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GROUNDWORK KEY FACTS

Thirteen Groundwork
Trusts in the
Northwest
1,200 projects
annually
Almost £30m
turnover
Around 560 staff

What's the future for Groundwork? The URSUS study explained

In the Spring, the Northwest Regional Committee of Groundwork (made up of the Chairs of each Groundwork Trust in the region) took the decision to commission a consultancy, URSUS, to look at the future structure of Groundwork.

The report aimed to do the following:

- Examine the role of Groundwork in the region, looking particularly at where we should focus our efforts
- Identify the opportunities that exist for us in the future
- Develop a list of options for how we could be structured (number of Trusts, and areas which each should cover) and make recommendations

In doing this, the URSUS team analysed statistics and strategies for the region, and consulted a wide range of stakeholders.

This briefing for partners of Groundwork outlines the report's key recommendations.

A stronger, more effective Groundwork



Groundwork is 25 years old this year. We began life in this region in 1981 in St Helens. Back then, did anyone guess that a quarter of a century later there would be 13 Groundwork Trusts in the Northwest with a turnover exceeding £30m?

It's been an extraordinary success story – and I believe we face another 25 years of success. There are many opportunities for Groundwork, but also many challenges. Many changes are happening around us in terms of funding, and also internally, as the government has directed us to change the way we allocate the ODP core funding.

That's why we've commissioned the URSUS report which looks at the state of the region, the trends of the future, and outlines a number of options as to how we organise ourselves.

We must make sure that we are structured in a way that means all Groundwork Trusts in the region are financially sustainable, while still delivering the local engagement that is the

hallmark of our success.

We must make sure that we can become an organisation that can offer more to its staff in terms of career structure, ensuring that more of our staff stay with Groundwork for the long-term.

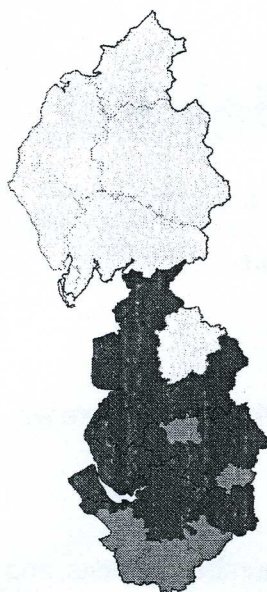
Importantly, we need to take a look at ourselves through the eyes of you – our partners – and make sure we are equipped to help you build sustainable communities across the Northwest over the next twenty-five years.

I hope you'll take the time to read this summary of the report, and if you have any questions, contact the Executive Director or Chair of your local Trust. We look forward to another 25 years of delivering local regeneration.

Ian MacArthur
Ian MacArthur
Regional Director

Groundwork in the Northwest

There are currently thirteen Groundwork Trusts in the region, covering the majority of the population, particularly areas of deprivation. A regional office, Groundwork Northwest, provides regional engagement and a number of internal co-ordination and scrutiny functions. The thirteen Trusts are as follows:



The map above shows the current areas of Groundwork coverage in the Northwest.

The darkest areas show where there are Trusts established with a formal agreement with the local authority.

The lighter areas show where Groundwork activity takes place but no formal agreement is in existence.

The lightest areas show where Groundwork does not currently operate.

Groundwork Bury
Groundwork Blackburn
Groundwork East Lancashire (Burnley, Pendle and Hyndburn)
Groundwork Lancashire West (Lancaster & Morecambe, Wyre, Blackpool, Preston, South Ribble, West Lancashire, Fylde)
Groundwork Macclesfield & Vale Royal
Groundwork Manchester, Salford and Trafford
Groundwork Mersey Valley (Halton and Warrington)
Groundwork Oldham & Rochdale
Groundwork Rossendale
Groundwork St Helens, Knowsley, Sefton and Liverpool
Groundwork Tameside
Groundwork Wigan & Chorley
Groundwork Wirral (Wirral and Ellesmere Port & Neston)

The need for Groundwork in the region

URSUS examined the state of the region and identified clear areas of need for Groundwork activity, and a range of future opportunities for Groundwork Trusts.

