

## **Area Partnership Development Workers (APDWs)**

### **Cost Benefit Analysis**

#### **1. Background**

The APDWs have been employed by South Downs Council for Voluntary Services (SDCVS) since January 2005, nine months after the Lewes District Local Strategic Partnership (LSP) first received funding provided by the Council Tax Second Homes charge. This was a government initiative that allowed local authorities to increase the levy on Second Homes from 50% to 100%.

Across East Sussex the decision was taken amongst all precepting authorities that the additional monies raised in this way would be made available to the respective LSPs to support community development.

This continued until 1 April 2006 when ESCC decided to retain the additional income for other uses. The effect was to reduce the available funding by approximately 80%.

Because of the way the money was allocated, there was sufficient money remaining to continue to fund the APDWs until the 31 March 2007.

From 1 April 2007 Sussex police Authority also withdrew their contribution, further decreasing the funds available to the LSP.

From 1 April 2008 East Sussex Fire Authority has earmarked its contribution to specific community safety initiatives. This has left only the annual second homes contribution from LDC remaining.

LDC Cabinet in January 2007 reviewed the position and decided to effectively "top up" the remaining amount of second homes council tax to a level that included the proportion provided by ESCC and the Police Authority. A grant of £35,000 was provided directly to the SDCVS for 2007/08.

In February 2008 LDC Cabinet made a further grant of £35,000 to the SDCVS but made it clear that it was extremely unlikely to be in a position to provide further grant funding.

#### **2. Methodology**

This review of the expenditure upon APDWs seeks to identify the value of the benefits gained from that investment. It is not a true cost benefit analysis in that it is not a projection forward of the value of the monies invested against an estimated payback at some future date. It is a review of actual monies invested and a summary of achievements in terms of additional monies generated through the activities of the APDWs.

It is usual in terms of a cost benefit analysis to assume a discounted rate for the future value of the original investment, however in this case the investment was made and expended over a defined period of time so that inflation and other depreciation factors are not relevant.

There is an argument however that had the Council and the other grant contributors retained the investment there would have been interest earned, for the sake of simplicity, that theoretical benefit is not reflected in this analysis.

### 3. Funding for the APDWs

The following table sets out the costs of providing the APDW service between 1 October 2004 and 31 March 2009 including the sources of revenue income:

**Table 1**

<b>Period</b>	<b>APDW Cost £</b>	<b>LDC Grant £</b>	<b>LSP Grant £</b>	<b>Total Grant £</b>
01.10.04 – 31.03.05	11,355	1,579	9,776	11,355
01.04.05 – 31.03.06	40,500	6,317	34,183	40,500
01.04.06 – 31.03.07	46,222	5,861	40,361	46,222
01.04.07 – 31.03.08	50,697	35,000	15,697	50,697
01.04.08 – 31.03.09	35,000	35,000	0	35,000
<b>TOTALS</b>	<b>183,774</b>	<b>83,757</b>	<b>100,017</b>	<b>183,774</b>

### 3. APDWs' Achievements

The intended purpose of the APDWs was to provide support to each of the five Area Partnerships within the Lewes District (Lewes, Newhaven, Peacehaven & Telscombe, Seaford and the Rural partnership) by helping deliver local priorities linked to the published district wide Community Strategy.

In effect SDCVS employed three staff (1.5 FTE) to work with each area partnership to support the development and delivery of a series of projects to benefit local communities. Often this would involve the APDWs undertaking community consultation and preparing funding bids to seek a mixture of revenue and capital.

In August 2008 the SDCVS provided the Scrutiny Panel with a report setting out the various projects that have been delivered.

The table below summarises these projects in terms of the value of the projects that have been delivered along with the additional capital and revenue that has been generated as a result of the efforts of the APDWs and the number of individual's who it is estimated have benefited directly or indirectly from the project/initiative:

**Table 2**

<b>Partnership</b>	<b>Total Projects Value £</b>	<b>Monies gained directly from APDW bids £</b>	<b>Number of beneficiaries (includes, volunteers and participants)</b>
<b>Lewes Town</b>	4,470	4,470	75
<b>Newhaven</b>	35,000	25,200	1500
<b>Peacehaven</b>	30,000	15,445	3200
<b>Rural</b>	45,000	25,550	1200
<b>Seaford</b>	70,000	32,500	3000
<b>TOTALS</b>	<b>184,470</b>	<b>103,165</b>	<b>8,975</b>

#### **4. Benefits Gained**

Table 1 shows the cost of employing the APDWs for the period 1 January 2005 to 31 March 2009. This amounts to £183,774 and is made up from a mixture of grants from LDC and the LSP.

Table 2 shows the value of projects and initiatives supported by the APDWs for each of the 5 Area Partnerships. The total of £184,470 includes grant monies of £103,165 applied for and secured by the APDWs. The balance of funding (£81,305) relates to contributions from Town and Parish Councils and the value of in kind volunteer effort.

The number of beneficiaries includes all those directly and indirectly benefiting from the project or initiative including volunteers and participants as well as legacy beneficiaries. An example is the Seaford Heritage Trail funded by a lottery bid through the Seaford Community Partnership. The funding paid for the services of a local artist as well as funding historical research, funding also benefited local businesses to produce a number of display lecterns along the route of the trail. The trail is now used by countless visitors to Seaford providing an ongoing benefit to the Town.

On a financial basis the investment in the APDWs has produced a 100% return in terms of the additional investment value generated.

As well as the financial benefits identified above, there are also a number of less obvious benefits to increasing the wellbeing of local communities. Examples include increased physical activity, reductions in anti-social behaviour and increased volunteer numbers. These additional benefits should also be considered although this is clearly more difficult to demonstrate or measure effectively in all cases.

It can also be demonstrated that through the support and activity of the APDWs each of the 5 Area Partnerships has maintained local community

engagement and support and this has helped sustain this unique model of working across the Lewes District.

## **5. Other Considerations**

The original aim was that the SDCVS would over time identify alternative funding opportunities that would sustain the long term employment of the APDWs and for the individual APDWs to be self sustaining through the raising of revenue from capital project delivery so that staff costs and overheads could be factored into bids made for funding.

The reduction of external funding opportunities in the past 4 years, particularly with regard to Lottery Funding, has impacted upon the ability of the SDCVS to seek such core funding. Likewise the reduced funding available for the past 2 years has diminished the available time that can be allocated to each of the 5 Area Partnerships. Preparing and submitting funding bids is a time consuming process and is labour intensive.