



CAI.09 11/12
Challenge and Improvement Committee:
Date: 1 September 2011

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Subject: Gainsborough Adventure Playground Association

Report by:	Director of Strategy and Regeneration
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Purpose / Summary:	To provide Members with a detailed update as to the position regarding Gainsborough Adventure Playground Association.

RECOMMENDATION(S):

Members consider the information presented in the report and determine whether they wish to make any further recommendations to any of the Council's Committees or take any further action.

IMPLICATIONS

Legal:
None arising from this report.

Financial :
None arising from this report.

Staffing :
None arising from this report.

Equality and Diversity including Human Rights :
*NB: A full impact assessment **HAS TO BE** attached if the report relates to any new or revised policy or revision to service delivery/introduction of new services.*

Risk Assessment :
None arising from this report.

Climate Related Risks and Opportunities :
None arising from this report.

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?

Yes

No

Key Decision:

Yes

No

1 Introduction

- 1.1 Members have asked officers to work with Gainsborough Adventure Playground Association to understand their current position.
- 1.2 Reports in the press and a campaign to 'save GAPA' which has been running for some months have highlighted that there are significant issues around the ongoing funding for the community association which West Lindsey District Council members need to better understand .

2. Historical Position

- 2.1 Gainsborough Adventure Playground Association has been operating an adventure playground in the Park Springs area of Gainsborough for 35 years. They also run a number of ancillary activities including;
- Support to individuals affected by Domestic violence
 - Health activities – health eating / cooking / allotment and Exercise classes
 - Diversionary activities to prevent anti social behaviour.
- 2.2 Over the years GAPA has enjoyed good support from a variety of public bodies and has been successful in applying for grant funding from the Lottery and other grant-giving bodies.
- 2.3 However the changes in central government funding programmes and the impact of the wider financial climate are likely to impact on the Association and it is timely that West Lindsey District Council considers the position. Especially in light of its support to Localism and in recognition of the important and worthwhile work carried out by GAPA in one of West Lindsey's most deprived communities.

3. West Lindsey Financial Support

- 3.1 WLDC has financially supported GAPA for many years but in 2008 took the decision, as part of the review of budget priorities, to reduce its grant to GAPA over a 3 year period from £30K per annum to £0.

	9/10	10/11	11/12
Original Proposal	£20K	£10	£0
Revised	£30K	£15K	£0

- 3.2 Public protest and support led to the decision by Members to reinstate the grant in full for 2009/10 reduce it to £15K in 2010/11 with nothing from April 2011 onwards.

- 3.3 It was agreed that, when this business plan was available, WLDC would look at what was being proposed and consider what its future relationship with GAPA would be.
- 3.4 The Business case has been considered by Leaders Panel in August 2010 and officers were charged with continuing to work with GAPA and its Board to strengthen the Business Plan approach and to provide comprehensive information as to their financial position. This work has been ongoing and the following detail provides Members with the current position.

4. Financial Position

- 4.1 From the analysis undertaken it can be seen that in 2005/06 GAPA was an organisation reliant on grant income to fund around 90% of its operating activities, this position changed significantly to 67% in 2008/09, the end of 2008/09 also represents the year in which WLDC announced its funding cut. From this point GAPA has moved to a position where in 2010/11 over 50% of its income was earned.
- Despite reductions in grant funding over the period amounting to circa £56,000 (LCC £30k, WLDC £15k, 'Sure start' £12k) these changes in financing have been achieved without making significant reductions in overall expenditure and instead result from a change in the activity undertaken.
- 4.2 This has been achieved through undertaking a variety of income generating activities and by providing services/utilising staff in a different way, for example;
- Introduction and development of morning 'Playgroup' sessions (now fully booked),
- On site café (operated by existing staff with support from volunteers),
 - Office space rental,
 - Hire of facility,
 - Hire of staff,
 - Holiday 'cubs',
 - Fundraising activity.
- 4.3 In addition other grant funding has been brought in 'Children in Need' £10k for two years and further work is being undertaken to attract additional funding.
- 4.4 The table below shows the relative incomes and costs of the various activities undertaken by GAPA during the financial year 2010/2011.

	Activity					
	Overhead / fundraising	Open access 5 -14	Playgroup 2 - 4	Groups 0 -2	Holiday club	Hire, food and trips
Earned income	(43,500)	(5,170)	(35,930)	(1,190)	(240)	(14,750)
Grant / SLA	*(54,800)			(22,020)		
Expenditure	*67,440	30,120	34,320	23,520	4,050	10,500
Net (Surplus) / deficit	(30,860)	24,950	(1,610)	310	3,810	(4,250)

* includes £25k 'Surestart' grant towards the direct administration of the services they fund

4.5 Over the period 2006 – 2011 GAPA has seen an increase in visits of 21% (from 10,268 to 12,451). However, in 2009 the introduction of a registration fee resulted in a reduction of 12% (1,600 visits) in user visits.