1 The government has directed Groundwork to focus core funding towards areas of multiple deprivation. Clearly there remains huge concentration of deprivation across Greater Manchester and Merseyside (which contains nearly 80% of the region's most deprived 20%). Groundwork Trusts cover all of this area except Bolton and Stockport. Trusts also cover areas of deprivation in Lancashire and Cheshire. Areas of deprivation not currently covered include Allerdale and Barrow-in-Furness in Cumbria.

2 The 2002 survey of Derelict, Underused and Neglected (DUN) land shows that the North West has a quarter of all national DUN, with nearly 3,900 sites covering 26,400 ha. Much of this land is concentrated in existing Groundwork Trust areas and offers huge opportunities of land restoration and reclamation for economic, social and environmental benefit.

3 Regeneration policies, programmes and strategies at national, regional and local levels are focusing billions of pounds of regeneration efforts on the central belt of deprivation and economic opportunity in the North West. These initiatives include the new Regional Economic Strategy, Urban Regeneration Companies, English Partnerships, Housing Market Renewal Pathfinders and specific opportunities such as Liverpool City of Culture 2008. Sub-regional

initiatives such as the Mersey Waterfront and Newlands together with local initiatives such as housing stock transfer and Local Area Agreements are expected to generate huge future needs and opportunities for Groundwork delivery of environment and community led regeneration activities.

4 Stakeholders with experience of working with Groundwork Trusts are overwhelmingly positive about the valuable role played by Trusts in engaging with local strategic partnerships, local authorities and communities and delivering services which address needs and priorities at the local level. Consultees highlighted our valuable role in accessing funding and delivering a uniquely integrated and community-centred approach. Groundwork staff were widely praised for being knowledgeable, proactive and committed.

5 Stakeholders at all levels see a clear future role for Groundwork delivery. However, in many areas Groundwork interventions are currently seen as being insufficiently strategic or outcome driven, reflecting funding opportunities rather than focusing on where the benefits are greatest. In the future, partners are looking for cost effective delivery that makes a real and measurable difference in addressing priorities and targets.

PARTNER OPINION

"Groundwork needs to deliver more focused projects in line with priorities"
– major local authority

"We've been impressed with the local officers delivering projects. They are very proactive"
– Big Lottery Fund

"Groundwork has the unique skill of being able to work with the local authority and still have credibility with local communities"
– Manchester City Council

"Groundwork brings in extra money and we simply couldn't do without them"
– Warrington Borough Council

"Groundwork's structures are nonsensical. If Groundwork doesn't change, Capita or someone else will do it"
– Lancashire Economic Partnership

The key reasons for change

URSUS found that Groundwork is facing a number of key challenges for the future – some coming from within the organisation, and some from government and key partners.

External

1 Many organisations including Groundwork are facing challenges with future funding. Much European funding that many Trusts have accessed is about to end. New funding from the NWDA looks likely to focus on economic regeneration – so we will have to work hard to ensure that environment and community regeneration gets its fair share of funding.

2 We've been used to relying on grant funding, but this is changing. Increasingly funding is focusing on commissioning services. We will have to develop a more commercial approach that shows how our work contributes to local, sub-regional and regional targets.

3 It's important that we can deliver across the whole region (including Cumbria) with local presence in the areas of greatest need.

4 Many regeneration priorities are being set at the sub-regional level – Greater Merseyside, Greater Manchester, Lancashire, Cumbria, Cheshire and Warrington. Policy making and funding partners will expect Groundwork Trusts to be able to respond rapidly to sub-regional opportunities and provide single points of contact, consistent delivery and access to a wide range of skills across sub-regions.

