

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE GRANTS DETERMINATION (CABINET) SUB-COMMITTEE

HELD AT 5.10 P.M. ON TUESDAY, 28 MARCH 2017

Members Present:

Mayor John Biggs (Chair)	(Executive Mayor)
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance)
Councillor Rachael Saunders	(Deputy Mayor and Cabinet Member for Education & Children's Services)
Councillor Asma Begum	(Cabinet Member for Culture)

Commissioners Present:

Max Caller	(Commissioner)
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Other Councillors Present:

Councillor Peter Golds	(Leader of the Conservative Group)
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Others Present:

Jane Caldwell	(Age UK)
Tom McMahon	(Age UK/Black Womens Health and Family Support)
Joycelyn Hayford	(Black Womens Health and Family Support)

Officers Present:

Janet Fasan	– (Interim Divisional Director, Legal)
Vicky Allen	– (Strategy Policy & Performance Officer, Strategy, Corporate Strategy and Equality Service, Chief Executive's)
Melanie Aust	– (Business, Enterprise, High Streets & Town Centres Manager)
John Coker	– (Strategic Housing Manager, Place)
Zena Cooke	– (Corporate Director, Resources)
Steve Hill	– (Head of Grants & Benefits Service)
Andy Scott	– (Head of Economic Development, Place)
Ann Sutcliffe	– (Divisional Director, Property & Major Programmes)
Antonella Burgio	– (Democratic Services)

1. APOLOGIES FOR ABSENCE

An apology was received from Councillor Mukit, Chair of Grants Scrutiny Sub Committee (GSSC), who was unwell.

RESOLVED

That the apology be noted.

2. DECLARATIONS OF INTERESTS

Councillor Islam declared an interest in respect of agenda item 6.1 in that he had previously worked for East London Business Alliance (ELBA).

Mayor Biggs, Councillor Islam, Councillor Begum and Councillor Saunders declared an interest in respect of agenda item 6.2 in that in that the Chair of Children Education Group Board (CEG) was known to them through their common Labour Party membership.

RESOLVED

That the declarations be noted.

3. UNRESTRICTED MINUTES

RESOLVED

That the minutes of the meeting held on 14 February 2017 be approved as a correct record of proceedings.

4. CONSIDERATION OF PUBLIC SUBMISSIONS

A submission relating to agenda item 6.2 'MSG Quarterly Performance Monitoring Report (Jan - Dec 2017)' was received from Age UK and considered as part of the discussion of the item.

5. EXERCISE OF MAYORAL DISCRETIONS

The Chair advised that he and Councillor Mukit (in his role of Chair of Grants Scrutiny Sub Committee) had been briefed on an application for emergency funding made by The Rooted Forum. The application required additional information to be provided prior to determination and this had recently been supplied. The Chair noting that an expedited decision was necessary and that officers recommended a sum of £6,130.01 be paid to this project, agreed that request be approved as an emergency decision for the sum recommended.

RESOLVED

That approval of emergency funding for The Rooted Forum to the value of £6,130.01 be confirmed.

6. REPORTS FOR CONSIDERATION

6.1 Council Contribution of Match Funding to the Building Legacies Project

Melanie Aust, Business, Enterprise, High Streets & Town Centres Manager presented the report which asked the Sub Committee to approve match funding of £25,000 for the Building Legacies Project, a scheme administered through ELBA and which would lever significant inward investment into the borough.

The Chair noted the written comments on behalf of Grants Scrutiny Sub Committee and invited Members and Commissioner Caller to comment on the proposal. They indicated that they supported proposal to offer match funding. Members were pleased to note the levels of inward investment that that the project would attract into the borough.

RESOLVED

That match funding support for the Building Legacies project in the sum of £25,000 be approved.

6.2 MSG Quarterly Performance Monitoring Report (Jan- Dec 2017)

The Chair introduced the report noting that information on the projects reported and recommendations had been updated since the agenda was published. This information was provided in the addendum report tabled at the meeting. Steve Hill, Head of Grants and Benefits informed the Sub Committee that the report focussed on projects where property issues remained outstanding and provided updates on these projects concerning measures to regularise property arrangements and their implications on the payment of MSG funding.

The written comments of Grants Scrutiny Sub Committee were noted. Sub Committee Members' and Commissioner Caller's comments on the following issues were noted:

- That performance monitoring should distinguish between activity outputs and outcomes.
- That there should be greater outcome monitoring.
- Concern highlighted by GSSC around disproportionately high rents for small organisations, especially where these operate from premises other than those classified as community buildings.
- That, given the mediation and engagement offered by the Council in respect of Children Education Group (CEG) to regularise its property arrangements, that the terms offered to this project (set out at recommendation 1) are reasonable.
- That historic property arrangements relating to 82 Russia Lane are complex and that the premises offers a mixed administrative and community provision which does not fully fit the Council's community buildings criteria.

- That a number of weeks will be required to complete a survey to determine rental value of 82 Russia Lane and draw up heads on terms. Following this Age UK and Black Womens Health and Family Support will require reasonable time to review their intention to enter into a lease.
- That a consistent rationale and transparent approach must be adopted in resolving property issues. Any discounts must be consistently applied according to agreed criteria.

