



Leicester
City Council

WARDS AFFECTED
Freeman

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
Cabinet

5th April 2004

GOLDHILL ADVENTURE PLAYGROUND – WITHDRAWAL OF FUNDING

Report of the Corporate Director of Education and Lifelong Learning

1. Purpose of the Report

This reports recommends to Members the withdrawal of funding from Goldhill Adventure Playground on the grounds that they have not submitted audited accounts for the financial year 2002/2003.

2. Summary

Goldhill Adventure Playground have not submitted Audited Accounts for the financial year 2002/2003.

It states in the New Funding Agreement, Point 19.2 The Council may decide to terminate this Agreement immediately if a) in the Council's opinion there has been a material breach of the terms and conditions of this Agreement.

This report therefore recommends termination of the contract.

3. Recommendations

- i) The Cabinet is recommended to agree termination of New Funding Agreement of Goldhill Adventure Playground.

The deadline for submitting audited accounts is six months after the financial year end, and if the audited accounts are not submitted by 30th September, the Organisation will be informed in writing and placed on monthly funding. If by 31 December 2003 audited accounts are not received then cessation of funding is recommended.

- ii) It is also recommended that the current service be transferring to the Leicester City Council pending the investigation and permanent arrangements.

4. Financial Implications

The funding for Goldhill Adventure Playground for 2004/05 is £32,000. If the recommendation to withdraw funding is accepted six weeks of funding would be required to allow for legal processes and transfers. This would equate to £9,600 of the allocation. If the recommendation is not accepted the full funding would apply.

The amount saved by withdrawing funding (£22,400) would be used to deliver the services temporarily by Leicester City Council.

(David Wilkin, Head of Education Finance, ext 7750, 25/03/04)

5. Legal Implications

Legal Services confirms the right of Leicester City Council to terminate the Agreement immediately under Clause 19.2 (a) due to breach of Clause 14 headed Audited Accounts if the said accounts have not been received by the Council, as stipulated in the Agreement, and the Council has acted in accordance with the Agreement on the giving of appropriate notices to the Organisation. (Sandy Mehta, Solicitor – Legal Services)

5. Report Author/Officer to contact:

Steve Goddard, Support & Development Manager, Lifelong Learning and Community Development – 252 7747

DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)



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SUPPORTING INFORMATION

1. Report

This reports recommends to Members the withdrawal of funding from Goldhill Adventure Playground on the grounds that they have not submitted audited accounts for the financial year 2002/2003.

Within the New Funding Agreement it states in Point 14 that:

“Full audited accounts will be provided annually by the Organisation where the Agreement has a value of more than £5,000 and these should be prepared by a suitably qualified independent auditor, within six months of the end of the Organisation’s financial year together with any other financial monitoring information as required and detailed on the monitoring form.

If the audited accounts are not received within six months of the end of the Organisation’s financial year or if the audit certificate is qualified the Organisation will be placed on monthly funding until the accounts are received or the problem resolved.

If no resolution has been achieved nine months after the year end a report shall be submitted to the Sponsoring Committee to recommend the cessation of funding”.

The New Funding Agreement was introduced to all Grant Aided Projects in the financial year 1999/2000 and Goldhill Adventure Playground signed their contracts on 4th August 2000. The Project were fully informed of the process of the submission of audited accounts as outlined in Point 14.

The Project was contacted to be informed that their audited accounts were outstanding and as the accounts had not been received within six months the Project was placed on monthly funding. Now that the nine months period has

elapsed and no audited accounts have been submitted the final clause of Point 14 has been evoked, with cessation of funding for the Project recommended.

2. Financial Implications

There are no financial implications to this report. The amount saved by withdrawing funding will be used to deliver the services temporary transferred to the Leicester City Council and to fund the future permanent arrangements. (Shilpa Ganji – Education Finance)

3. Legal Implications

Legal services confirms the right of Leicester City Council to terminate the Agreement immediately under Clause 19.2 (a) due to breach of Clause 14 headed Audited Accounts if the said accounts have not been received by the Council, as stipulated in the Agreement, and the Council has acted in accordance with the Agreement on the giving of appropriate notices to the Organisation. (Sandy Mehta, Solicitor – Legal Services)

4. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within this report
Raising Standards	No	
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	

5. Background Papers – Local Government Act 1972

None

6. Consultation

Legal Services
Community Project Officer
Voluntary Sector Grants Officer

7. Report Author

Steve Goddard, Support & Development Manager, Lifelong Learning and Community Development – 252 7747