

EAST AYRSHIRE COUNCIL

IRVINE VALLEY LOCAL COMMITTEE - 10 APRIL 2002

**COMMUNITY GRANT TO HURLFORD AND CROOKEDHOLM PLAYGROUP
2001/2002**

Report by the Depute Chief Executive/Director of Corporate Resources

1. PURPOSE OF REPORT

- 1.1 To advise the Local Committee (i) of a community grant award to Hurlford and Crookedholm Playgroup where the cost incurred in their project was less than the amount approved but where the remainder of the grant was not returned to the Council; and (ii) to request that the Local Committee consider how to deal with this matter.

2. BACKGROUND

- 2.1 The Irvine Valley Local Committee at its meeting on 14 November 2001 agreed to make an award of £330 to Hurlford and Crookedholm Playgroup.
- 2.2 The group had applied for funding for the cost of a coach for the trip and entry to Santa's Grotto at Stair, as well as Christmas presents for the 21 children involved. However, following advice from the Assessing Department the Local Committee did not agree to fund gifts for the children; only the coach and grotto entrance costs, i.e. £330.
- 2.3 Accordingly, the group were advised by letter on 19 November 2001 of the award and that the grant must be used for the cost of the coach trip and entry to the grotto.

3. PROGRESS REPORT

- 3.1 All organisations receiving community grant funding are required to submit progress reports outlining how their grant has been spent, together with associated receipts for any expenditure.
- 3.2 Accordingly, on 28 January 2002 a progress report was received from the playgroup in respect of their community grant (Ref CG 1549). However, from the information submitted it was found that the group had spent some £168 of their grant on the coach and entrance fees (although this had been estimated at £330), with £104.79 being spent thereafter on gifts for the children (i.e. 21 x £4.99).
- 3.3 It is a Condition of Community Grant award that if the costs incurred for any project are less than the amount approved, the remainder of the grant must be returned to the Council unless otherwise agreed. The organisation did not adhere to this Condition but as outlined above spent some of the remainder of the grant on gifts for the children.

- 3.4** Following receipt of the above progress report, a letter was sent to the organisation asking for an explanation of the utilisation of the grant.
- 3.5** A response has now been received from the group's administrator stating that with regard to the amount of grant requested for the coach hire, this had been originally based on a quote in the sum of £230. Subsequently, a better price of £100 was obtained. In respect of the entrance fees to the grotto, the prices were found to be lower than the previous year due to the fact that no snack was included in the price. The group therefore provided the snack and submitted receipts to the value of £26.61. This leaves approximately £30 of the grant unaccounted for.
- 3.6** The group's administrator also advises that since they had originally requested the grant to also cover the cost of Christmas presents for the children, she had enclosed with the progress report receipts to show that although the other amounts quoted turned out to be higher than the actual costs, the grant money was used for the original purpose requested, i.e. coach, entrance costs and children's gifts.

4. PRESENT SITUATION

- 4.1** In terms of the Community Grant Scheme, if the costs incurred in any project are less than the amount approved, the remainder of grant monies must be returned to the Council unless otherwise agreed. In this case, this was not done, with the organisation using £104.79 for children's gifts with the remainder of the grant, i.e. £30 unaccounted for.
- 4.2** The organisation has been asked to provide an explanation as to how this situation arose and the details of this explanation are provided above.
- 4.3** The Local Committee should now decide whether it wishes to recall the money spent on gifts which had not been authorised, as well as the portion of the grant unaccounted for, i.e. £134.79.

5. RECOMMENDATION

- 5.1** It is recommended:-
- (i) that the Local Committee note the award to Hurlford and Crookedholm Playgroup where the costs incurred on the project were less than the amount approved, and the circumstances as outlined by the group leading to their utilisation of the remaining grant monies;
 - (ii) that the Local Committee decide whether to recall the money spent on gifts which had not been otherwise approved as well as the portion of the grant not accounted for; and

(iii) otherwise, to note the contents of the report.

Fiona Lees
Depute Chief Executive/
Director of Corporate Resources

25 March 2002
JM/LR

LIST OF BACKGROUND PAPERS

1. Progress report received from the organisation on 28 January 2002.
2. Correspondence to and from the organisation in respect of this matter.

Any person wishing to inspect the background papers relative to this report should contact Jennifer Morrison on telephone number (01563) 576139. Any person wishing further information on this report should contact Bill Walkinshaw, Administration Manager on telephone number (01563) 576135.

Implementation Officer: Jennifer Morrison, Administrative Officer

AGENDA