

EAST AYRSHIRE COUNCIL

DOON VALLEY LOCAL COMMITTEE - 25 MARCH 2003

COMMUNITY GRANTS 2002/2003: SOUTH EAST AYRSHIRE DISABLED CLUB

Report by the Depute Chief Executive/Director of Corporate Resources

1. PURPOSE OF REPORT

- 1.1** To advise of the current position with regard to a Community Grant approved for the South East Ayrshire Disabled Club for the current financial year; and to seek the agreement of the Local Committee to issue the grant payment in this case.
- 1.2** A report in similar terms will be submitted to the Cumnock Area Local Committee at their meeting to be held on 27 March 2003.

2. BACKGROUND

- 2.1** This Committee on 10 September 2002, agreed to approve a Community Grant of £1,000 to the South East Ayrshire Disabled Club in order to assist in meeting costs associated with heating the Club's meeting place, the purchase of craft materials and a Summer outing. This was a cross boundary application with the Cumnock Area Local Committee and that Committee on 13 June and 7 November 2002, approved a total grant award of £730.
- 2.2** In dealing with this application, the Local Committee agreed that payment of the approved grant to this organisation was to be subject to a satisfactory completed Financial Assistance Progress Report for the financial year 2001/2002 being submitted. As a matter of course, organisations are requested to complete and return the financial progress report when the project has been completed, or not later than twelve months from the date of the letter of approval.
- 2.3** Following the decision of the Cumnock Area Local Committee on 13 June 2002, the Administration Manager wrote to the South East Ayrshire Disabled Club on 24 June 2002, advising of the Committee's decision and requesting a satisfactory financial progress report relative to the grant award made during the 2001/2002 financial year which had not been submitted, in order that the approved grant payment for the current financial year might be released. In response, the Club provided a very brief statement of expenditure for the year 2001/2002. However, this was not supported by any other documentation required in terms of the Community Grants Scheme, i.e. the "Financial Assistance - Progress Report", receipts or a statement of income and expenditure for the year (audited or otherwise). Consequently, and in an effort to assist the Club, a Community Worker from Support to Communities was allocated to work with the Club with a view to the preparation and submission of a satisfactory financial progress report. Subsequently, the Administration Manager wrote again to the Club on 13 September 2002 and 15 November 2002 advising of the decisions of this Committee on 10 September and of the Cumnock Area Local Committee on 7 November 2002

to award a supplementary grant and again seeking submission of a satisfactory financial progress report.

- 2.4** As a result of the efforts of the Community Worker, sufficient information has been extracted from the Club's financial documentation to confirm expenditure on grant related items during 2001/2002. This information, however, does not fully satisfy the requirements of the Community Grants Scheme insofar as certain key items, i.e. an audited statement of income and expenditure for the year, receipts relating to the expenditure incurred and the "Financial Assistance - Progress Report" which should be completed by the Group, are all still lacking. In addition, some other matters relating to the Club's accounting arrangements have been identified.

3. PRESENT POSITION

- 3.1** In view of the position as set out in Paragraphs 2.3 and 2.4, above, no community grant payments have been issued to the Club so far this financial year.
- 3.2** The Club currently have a balance of approximately £200-£300 in their bank account and indicate that they urgently require the grant payments approved by the two Local Committees to be issued in order that they can meet ongoing running costs.

4. DISCUSSION

- 4.1** It has been ascertained by Officers that the Club have incurred a total expenditure of at least £2,200 on relevant grant related items during the 2001/2002 financial year, which compares to the total grant award made by the Cumnock Area and Doon Valley Local Committees for that financial year of £1,900 (Cumnock Area - £900; and Doon Valley - £1,000). While the Club has not complied with the requirements of the Community Grants Scheme by failing to submit a satisfactory financial progress report and there needs to be an improvement in their accounting practices, there is no indication to suggest that there is anything untoward relating to the use of the Club's funds. It is also recognised that without additional funding being made available within the near future, there is a possibility that the Club will encounter difficulties in continuing to operate.
- 4.2** Taking account of all of the circumstances which exist in this matter, it is suggested that it would not be unreasonable for the Committee to consider authorising payment of the approved grant award for the current financial year, i.e. a sum of £1,000, conditional upon the Club putting in place revised and proper accounting arrangements. It would be intended that the Club would be assisted in this matter by Officers of the Council and in conjunction with the review process efforts would be made to identify and present relevant information to enable the Club to provide proper financial progress reports to the Council in respect of the use of the Community Grant awards for the 2001/2002 and 2002/2003 financial years.
- 4.3** Should the Committee accede to the suggestion set out in Paragraph 4.2, above, a report on progress made by the Club in implementing revised accounting arrangements, would form part of the assessment to be

undertaken in respect of the Club's application for community grant for the coming, 2003/2004 financial year, this application having already been received. This would allow the Committee the opportunity to determine the appropriateness of awarding a further grant to the Club, in the light of progress made between now and then.

5. FINANCIAL IMPLICATIONS

- 5.1** This Committee have approved a grant of £1,000 to the South East Ayrshire Disabled Club for the current, 2002/2003 financial year. Any monies which remain unexpended from the Community Grant budget by the end of the financial year, cannot be carried forward into next year.

6. LEGAL/POLICY IMPLICATIONS

- 6.1** There are no new legal or policy implications arising from the report.

7. RECOMMENDATIONS

- 7.1** Having regard to the terms of the report, it is recommended that the Committee:-
- (i) agree that payment of the approved grant of £1,000 to the Club be now issued, conditional upon the Club agreeing to undertake a review of its accounting arrangements, assisted by Officers of the Council;
 - (ii) remit to the Officers concerned to make appropriate assistance available to the Club in undertaking the above-mentioned review; and
 - (iii) agree that a report on progress with the review be included with the Officers' assessment to be submitted to this Committee at a future date on the Club's application for community grant funding for the 2003/2004 financial year.

Fiona Lees
Depute Chief Executive/Director of Corporate Resources

21 February 2003

SN/SR

LIST OF BACKGROUND PAPERS

NIL

Any person wishing further information on this report should contact Bill Walkinshaw, Administration Manager on telephone number (01563) 576135.

Implementation Officer: Lynn Chapman, Trainee Administrative Officer.