement in the current financial climate.

6. IMPACT

Aberdeen Greenspace Trust is an important partner in delivering key Council environmental strategies and policies. They are a key funding body for communities but also have the ability to deliver city wide strategic and partner projects.

The Trust can assist the Council to deliver the Single Outcome Agreement requirement "We value and enjoy our built and natural environment and protect it and enhance it for future generations".

A full equality and human rights impact was not required, as this proposal will have a positive impact for all the equality target groups.

7. BACKGROUND PAPERS

EPI/10/073 - Landfill Tax Credit Funding 2010-2013, Finance and Resource Committee 11 March 2010
Aberdeen Greenspace Trust Limited Five Business Plan 2010/11-2014/2015

9. REPORT AUTHOR DETAILS

Andrew Win
Senior Sustainable Development Officer (Natural Environment)
andrewwin@aberdeencity.gov.uk
01224 523378