

NFNPA/RAPC 272/15

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 7 SEPTEMBER 2015

EXTERNAL FUNDING STRATEGY

Report by: Paul Walton, Head of Environment and Rural Economy

1 Summary

- 1.1 Securing external funding to support the work of the Authority in delivering its core purposes and socio-economic duty is a priority for the Authority, with nearly £5m secured since 2010.
- 1.2 This paper reviews the funding strategy, sets out how the Authority will continue to seek funding and in kind support for its work during 2015/16 and considers how the future funding strategy might be developed.

2 2008 Funding strategy

In 2008 the Authority prepared a funding strategy as a framework for fundraising activities to deliver its core purposes. The strategy looked at the most likely options for fundraising open to the Authority (grants, corporate sponsorship, donations legacies and sales), the trends for funding in the UK, identified a means of prioritising projects to be funded and set financial targets for funds to be raised. These are briefly reviewed below:

2.1 Fundraising

i) Grants

Over £4.7 million in grant funding has been secured since 2010 (with a further £2.4m projected for 15/16) notably from the Higher Level Stewardship scheme (Data mapping), the Heritage Lottery Fund (New Forest Remembers and Our Past Our Future) and the Department of Transport (Local Sustainable Transport Fund and New Forest Family Cycling Experiences Programme). The HLF, LSTF and NFFCE grants and SDF grant scheme have also levered in additional match funding in the region of £12million to help deliver projects. (A list of the main grants received into the Authority since 2010 are listed in Appendix 1.) It should also be noted that Authority

officers in partnership with other stakeholders have been instrumental in securing resources for other organisations and activities the National Park, such as the Rural Communities Broadband Fund and agri-environment grants.

ii) **Corporate Partnership**

In 2013 the Authority adopted a Sponsorship Policy that led to the development of a corporate partnership programme. This aimed to attract income or in-kind support for our work or projects from the commercial sector. Companies both large and small have supported a range of projects with both financial and in-kind contributions. This has amounted to £20,000 and 50+ volunteer days. The project has also strengthened links between the Authority and the business community.

Members recently agreed the terms of the Sponsorship Policy and receive a quarterly update on this work.

iii) **Donations, legacies and sales**

Opportunities for large scale Income generation from investment and sales were examined in 2011 but no clear projects were identified.

The Authority has a comprehensive donations page on its website but has only received a handful of small donations in the last 5 years; it does however receive a significant number and amount of donations for talks by staff members each year.

A pilot scheme to sell a small number of 'Authority products' online, at reception and at the New Forest Centre was trialled but sales were disappointing and the trial ended in 2014. Concierge staff sell leaflets and maps at Brockenhurst.

iv) **Additional sources of funds**

The funding strategy did not refer to the potential for developer contributions (S106, Community Infrastructure Levy, habitat mitigation) as a source of funds. While the level of development activity in the National Park will always be limited in comparison to other areas there is the possibility to secure funds relating to development beyond the National Park boundary. However, with ongoing planning reforms, there remains a high degree of uncertainty on the Authority's ability to levy developer contributions in the future.

2.2 Trends in funding

Grants remain the most likely and easily accessible source of fundraising for the Authority. The National Lottery continues to support grant programmes across Health, education and the environment, sport, arts and heritage. Smaller charitable trusts have national programmes supporting similar areas eg Esmee Fairbairn, Landfill Communities Fund. A common theme in these grants is the need to ensure a broad range of beneficiaries, particularly amongst underrepresented groups.

Government grants from programmes such as the Rural Development Programme for England is increasingly being channelled through the Local Enterprise Partnerships and has a strong economic focus, aimed at maintaining and creating employment. The EU LEADER programme has a similar focus and a common feature of both funding streams is the support for capital rather than revenue projects.

EU grant programmes such as LIFE and Horizon 2020 remain potential sources of funds for work related to the environment, climate change and research and innovation.

A more recent phenomenon has been the growth of Crowdfunding – sourcing small amounts of funds from a large number of potential investors, generally via the internet. Often regarded as a means of funding business start-ups there are increasing instances of crowdfunding providing support for civic projects.