RESOLVED

Recommendation 1

- i. That grant funding to CEG continue to be suspended until confirmation that CEG has entered into the lease agreement.
- ii. That the Children Education Group (CEG) be required to have entered into an appropriate property agreement within seven (7) consecutive days of the issue of the Heads of Terms by the Council. If CEG have entered into an agreement, MSG payments can be released subject to satisfactory performance. In the event that CEG have not entered into an appropriate property agreement within seven (7) consecutive days of the issue of the Heads of Terms, CEG are to be removed from the current MSG programme and no further MSG payments be made.

Recommendation 2

- i. That Bethnal Green Weight Lifting Club be allowed until the next Grants Determination Sub Committee (GDSC) meeting (9 May 2017) to confirm their intention of entering into an appropriate agreement, at market rate.
- ii. That payment of grant be suspended after this date if no confirmation is provided.
- iii. That grant payment continue to this organisation monthly in arrears, subject to satisfactory performance until the date of the next GDSC meeting (9 May 2017).

Recommendation 3

That, in acknowledgement of the developments for 82 Russia Lane, whilst the survey is undertaken and revised Heads of Terms are sent to Black Womens Health and Family Support, MSG payments be changed from quarterly in arrears to monthly in advance, subject to satisfactory MSG performance ratings.

Recommendation 4

That, in acknowledgement of the developments for 82 Russia Lane, and whilst the survey is undertaken and revised Heads of Terms are sent to Age UK East London, MSG payments be changed from quarterly in arrears to monthly in advance, subject to satisfactory MSG performance ratings.

Recommendation 5

- i. That payment of grant to Pollyanna be suspended pending satisfactory outcome and completion of the review of arrangements with Wapping TRA.
- ii. That it be noted that the outcome of the review will be supplied to the 9th May Grants Determination (Cabinet) Sub Committee.

Recommendation 6

- i. That MSG payments to Our Base LTD continue to be suspended until an appropriate property agreement is in place.
- ii. That it be noted that an update report will be provided at the 9th May Grants Determination (Cabinet) Sub Committee.

Recommendation 7

That it be noted:

- i. The Betar Bangla project is due to end at the end of March 2017 and has received its final grant payment.
- ii. The Council is in the process of challenging the landlord over the sub-letting arrangements and the terms of the lease, following confirmation of the basis of the agreement given to Betar Bangla by Blue Pearl who are the tenants of the building.

Recommendation 8

That, since the process for preparing a licence is underway, MSG payments to Family Action continue to be paid monthly in arrears pending the appropriate premises agreement being signed within an appropriate timeframe.

Recommendation 9

That the Somali Senior Citizens Club continue to receive MSG as a result of signing the license extension, and subject to satisfactory performance.

Recommendation 10

That it be noted:

- i. That the Council issued 41 new agreements to organisations to replace the arrangements which were previously in place. A deadline for the return of the completed forms was set for 14th March 2017.
- ii. That a response has been received from all organisations however further information is required from 6 organisations which is being sought. As part of this process officers need to ensure the agreements supplied are appropriate and consistent with requirements.
- iii. An update on the audit will be provided at the 9th May 2017 Grants Determination (Cabinet) Sub-Committee.

6.3 Lease Handover (Harford St Multicentre) and Grant Approval for Ocean Regeneration Trust

The Vice-Chair invited John Coker, Strategic Housing Manager to present the report which asked the Sub Committee to authorise the Corporate Director for Place to continue grant funding to Ocean Regeneration Trust (ORT) for five

years. This would be linked with the lease of the Harford Multicentre to the Trust, subject to delivery of the Ocean and Limehouse Community Review and would enable ORT to increase their occupation of the Multicentre.

The Vice-Chair noted the community services and income generation elements of the scheme. He then invited Sub Committee Members' and Commissioner Caller to give their comments. Commissioner Caller noted that no lease details were yet available and in these circumstances it was better to defer the grant decision until details of the lease were known.

DECISION

That the application to authorise the Corporate Director for Place to continue grant funding to Ocean Regeneration Trust (ORT) for five years be deferred pending information on the lease being made available.

7. GRANTS FORWARD PLAN

RESOLVED

That the forward plan be noted

8. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

GIFTS SYSTEM - ONLINE GRANTS ADMINISTRATION

The Head of Grants and Benefits informed the Sub Committee that GSSC had received a presentation on GIFTS, the Council's online grants system through which it would administer all forms of grants in future and invited Members to receive a presentation of the same. Members agreed that a presentation should be made at a future Cabinet meeting.

SECRETARY OF STATE'S DIRECTIONS

Councillor Saunders noted that Secretary of State for Communities and Local Government had withdrawn the directions issued in 2014 and decision making would be returned to the Council from 31 March 2017. On behalf of the Sub Committee and all those involved she thanked Commissioner Caller for all of his work in relation to the Council's grant making functions while the directions had been in force and Commissioners' input into the new framework for delivering grants in future.

The meeting ended at 6.15 p.m.

Chair, Mayor John Biggs
Grants Determination (Cabinet) Sub-Committee