5 With emerging Local Area Agreements (LAAs) and other neighbourhood focused initiatives, there is still a huge need for Groundwork to engage with local partnerships and communities to deliver services at the grass-roots level.

6 Generally, there is a move in the region towards less complexity, fewer organisations and less duplication.

7 All public sector partners are increasingly focused on efficiency and increasing the amount of resource going into front line delivery and reducing support costs.

8 Numerous opportunities exist for partnering with the private sector to deliver aspects of the regeneration agenda including housing market renewal, Schools for the Future, Health, land restoration and management.

Internal

1 Our last government review ('The Light Touch Review') is likely to identify the need for us to be more strategic at a regional level. In future our ODPM core funding will go direct to the regional level, with a tighter focus on needs (deprivation and environmental degradation) which means some Trusts are likely to get more ODPM funding and others less. The review also said we needed closer working between Trusts.

2 We had bad news this year with the closure of Groundwork West Cumbria. We need to organise ourselves in a way that makes sure that Trusts are financially sustainable and less at risk of becoming insolvent.

3 Trusts have found that they need to work together more closely to access sub-regional opportunities. We need to reduce frustrating competition between trusts, share best practice and experience and guarantee consistency, quality and Groundwork's reputation.

4 Our partners are often frustrated by inconsistencies between Trusts, especially with differences in approach, quality and charge out rates. It's not always easy to access the same type of service across Trusts in the same area. And if one Trust delivers poorly, it can have serious repercussions for Trusts throughout the region.

5 High staff turnover is a problem in some areas due to high competition within the regeneration sector, and limited opportunities for career progression within individual Trusts. We often have superb staff but find it difficult to give them enough opportunities for advancement. It can be hard for small Trusts to have enough staff with specialist skills. Differences between terms and conditions of employment between Trusts makes staff transfers and joint working difficult.

PARTNER OPINION

"To a sub-regional organisation, Groundwork's structures are confusing – we don't know who to engage with"
– Mersey Waterfront

"LAAs will bring a paradigm shift in how local authorities work. Groundwork will need to move to become a supplier selected through the commissioning process"
– Oldham MBC

"After SRB and ERDF, funding is likely to focus on smaller areas of geographic need – increasing the risk that a Trust covering a single local authority will not have funding"
– Manchester Enterprises

"Competition is increasing, therefore value for money (from Groundwork) will become more important"
– Knowsley MBC

Options for the future

URSUS have produced the following list of options for how we could structure ourselves..

1 A Regional Northwest Trust. This would involve bringing together the existing 13 Trusts (and the regional office) into a single 'mega' regional Trust able to deliver across the Northwest with a central team responsible for partner engagement and support functions. Local delivery would take place through a network of local offices or teams in key areas of deprivation. There would be one Board and chief officer and a series of satellite offices/teams led by senior managers.

2 Three City Region Trusts. This would involve establishing three new large trusts around the areas of Greater Liverpool, Greater Manchester and Central Lancashire (Preston, Blackburn and Blackpool). These three 'City Regions' are an idea from the government's Northern Way strategy. City regions are likely to be the focus of investment by the NWDA and cover much of the NW's deprivation and environmental degradation – but this option would not provide full coverage of the region. Furthermore, the concept of City Regions is not yet fully established.

3 Five sub-regional Trusts. This would involve establishing five Trusts mirroring the NWDA's sub-regional boundaries – Greater Merseyside, Greater Manchester, Cheshire and Warrington, Lancashire and Cumbria. These geographic units are increasingly seen as the sensible basis for organising other agencies (Government Departments and Agencies, clusters of PCTs etc). The new Trusts would look like this:

Greater Manchester: bringing together the existing Trusts of Manchester, Salford & Trafford, Oldham & Rochdale, Tameside and Bury, plus Wigan (but not Chorley). The new Trust would also cover Stockport and Bolton.

