
REPORT TO:	FINANCE and MANAGEMENT COMMITTEE	AGENDA ITEM: 9
DATE OF MEETING:	15th FEBRUARY 2018	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (SERVICE DELIVERY)	OPEN
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SUBJECT:	ENVIRONMENTAL EDUCATION SERVICE: SERVICE DEVELOPMENT PROPOSAL	
WARD(S) AFFECTED:	LINTON	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That a grant offer from Veolia UK of £55,890 towards the cost of £69,862 for a project to install dipping platforms and science related play facilities at Rosliston Forestry Centre is approved.
- 1.2 That the applications to finance the funding shortfall are supported.

2.0 Purpose of Report

- 2.1 To report details concerning a grant application and subsequent offer from Veolia UK to finance a service development at Rosliston Forestry Centre, together with the subsequent financial implications and potential risks /benefits of accepting the grant. The recommendations were considered and approved for referral to the Committee by the Environmental and Development Services Committee on 25th January 2018.

3.0 Detail

- 3.1 Business income to the Environmental Education Project has suffered in recent years through the loss of pond dipping facilities which were popular with schools and generated income for the service. Veolia UK funded a new pond in 2015 and have now offered a grant to support the installation of dipping platforms and some science education play equipment.
- 3.2 The grant offered is £55,890 out of a total project cost of £69,862 However, to comply with the operation of the Land Fill Community Fund, the Council is required to pay 10% (£5,589) to guarantee the funding being paid; this is standard practice.
- 3.3 Acceptance of the grant would include a commitment to raise the remaining funds of £13,972 for the project and the fee of £5,589 to the landfill operator (Veolia) totalling £19,561.

- 3.4 The Environmental Education Project team are in negotiation with 3 potential funders to fill the gap between the grant award and the total cost of the project. The National Forest Company have indicated that they are likely to fund around 25% of the shortfall or at least a minimum of £2,000. They have promised a quick turnaround on the application which was submitted in December 2017.
- 3.5 An application for £10,000 has been submitted to the Big Lottery 'Awards for All' fund. The outcome is expected shortly and other options are also being explored.
- 3.6 If the proposal to introduce pond dipping is approved, the Council will need to identify resources in the interim to finance the potential shortfall in order to secure the support of Veolia and the National Forest Company. Ultimately, these resources may be required in the longer-term if other funding applications are unsuccessful.
- 3.7 The risk is that in doing so, the remaining Environmental Education Projects Reserve, which is generally used to supplement such projects, will be almost fully used (*see Section 4, Financial Implications*). This could then affect the sustainability of other projects from 2018-19 if other external funding is not generated.
- 3.8 However, this particular project would help to improve the business generating resources of the Service. Pond dipping is expected to bring in a minimum of £3,000 per year (1 visit @£100 x 30 per year). This is considered to be a prudent estimate based on previous experience and recent requests for the activity.
- 3.9 The Service continues to seek grant funding for other parts of the Team's work in order to cover core costs and contribute towards reserves. For example, there is another application pending (for the Heritage Trail) which would reduce the reliance on reserves for 2017-18 and 2018-19.
- 3.10 The team have a good track record of raising the funds needed to ensure their contracts can be delivered and extended and occasionally using reserves for capital projects is a key part of that.
- 3.11 Developing the business further by using reserves to create an income generating resource is considered a risk worth taking for the future of the project and this report is part of a creative strategy to resolve the on-going sustainability of project work.

4.0 Financial Implications

- 4.1 As highlighted, the Environmental Education Service is reliant on external funding to deliver its project-based work. The net cost of the entire Service is £70,000 per year and this is included in the Base Budget of the Council.
- 4.2 The Committee also has access to an earmarked reserve to help subsidise and meet the costs of delivering the various projects should external funding not be generated. This Reserve has gradually been drawn down in recent years and has been highlighted as a potential risk in the Committee's Budget.
- 4.3 As reported to the Committee on 4th January, it is estimated that the level of the Reserve will be approximately £25,000 by 31st March 2018. This is assuming a drawdown of £12,000 in 2017/18 to finance other committed costs.
- 4.4 If the remaining reserve is used to finance the shortfall of the cost of this capital project (£19,500 less £2,000 committed by the National Forest) this will leave only a small amount (£7,500) in the Reserve without other funding being generated.

- 4.5 The cost of project work is currently £10-15,000 per year and this is the amount required each year, not funded by the Council, to finance specific projects. As previously reported, this becomes at risk in any case from 2019/20 without on-going external funding.
- 4.6 Current Environmental Education Project staff, who are employed to deliver specific projects, have contracts until the end of March 2020. A commitment to finance this particular Project would bring the sustainability of other projects into question much sooner if the full cost is not met externally.

5.0 Corporate Implications

- 5.1 Turning down the Veolia grant would make it difficult for the Council to reapply to Veolia in future for any other projects.
- 5.2 Raising Aspirations is an important part of Corporate and Service Plans. Making Science Education engaging and fun through pond dipping and play activities (Science Trail) is a key element to raising aspirations amongst our young people and encouraging them to be interested in science.

6.0 Community Implications

- 6.1 The engagement of young people and families in Pond Dipping has always been one of the most popular and successful ways of engaging people with nature and encouraging them to value and look after their local environment.
- 6.2 This resource will enable this activity to be offered again in South Derbyshire and benefit local schools which struggle to maintain their own ponds and family groups who continually ask for pond dipping as part of the summer programme for families. There is support for the project within the community including documents submitted to Veolia as part of the successful application.