


King Georges Fields Trust Board Meeting 9th December 2020	 TOWER HAMLETS
Report of: James Thomas. Children and Cultural Services	Classification: Unrestricted
Issue Title: Updates: budget, 10-year maintenance plan, summer activities, proposed new 5-a-side Astro Pitches at Stepney Green	

Special circumstances justifying urgent consideration

This report was not available for publication by the statutory publication deadline because additional information was required. It is presented for consideration at this meeting as it is not possible to defer until the next meeting. It should also be noted that the report title was made available as part of the original meeting agenda.

Lead Member	Councillor Sabina Akhtar, Cabinet Member for Culture Arts and Brexit
Originating Officer(s)	Stephen Murray. Head of Arts Parks and Events
Wards affected	All Wards
Key Decision?	No
Forward Plan Notice Published	
Reason for Key Decision	
Strategic Plan Priority / Outcome	A borough that our residents are proud of and love to live in

Executive Summary

This is to provide updates on: Budget out turn 2019-20, forecast budget for 2020-21 and independent audit of accounts.

Recommendations:

The Board is recommended to:

1. Note the final outturn budget for 2019-20
2. Note the forecast for 2020-21
3. Note update on appointment of auditor for KGFT accounts

1. REASONS FOR THE DECISIONS

- 1.1 The King Georges Fields charity is registered with the Charity Commission as King Georges Field, Mile End Charity, registered number 1077859.
- 1.2 The Council is the trustee of the charity and the council is the freehold owner

of the land which is subject to this report.

1.3 The King Georges Fields Charity Board (the Board) is established by section 3.3.12 of the Council's Constitution, which gives the Board the following functions:

- 3.2.1 To administer the affairs of the King Georges Fields Charity and discharge all the duties of the Council a sole trustee of the Charity
- 3.2.2 To administer the affairs and discharge the duties of trustee of such other charities controlled by the Council as the Cabinet might authorise by resolution

2. ALTERNATIVE OPTIONS

2.1 There is no consideration for alternative options as no decisions are required on any of the items tabled, they are for noting only.

3. DETAILS OF THE REPORT

3.1 Appendix 1 details the figures for the end of financial year April 2019 to March 2020. There is an excess of spend over income of £457,577. This is largely due to increase repairs and maintenance costs plus errors regards rent payments in the previous year. Rentals and rental income are administered by Asset management. Further notes on the spreadsheet attached.

3.2 Appendix 2 is a budget forecast for the current year 2020-21. There is a projected excess of spend over income of £262,900. This is largely due to a drop in income due the Covid19 impact. Further notes on the spreadsheet attached.

3.3 The board had requested that the KGFT accounts were audited separately from the Council's general audit as has been past practice. As the Council auditors declined to carry out a separate audit we have had to secure an external auditor. We have now appointed:

Hewitt Warin
Chartered Accountants
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex CM20 2NQ

We are now in the process of providing them with the necessary information to prepare a set of accounts for 2018-19 and this will be followed by 2019-20. As this is a first for both parties we don't yet have a timetable for completion.

4. EQUALITIES IMPLICATIONS

4.1 Mile End Park is an important community asset that is open to all. As the population of the borough increases it, along with other parks, becomes increasingly important as a facility to support healthy living and community activity that helps promote community cohesion.

5. OTHER STATUTORY IMPLICATIONS

- 5.1 The King Georges Fields Trust is a registered Charity and bound by the rules of the Charity Commission.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 These figures have been drafted using expenditure and income coded to the designated cost centres during the periods specified. The 19.20 excess spend includes £86.5k of depreciation that has been charged by corporate finance, this has however been funded with a matching budget allocation so the excess spend is £371.1k.
- 6.2 The current surplus held is £87k and the forecast expenditure and income for 20-21 being £262.9k if the forecast is correct this would leave a deficit on the holding account of £175.9k. Outgoings are currently being tightly controlled with only necessary expenditure being made. The current situation has severely affected the ability to generate income from the pavilions.
- 6.3 Asset management will be responsible for the collection of rents from 1 January 2021. It will be important to ascertain the current level of any outstanding rents both before and during the pandemic.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council is the Trustee of the Mile End Charity pursuant to the Governing Document which is a Scheme dated 28th February, 2000. The Council's Constitution establishes the King George's Fields Charity Board to administer the charities affairs and discharge the Council's trustee functions.
- 7.2 The purpose of the charity is to preserve the Park Lands in perpetuity as a memorial to King George V under the provisions of the King George's Fields Foundation. The 1965 Scheme which established the Foundation gave its purpose as "to promote and to assist in the establishment and to promote the preservation throughout the United Kingdom of Playing Fields for the use and enjoyment of the people..." Additionally, the trustees may "apply the land to such charitable purposes as are set out in the Recreational Charities Act 1958".
- 7.3 As trustees, the Board must make sure that the charity is carrying out the purposes for which it is set up, and no other purpose. Further, the Board must act in the Charity's best interests and manage the Charity's resources responsibly.
- 7.4 This report provides information to the Board so that the trustees can undertake their duties. In considering this report and its recommendations, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty).

Linked Reports, Appendices and Background Documents

Linked Report

Appendices

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

1. Draft outturn for 2019-20
2. Budget forecast for 2020-21

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