

## **FORMATION OF A GROUNDWORK TRUST FOR THE THAMES GATEWAY SOUTH EAST AREA.**

### **1 SUMMARY**

- 1.1 The purpose of this report is to ask Members to determine whether or not the Council should become formally involved in the formation of a Groundwork Trust.

### **2 BACKGROUND**

- 2.1 At a meeting of this Committee held on 6 April 2004, it was agreed that the Council would support in principle the creation of a Groundwork Trust and that officers would participate in the formulation of a business plan. In order to remind Members of the purpose of a Groundwork Trust, the original report is attached as Appendix 1 to this report.
- 2.2 It was originally intended for a new Trust to be launched on 1 April 2005. This has not been possible and the revised target date is now 1 April 2006.
- 2.3 Since the original report to Members, the business plan has been re-evaluated and significant reductions in cost estimates have been agreed. The Essex County Council has agreed a level of funding, as have the East of England Development Agency. In addition, some private sector funding has also been pledged.
- 2.4 As a result of the above, the proposed contribution from Rochford is now £10,000 per annum over six years, index linked as opposed to the original proposed £30,000 per annum over six years.
- 2.5 The new business plan has been discussed at a meeting of the Thames Gateway South East Chief Executives. They have asked for a further review of administrative costs. They have also agreed to discuss the concept of a reduced contribution from smaller authorities at a future meeting.
- 2.6 It is necessary to try to put a bid into the Office of the Deputy Prime Minister for match funding by 30 June 2005.
- 2.7 When this issue was previously considered, Members were anxious to ensure that the creation of a Groundwork Trust would not have a detrimental effect on or duplicate the work of the Essex Conservation Trust.
- 2.8 A representative of the voluntary sector has been involved in discussions on the business plan and the proposed Government arrangements of the

proposed Trust. Care has therefore been taken to ensure that the concerns expressed by Members have been taken into account in respect of the voluntary sector as a whole.

### **3 POSSIBLE ADVANTAGES/DISADVANTAGES OF A TRUST**

- 3.1 As previously reported, the main advantage of a Groundwork Trust is that it may be able to lever in more resources than would be achieved by Rochford working alone on key projects. This could be of particular benefit in respect of the Cherry Orchard Jubilee Country Park project.
- 3.2 The main disadvantage for the Council is that the type of resource generation mentioned above may not be achieved and the contribution made by the Council would benefit the Thames Gateway as a whole, as opposed to Rochford specifically.

### **4 RESOURCE IMPLICATIONS**

- 4.1 Should Members be minded to support the proposal it will be necessary to commit to a maximum of £10,000 per annum from 2006/07 index linked for a period of six years.
- 4.2 The above sum may be reduced following discussion by the Chief Executives of the Thames Gateway South Essex Area.
- 4.3 If the Trust is successful in leveraging in additional resources to that which Rochford could achieve on a stand-alone basis, there could be a positive return on the above contribution.

### **5 RISK IMPLICATIONS**

#### **5.1 Strategic Risk**

Development of the Green Grid is a major objective of Thames Gateway South Essex Area. A Groundwork Trust would be a key player in providing resources. Rochford could, therefore, be in a less advantageous position if it were not a partner.

#### **5.2 Operational Risk**

Firm management control of a prestigious initiative such as Cherry Orchard Jubilee Country Park would be required in order to ensure quality of finished product.

### **6 PARISH IMPLICATIONS**

- 6.1 The Groundwork Trust would be able to operate across the whole of the District.

**7 RECOMMENDATION**

7.1 It is proposed that the Committee **RESOLVES**

That the creation of a Groundwork Trust for the Thames Gateway South Essex Area be supported and that this Council contributes up to £10,000 per annum from 2006/7, index linked for a period of six years.

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**Background Papers:-**

None

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