Merseyside: bringing together the existing Trusts of St Helens, Knowsley, Sefton & Liverpool with Wirral (but not Ellesmere Port) and the Halton area covered by Mersey Valley (but not Warrington).

Cheshire: Bringing together the existing Trust of Macclesfield & Vale Royal with Warrington (currently covered by Mersey Valley) and Ellesmere Port (currently covered by Wirral). The new Trust would need to extend to cover the rest of Cheshire.

Lancashire: Bringing together the existing Trusts of Lancs West, Blackburn, Rossendale

and East Lancs, plus Chorley (currently covered by Wigan & Chorley) and extending to cover the Ribble Valley.

Cumbria: Eventually, we would need to set up mechanisms to deliver again in Cumbria.

The five Trusts would each have a Board of sub-regional partners, local authority representatives etc. Each Trust would be managed by the Chief Officer and a senior management team representing the local delivery units. Local offices and sub-committees would provide a strong local presence and engagement, similar to Groundwork Black Country in the West Midlands.

4 'Clustered' Trusts. This would involve reducing the current number of trusts to six clustered around sub-regions or parts of sub-regions. The end result could look something like this:

Merseyside: bringing together the existing Trusts of St Helens, Knowsley, Sefton & Liverpool with Wirral and the Halton area covered by Mersey Valley (but not Warrington). Ellesmere Port, although part of Cheshire, might remain as part of this Trust as there are many links with Merseyside.

Gtr Manchester 'central and east': bringing together the existing Trusts of Manchester, Salford & Trafford and Tameside and extending to also cover Stockport.

Gtr Manchester 'northern arc': bringing together the existing Trusts of Oldham & Rochdale, with Bury, plus Wigan (but not Chorley) and extending into Bolton.

Cheshire: Bringing together the existing Trust of Macclesfield & Vale Royal with Warrington (currently covered by Mersey Valley). The Trust would extend to cover the rest of Cheshire.

West Lancashire: Bringing together the existing Trust of Lancs West with Chorley (currently covered by Wigan & Chorley).

East ('Pennine') Lancashire: Bringing together the existing Trusts of Blackburn, Rossendale and East Lancs.

These Trusts would work in a similar way to the Sub-Regional model (Option 3 above) with a single Chief Officer, senior management team and Board, with local business units/offices.

5 The Status Quo. This would involve retaining the existing 13 Trusts with their current geographic coverage, and making some extensions to cover the whole of the region.

PARTNER OPINION

"Pulling together smaller Trusts looks sensible because it would increase efficiency and provide more resources for delivery rather than overheads – as long as it was still able to engage with communities"
– United Utilities

"Funding will increasingly come via the LSP and therefore Groundwork will need strong links to the LSP and voluntary sector networks"
– Tameside MBC

"Environmental improvements are needed at the local level but just being locally focused would be myopic and would fail to address big issues that need to be addressed at the sub-regional and regional levels"
– Wirral MBC

"Groundwork adds value to our bids for housing renewal, Frameworks for Schools, new medical centres... this type of work will increase in the future"
– McAlpine

The consultants' recommendations

URSUS looked at each option, scoring them according to a set of criteria. These were:

- Addressing regeneration needs
- Effective engagement with partners
- Improved joint working
- Improved financial sustainability
- Quality and consistency
- Staff issues (for example will it increase prospects for recruiting and maintaining staff)
- Cost effectiveness
- Efficient management
- Governance and local ownership
- Reputational risk to Groundwork
- Ease of introduction

At the Northwest Trustees conference, delegates (including Trustees and senior managers from Trusts) also scored the options.

The result of this process is that the Option 3 (Sub-Regional Trusts) and Option 4 (Clustered Trusts) score most highly.

URSUS have recommended that Option 3 fits well with trends relating to the emergence of sub-regions in the Northwest, but that there may be practical reasons why Option 4 may be preferable and more achievable.

