

MEETING: 12/03/2015

Ref: 12512

ASSESSMENT CATEGORY - Strengthening London's Voluntary Sector

London Play

Adv: Sandra Jones

Base: Islington

Amount requested: £137,973

Benefit: London-wide

Amount recommended: £138,000

The Charity

London Play(LP), established in 1998, was set up to ensure that all children have access to high quality, accessible play opportunities in London – whether in supervised settings or in the wider public realm. Through its activities the charity aims to improve existing play provision as well as increase the amount of provision. The organisation has an extremely good reputation on issues around children's play and works in partnership with other London-wide youth organisations such as London Youth. London Play has been chosen as charity of the year by the creative agency Collider as well as by the Hawksmoor restaurant chain.

The Application

Funding is sought to cover the salary of a p/t (3dpw) Play Works Mentor, the costs of training playground staff, and related operational and management costs. Support will be given to 12 community-led adventure playgrounds (four per year) through training and mentoring, with online evaluation toolkits for play projects being developed and launched.

The Recommendation

As the infrastructure organisation for children's play in London, the charity is providing an invaluable resource to a sector that is struggling financially. The grant will be supporting play across the capital by strengthening local organisations' evaluation systems and their ability to evidence the impact of their services, thereby putting them in a stronger position to compete for the limited resources available. The charity is emerging from a difficult financial time where it no longer receives core funding from London Councils (see below) - but has restructured and is diversifying its funding base towards earned income. Given the financial position of the organisation, your officers considered recommending one year funding to limit the risk. However, as the request is towards a salaried post, it is suggested that three years' funding is awarded, otherwise it would limit the impact of the grant.

£138,000 over three years (£37,400, £47,700, £52,900) towards the salary of a p/t (3dpw) Play Works Mentor; costs of training playground staff; and related operational and management costs. Release of the grant in year 1 is subject to the receipt of satisfactory quarterly management accounts.

Funding History

Meeting Date	Decision
04/09/2013	Application withdrawn in order to re-apply with a proposal that better met your priorities.
20/11/2003	£93,000 (£38,000, £30,000, £25,000) towards the costs of an information service providing information for London's Voluntary Play Sector,

Background and detail of proposal

Adventure playgrounds are at risk of closure across London. In recent years, youth and play services have been subject to financial reductions, and within the youth sector, play is not seen as a high priority, with the impact of play on young people being under-recognised. This is in part due to play organisations lacking the skills and experience of evaluating their services and their impact on young people's development. To address this, LP will provide community-managed play facilities with the tools to demonstrate the social and developmental outcomes they achieve, feeding this into social policy and engaging more authoritatively with policymakers and commissioners to increase sustainability.

The project will train, mentor and assist 12 adventure playgrounds over three years to improve the quality of their data collection, analysis and evaluation methods, in order to build evidence to demonstrate the impact of their services and to assess new priorities - leading to better practice, increased efficiency and sustainability. The work will include development of effective online resources which can be cascaded across the play sector. A further nine groups (at least) will develop improved evaluation systems via the online learning tools. It is envisaged that a further 100 groups will benefit over a 10 year period following the project end.

The chosen playgrounds will select one champion from either the staff team and trustee board to attend a three month course of half day training sessions in evaluation, with monthly one-to-one mentoring sessions with each playgroup developing an evaluation plan to implement. A quarterly peer support forum will be facilitated. An online toolkit will be developed from the work undertaken with the playgroups which along with other resources identified by the project, can be accessed by adventure playgrounds across London.

Financial Information

Within the Report and Financial Statements of London Play for the year ended 31st March 2014, the 'Independent examiner's report to the members of London Play' noted the following:

"Emphasis of matter

In my opinion, attention should be drawn to the following matter in order to enable a proper understanding of the financial statements to be reached: London Play had unrestricted funds of £5,980 as at 31st March 2014, and confirmed funding for less than 12 months from December 2014. The trustees consider the charity a going concern subject to raising funds successfully. The trustees are monitoring the charity's spending and cash flow regularly to ensure that its liabilities are met as and when they fall due. The trustees also explain this in note 1 (a) in the accounts."

Disclosure note 1 (a), which is referred to by the independent examiner in his emphasis of matter above, states the following:

"The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Despite the difficult funding environment for the charity sector London Play continues to attract project funding for a variety of play initiatives. Considerable effort is being focussed on the development of various play services which will attract future unrestricted income. In addition a number of bids are being submitted to Trusts and organisations to support future project work. Trustees are confident that measures

141

already taken and the careful control of expenditure in 2014/15 along with additional measures to cut costs and alter activities going forward as necessary will allow London Play to continue in operation until new funding is secured. For these reasons the Board considers it appropriate to prepare these financial statements on a going concern basis."

The charity advises that the loss of core funding from London Councils in March 2013 contributed to its financial difficulties and it has advised that in response it has made changes to its structure and business model.

Total forecast income in the current year 2014/15 is £331,286, of which £296,379 (89.5%) had been confirmed by December 2014. This includes secured backing from the Tudor Trust to fund a new lead role of Development Director which formed part of its senior management team.

At 31st March 2015 the level of free reserves is anticipated to equal one weeks' worth of expenditure. This level remains the same as that of a year earlier on 31st March 2014, which the independent examiner commented on in the 'emphasis of matter' (shown above). Over the next three years, with the help of the Development Director, the charity is aiming to increase free reserves through diversifying its funding streams. This will include offering services to design and build playgrounds, raising £38,600 so far in 2014/15 which is anticipated to increase in the coming years. London Play is also partnering with the Royal Institution on 'Kids with hammers', a television format that a number of production companies have shown an interest in. London Play has been chosen as charity of the year by the creative agency Collider who will be working with the organisation to create funding opportunities across its digital domains.

The cost of generating funds decreased from 6.3% in 2012/13 to 3.3% in 2013/14 due to staff time being diverted to direct charitable projects. The charity has recognised its financial position and expects this figure to increase from 2014/15 in relation to its income generating activities described above.

Year end at 31 March	2012/13 Independently Examined Accounts	2013/14 Independently Examined Accounts	2014/15 Current Year Forecast
Income and Expenditure	£	£	£
Income	399,230	321,797	331,286
Expenditure	381,175	346,188	330,523
Unrestricted Funds Surplus / (Deficit)	9,761	(10,879)	763
Restricted Funds Surplus / (Deficit)	8,294	(13,512)	0
Total Surplus / (Deficit)	18,055	(24,391)	763
Surplus / (Deficit) as a % of turnover	4.5%	(7.7%)	0.2%
Cost of Generating funds (% of income)	25,343 (6.3%)	9,424 (3.0%)	-
Free unrestricted reserves			
Unrestricted free reserves held at Year End	38,626	5,980	6,399
How many months' worth of expenditure	1.2	0.2	0.2
Reserves Policy target	127,000	127,000	127,000
How many months' worth of expenditure	4.0	4.5	4.6
Free reserves over/(under) target	(88,374)	(121,364)	(120,601)