2.3 Fund raising targets and prioritisation

The funding strategy proposed an annual target of 5% of the core Defra grant for funds directly received by the Authority and 10% of the core Defra grant for those projects in the Forest that were delivered by partners. The long timescales associated with some of the grant funds in particular meant these targets were not met on an annual basis, and the benefit of in kind contributions such as volunteer time were not included.

The prioritisation list helped direct efforts to secure grants and sponsorship. The recently revised National Park Management Plan and Business Plan 2015-2018 identify a series of priorities for external funding.

3 External Funding for the current financial year

The outcome of the Our Past Our Future bid to the HLF will be known in September. If successful this will deliver £4.37m of funding for a range of agreed projects over 5 years. The LSTF and NFFCE grants end this year but the New Forest HLS programme continues until 2020.

We will continue to seek support from the Corporate sector. £10,000 has been secured this year (2015/16) to sponsor the Walking Festival and Beach Bus, a significant discount negotiated on the cycle sat-nav equipment and 20+ volunteer days committed to conservation projects.

Staff from across the Authority are aware of the projects that require external funding. In July a successful application to the Heritage Lottery Fund secured £10,000 for the Blackwater conservation project.

4 Towards a future funding strategy

The Authority has successfully demonstrated an ability to draw in funding for large scale projects, such as the LSTF, NFFCE and New Forest Remembers (WWII). The HLS scheme and, if successful, the Our Past Our Future programme will continue to provide significant funds for project work until 2020. Income from developer contributions will help support projects under the Protect and Enjoy work programmes.

The completion of the National Park Management Plan and 3 year NPA Business Plan sets out the future programme of work for the National Park and the Authority. Work will continue over the next 4 months to identify the resources and skills needed to deliver this work programme and identify the areas of work that may attract external funding. With the pressure on public expenditure set to be a feature of the next five years, projects that deliver our objectives and contribute to supporting our existing staff costs and running costs will be increasingly important.

There are a number of challenges and opportunities relating to future funding that will need to be considered:

4.1 Level of core funding received from Defra

There has been a steady decline in the level of core funding received from Defra in recent years; down over 40% in real terms since 2010. As part of the comprehensive spending review (CSR), government departments have been asked to model scenarios of further 25% and 40% savings to existing budgets by 2019/20. An indication of how National Park budgets will be affected will

not be known until much later in the calendar year (the outcome of the CSR will be reported on 25th November).

4.2 Grants

The recent trend in grant funding from government programmes (eg RDPE, Growth Fund, LEADER) is for capital projects that sustain or create employment. With very little in the way of capital assets there is limited scope for the Authority currently to benefit significantly from these sources. This trend is likely to encourage more partnership working (see 4.4). With less public money available for revenue projects competition for grants from the Lottery and charitable trusts is increasing.

4.3 Investment strategy / income generation

The NPA has previously examined opportunities for income generation but did not identify any suitable projects. Nationally, NPUK has established National Parks Partnerships Limited to examine the commercial opportunities associated with the National Park brand. Experience from our Corporate partnership work suggests that these opportunities are more likely to be realised nationally than at the local level. There is also the likelihood of deriving rental income from the Authority's proposed affordable housing scheme at Bransgore although any income may have to be recycled into funding future affordable housing developments.

4.4 Partnership working

With more public bodies looking for external funding there will be an emphasis on working together to maximise resources. The Authority has a good track record of working in partnership with other organisations and the signing of the management plan by partners provides encouragement for more joint working to meet our shared priorities.

5 Next steps

An update will be presented to the Committee at the meeting on 23 November 2015 and a further report will be prepared following the outcome of the Government comprehensive spending review in November.

6. Recommendation:

It is recommended that the Committee note the report as an interim report on external funding.

Papers:

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NFNPA/RAPC 272/15 – Appendix 1

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Equality and Diversity Implications:

There are no equality or diversity implications arising directly from this report.