Sub-regional Trusts – some advantages:

- We would be better able to access funding at the sub-regional level
- The structure would look logical and cost-efficient to partners
- It would enable joint working and better sharing of skills and experience
- It would provide greater career opportunities for staff – a larger Trust can offer better career progression and employ more specialists

Sub-regional Trusts – some disadvantages

- Some local partners would be concerned about losing local control and localness
- Would involve disruption in the short term with high costs of restructuring

Clustered Trusts – some advantages

- Most of the advantages of sub-regional Trusts
- Builds on existing relationships and preferences in order to minimise disruption

Clustered Trusts – some disadvantages

- Will still involve initial costs and disruption
- Will deliver a structure that doesn't look completely logical to partners, compared with the sub-regional option
- Some Trusts may still be fairly small

What happens next?

The full report was presented to the November meeting of the Regional Committee and now will need to be assessed by each Groundwork Trust.

Between now and February, each Trust board will have a chance to discuss the report and its recommendations. Then, at the February meeting of the Regional Committee, a decision will be taken on which option is the best for the future of Groundwork in the region.

That will just be the beginning of a process to move us towards change. URSUS will carry out a further study looking at the practicalities of moving forward.

The final decision about the future of each Groundwork Trust will be made by each Trust board.

How can we give our view?

Many of our partners on a local and regional level have already been consulted about the future of Groundwork.

We're keen to make sure that all partner views are fed into our decision-making processes. Please contact the Executive Director or Chair at your local Groundwork Trust to feed in your views.

Alternatively, you can use an online form at www.groundwork.org.uk/north-west/consult

These responses will be forwarded to the relevant Trust. They will also be collated and given to the Regional Committee before its February meeting.



Frequently asked questions

1 Who will actually make the decision?

Groundwork's Regional Committee (made up of Chairs of each Trust in the region) will make a recommendation in February, and commission a further study to look at how to move forward. But Groundwork is a Federation of independent Trusts, so any final changes about Trust mergers or changes in areas covered will need to be approved by individual Groundwork Trust boards.

2 How long will this take?

Changing the shape of organisations is not easy – there are all sorts of legal steps to go through and it's unlikely to be a quick process. Some parts of the region may move quicker than others. The Regional Committee makes its decision on the preferred option on February 15 2006.

3 Is this a retreat from local delivery by Groundwork?

Absolutely not. We are fully aware that our strength is our local engagement and long-term commitment to both communities and local partnerships. If we move down a path which may lead to larger business units, we will create new methods of local engagement. This could include local sub-committees to set local strategy and scrutinise local delivery, or tailored service level agreements with individual local authorities.

4 Is this about cutting jobs?

This isn't a job-cutting agenda. Jobs could be at risk in the future if we don't take action now to make sure we're financially stable. This is about making Trusts stronger – and in the long-term, creating *more* jobs. There's a good example of this in the region – when Groundwork Manchester merged with Groundwork Salford & Trafford, the end result has been a more effective, stronger Trust. The aim of this process is to strengthen our local delivery, not diminish it.

5 Why can't Groundwork stick with the current, tested model?

The status quo is one of the options on the table for discussion. But when it's been looked at so far it's been recognised that it scores lower than some of the other options. It doesn't address many of the challenges that we're facing.

6 Will this mean closure of local offices and a lack of local physical presence?

If Trusts merge into a larger unit, the new Trust that's formed will need to take a decision on where it will base its head office and how many local offices will be required. Groundwork's biggest strength is local delivery and engagement, so we will need to retain a local presence on the ground in many areas of need. We are determined that any changes that take place will build on our current local engagement rather than decrease it.

7 How will this affect Groundwork projects locally?

Any process of change shouldn't affect our projects and programmes, or our relationships with local communities. Local groups and partners shouldn't notice a change in working with Groundwork even if the Trust's name changes. With fewer, larger Trusts we will be able to better share what's worked in different communities, and hopefully expand the most successful programmes to larger geographic areas.

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