

Name of Portfolio Holder:	Councillor Colette Wyatt-Lowe
Portfolio:	Community Services
Date of Background Report:	23 rd March 2010
<u>Hemel Hempstead Town Cricket Club – Request to defer loan repayments</u>	
<p>In July 2006 the Portfolio Holder for Community Services considered a grant request from Hemel Hempstead Town Cricket Club to refurbish their pavilion. Approval was given for a capital grant of £10,000 and an interest-free loan over 10 years of £10,000.</p> <p>The capital grant was paid in June 2007 and the interest free loan was agreed and paid in June 2007. The terms of the loan were that it be repaid within a period of ten years at the rate of £1000 per year on the first anniversary, and subsequent anniversaries until it is repaid.</p> <p>The Cricket Club have requested permission to defer the 2010 payment for a period of 12 months. This is because there has been an overspend on the cost of the building due to some foundation problems in the new club house.</p> <p>Advice has been taken from both the Monitoring Officer and the Head of Finance who have agreed that this could be accommodated with the following conditions:</p> <ol style="list-style-type: none"> 1. That a new loan agreement is made with the club 2. That the Club provide the Council with quarterly updates on their cash-flow position 3. That Portfolio Holder agreement to the change be obtained <p>Recommendations made and reasons:</p> <p>That Hemel Hempstead Cricket Club be allowed to defer the interest-free loan from the Council for one year.</p>	
Reports considered:	
Letter from Hemel Hempstead Town Cricket Club	
Officers / Councillors / Ward Councillors / Stakeholders Consulted:	
Monitoring Officer Head of Finance Leader of the Council	
Monitoring Officer/Chief Financial Officer Comments:	
<p>Monitoring Officer: - This loan was granted in exercise of the Council's powers under section 19 of the Local Government (Miscellaneous Provisions) Act 1976 which allows local authorities to provide sports and other recreational facilities or give financial assistance to voluntary organisations to provide such facilities. The Council has the power to decide to defer repayment of the loan.</p> <p>Section 151 Officer: - To move forward with this decision a new loan agreement should be signed by all parties that accurately reflects this decision. It has also been suggested that quarterly updates are received from Hemel Hempstead Town Cricket Club on their cashflow position.</p>	

Implications:

Risk: there are no specific risks identified that relate to the allocation of funding as described in this report

Value for Money: the grant aid criteria looks to gain additional value from supporting community projects with a small amount of resource which yields maximum community benefit. It therefore provides good value for money.

Options Considered and reasons for rejection:

Not to defer the loan repayment - This has been rejected because of the Club's financial commitments caused by unforeseen building difficulties.

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:**For Member Support Officer use only**

Date Decision Record Sheet received from portfolio holder: 20 April 2010

Date Decision Published: 20 April 2010

Decision No: PH/021/10

Date of Expiry of Call-In Period: 27 April 2010

Date any Call-In received or decision implemented: