

From: Danny Thorpe
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Subject: Wide Horizons

Colleagues,

You will have seen a statement has been issued by the Wide Horizons charity.

Our response is here:

http://www.royalgreenwich.gov.uk/news/article/1261/response_to_closure_of_wide_horizons

As many of you will know, Wide Horizons Outdoor Education Trust is an adventure learning charity formed more than a decade ago. It is an independent organisation which was created as a result of a joint initiative by the Greenwich and Lewisham Councils. Through its outdoor centres it reaches more than 45,000 students a year. Like many third sector organisations, it has faced a difficult financial environment with rising costs and falling demand.

Last year a new Chief Executive was appointed and he undertook to restructure the business. Just before the turn of the year Greenwich and Lewisham Councils underwrote a £1.4m loan to Wide Horizons based upon a new business mode which was intended to provide financial stability for the charity. A few months later the charity came back asking for an additional £400,000 as they were experiencing financial difficulty.

The charity claimed to have pledges of £200,000 and asked RBG to provide the additional £200,000 to keep the charity running. Lewisham Council decided it could not agree to any additional funding.

Officers of the Council met various representatives of Wide Horizons in recent months and repeatedly asked for a detailed business plan.

The full operating costs of the Charity were only provided late on the evening of Friday, July 20th. This effectively gave officers two days to assess the business plan, come up with recommendations and discuss options with cabinet members ahead of the Wide Horizons board meeting on Tuesday, July 24th. With such an unrealistic deadline, officers worked over the weekend to make an initial assessment of the true costs of the operation.

The assessment of our finance team was that the additional funding would only keep the charity afloat until the end of this year as the overheads in the business were much higher than expected. As a registered charity it is essential that the organisation always meets its surplus requirements. The business plan submitted and the operating costs it involved would have left Wide Horizons far short of that figure.

I have first-hand experience of the activities that our children enjoy at these centres and our over-riding concern has to be ensure that schools can continue to access high quality outdoor education. If we had had confidence in the business plan then we would have continued to support Wide horizons but it would have been unfair to our schools to continue to support a service that whose business plan is unsustainable. Similarly, it was not in the taxpayers best interests to provide any further financial assistance.

The organisation, and its staff in particular, have provided a valuable service for children in the borough, many of whom have little access to outdoor adventure activities, so we are bitterly disappointed with this outcome.

We will now make sure the sites we own are protected and will explore options for them. A number of schools have paid deposits for school journeys next year. We will liaise with schools in September and ensure that no family is out of pocket as a result of this decision while we work towards a long-term sustainable solution.

We have a duty to spend our limited resources wisely and cannot continue to bail out a charity that clearly does not know how to manage its finances.

Please feel free to disseminate this information. Parents and schools will no doubt be extremely concerned. But to suggest that the Council has forced the closure of this charity is a gross misrepresentation of the facts.

Thanks

Danny

Councillor Danny Thorpe
Leader
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