4.6 It should also be noted that GAPA have changed their legal structure from an unincorporated charitable association to a limited company charity.

4.7 Overall therefore the organisation has made considerable progress in diversifying their financial position by creating income opportunities and reducing their previous dependency on grant funding.

5. Vulnerability

5.1 There is the potential that the cuts to local government funding could have a more dramatic effect on the delivery of services at GAPA than had been predicted in the business plan.

5.2 The key risks / issues facing GAPA can be summarised as;

- Uncertainty over £40k 'Surestart' funding
- Lloyds TSB £15k funding now ceased
- Potential loss of staff as a result of the uncertainty
- Redundancy process currently underway
- Risk of damage to premises if a facility widely recognised as a 'community asset' becomes unavailable

5.3 These issues are being managed and the information below should provide reassurance to Members as to the proactive work being undertaken by GAPA and the value which it is seen to provide to the community. However, if GAPA is to continue there will need to be ongoing financial support in place.

6. Other Public Sector Views

6.1 Lincolnshire County Council

Having spoken to a number of officers within LCC and their agents it is clear that opinion varies as to how GAPA should be funded in the future, however, it is also clear that the work GAPA do in the community is seen as being of great value and is something they wish to see continue.

To support this officer time has been devoted by LCC to further support GAPA's transition from a grant funded organisation to one which provides valued and charged for services – although due to the area in which the facility is located and the user demographic it is also recognised that this is likely to remain a subsidised service.

6.2 Gainsborough Town Council

The Town Council have appointed a 'member champion' for GAPA (Cllr Mark Binns) who is also keen to ensure the long term survival of the facility. To this end work is being undertaken to provide ongoing financial support to GAPA of circa £5k pa (equivalent to £1 per Band D property).

It is his intention to encourage other partners to contribute in a similar way to ensure the long term sustainability of the facility.

6.3 Police

A conversation with the local area Police team has identified that GAPA serves an important community purpose and is well used and appreciated by the local community.

There are a couple of aspects to this firstly it is a safe place for children to go to and secondly it offers support and help to parents that they might not seek and receive from other organisations. The premises are only subject to low levels of criminal damage which suggests that the local community respect and value what they do.

In addition the diversionary activities that GAPA provides no doubt help to contain some of the problems of criminal damage and antisocial behaviour those are already present in the area.

7. Move to sustainability

7.1 As described above GAPA have already made significant strides towards reducing their reliance on 'Grant' funding and are making further efforts to generate additional income and reduce its reliance on grant funding.

7.2 The activities shown below are at various stages of development and may or may not result in sustainable income streams; however, from a financial perspective the Council feels it demonstrates the commitment being shown by a relatively small organisation to ensure its long term survival

- Developing the business case for expansion of the chargeable playgroup service (currently morning sessions only) in to 'childcare' provision with options to provide afternoon sessions and breakfast / lunch services for those desiring full day service,
- The 'Holiday cubs' service has been revised and re-launched following production of a business case and marketing literature which has been distributed prior to the summer break,
- Development of links to local schools and associations e.g.
 - Trent Valley Academy usage of GAPA facilities to provide practical activities
 - Trent Valley Academy undertaking 'fundraising' activities
 - St Georges primary school – provision of curriculum based diversionary activities
 - YaSiG (Young and Safe in Gainsborough) delivering services from the GAPA premises one day per week to reduce operating costs

7.3 Other proposals which are being consideration include the development of:

- A 'funded' 2 year old service to supplement the existing playgroup offer
- A City farm
- Provision of services within primary schools
- Potential to establish facilities elsewhere
- The selling of expertise to other providers

7.4 GAPA are also looking at reintroducing a 'registration' fee although careful consideration is required to avoid either driving away those most in need of accessing the service or suffering similar levels of unrest and abuse to that experienced in 2009.

8. Conclusion

8.1 The staff / trustees from GAPA are more than willing to show any Councillors or Officers around the facility and would also be happy to meet with representatives to discuss the position.

8.2 During the time spent by officers at GAPA it has become clear that staff at the facility feel somewhat demoralised but are nonetheless committed to providing the best possible support to the community and are extremely keen to work with WLDC and LCC going forward.

8.3 It is also clear that GAPA not only provides a significant level of support in terms of delivering our Corporate Plan, but that they are also an example of the 'Big Society' in action with high levels of volunteering, community support and fundraising activity.