

# MAYOR'S EXECUTIVE DECISION MAKING

---

Monday, 11 September 2017

---

Mayor's Decision Log No. 174

---


1. **MSG PREMISES UPDATE REPORT (Pages 1 - 10)**

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact: Matthew Mannion, Committee Manager, Democratic Services

Tel: 0207 364 4651, e-mail: [matthew.mannion@towerhamlets.gov.uk](mailto:matthew.mannion@towerhamlets.gov.uk)

This page is intentionally left blank

# Agenda Item 1

<b>Individual Mayoral Decision Proforma</b>  Decision Log No: <u>  174  </u>	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Zena Cooke, Corporate Director Resources	<b>Classification:</b> Unrestricted
<b>MSG Premises Update Report</b>	

<b>Is this a Key Decision?</b>	<b>No</b>
<b>Decision Notice Publication Date:</b>	29 August 2017
<b>General Exception or Urgency Notice published?</b>	<b>Yes – this report has been excluded from the Call-In process – details set out in the Urgency Notice</b>
<b>Restrictions:</b>	None
<b>Reason for seeking an Individual Mayoral Decision</b>	Funds being released are critical for the organisations' delivery of MSG programme

## EXECUTIVE SUMMARY

The Main Stream Grant (MSG) 2015/18 Programme was approved by Commissioners on 29 July 2015 and runs from 1 September 2015 through to 31 August 2018.

The Programme is made up of five (5) broad Themes covering a range of activities and services. The activities and services are being delivered by a portfolio of projects each of which has targeted outcomes to achieve during the course of the programme period.

This report provides an update on the position regarding four Mainstream Grants' (MSG) recipients that were identified as based in council buildings but did not have an appropriate property arrangement in place and hence required this in order for MSG payments to be released.

The report was considered at the Grants Determination Sub Committee Pre Agenda Meeting which was held on 18<sup>th</sup> August 2017. Due to the urgency of the decision, at the Mayor's request, it was agreed that this should progress as an Individual Mayoral Decision.

This was to ensure that the groups concerned receive their mainstream grant entitlement (subject to satisfactory performance) at the earliest possible opportunity as their premises issues have satisfactorily progressed.

The decision also ensures no further delays of this nature will occur in the future through the decision to delegate authority to the Corporate Director Resources for these matters.

Full details of the decision sought, including setting out the reasons for the recommendations and/or all the options put forward; other options considered; background information; the comments of the Chief Finance Officer; the concurrent report of the Head of Legal Services; implications for One Tower Hamlets; Risk Assessment; Background Documents; **and other relevant matters are set out in the attached report.**

## **RECOMMENDATIONS**

### **Recommendation 1 – Somali Senior Citizens Club**

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

(b) That pending the work to establish the hub at Granby Hall, existing charging arrangements for the use of Granby Hall and the SSCC continues.

### **Recommendation 2 – Community of Refugees from Vietnam**

That having submitted an appropriate property agreement for the Aberfeldy Centre, MSG payments are to be released to the Community of Refugees from Vietnam subject to satisfactory performance.

### **Recommendation 3 – Citizens Advice Bureau (CAB)**

That as the Citizens Advice Bureau have a current valid lease in law as they are 'holding over' on their license whilst a new licence is negotiated with their landlords; MSG payments continue to be paid to the organisation, subject to satisfactory performance.

### **Recommendation 4 – City Gateway**

That following the completion of the lease between the Council and the Ocean Regeneration Trust (ORT) which stipulates that ORT can share the premises with City Gateway; the final MSG payment to City Gateway is released subject to satisfactory performance.

### **Recommendation 5 – Our Base**

That in acknowledgement of Our Base signing the Heads of Terms and in so doing demonstrating a willingness to enter into an appropriate agreement, pending the Council progressing the lease to conclusion, the MSG withheld payments for the period January 2017 – June 2017 be released subject to satisfactory performance.

**Recommendation 6**

That where MSG related premises conditions are met by organisations in between Grants Determination Sub Committee Meetings, delegated authority be given to the Corporate Director Resources to authorise MSG payments subject to satisfactory performance and in each instance where delegated authority of this nature is used, it should be reported to the next meeting of Grants Determination Sub Committee.

**APPROVALS**


**1. (If applicable) Corporate Director proposing the decision or his/her deputy**

I approve the attached report and proposed decision above for submission to the Mayor.

Signed  ..... Date 11/09/17

**2. Chief Finance Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed  ..... Date 11/9/17

**3. Monitoring Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

(For Key Decision only – delete as applicable)

I confirm that this decision:-

- (a) has been published in advance on the Council's Forward Plan OR
- (b) is urgent and subject to the 'General Exception' or 'Special Urgency' provision at paragraph 18 or 19 respectively of the Access to Information Procedure Rules.


Signed  ..... Date 11/9/17

**4. Mayor**

I agree the decision proposed in the recommendations above for the reasons set out in paragraphs 3.1, 3.2, 3.3, 3.4 and 3.5 in the attached report.

Signed  ..... Date 11/9/17

This page is intentionally left blank

<b>Individual Mayoral Decision</b>	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Zena Cooke, Corporate Director Resources	<b>Classification</b> Unrestricted
<b>MSG Premises Update Report</b>	

<b>Originating Officer(s)</b>	Steve Hill - Head of Benefits Services
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	All

## **EXECUTIVE SUMMARY**

The Main Stream Grant (MSG) 2015/18 Programme was approved by Commissioners on 29 July 2015 and runs from 1 September 2015 through to 31 August 2018.

The Programme is made up of five (5) broad Themes covering a range of activities and services. The activities and services are being delivered by a portfolio of projects each of which has targeted outcomes to achieve during the course of the programme period.

This report provides an update on the position regarding four Mainstream Grants' (MSG) recipients that were identified as based in council buildings but did not have an appropriate property arrangement in place and hence required this in order for MSG payments to be released.

## **RECOMMENDATIONS**

The mayor is recommended to:

1. Consider the recommendations relating to the releasing of payments to the four organisations as set out in sections 3.1, 3.2, 3.3 and 3.4 of the report.

### **1. REASONS FOR THE DECISIONS**

- 1.1 To consider the funding for MSG recipients in line with the July 2015 Commissioners' decision regarding MSG recipients in Council buildings having appropriate property agreements in place.

### **2. ALTERNATIVE OPTIONS**

- 2.1 The mayor could request further information or alter the recommendations.

### **3. DETAILS OF REPORT**

Monitoring of Mainstream Grants recipients identified the following organisations based in council buildings did not have an appropriate property agreement in place or have had developments with regard to their premises arrangements. In all cases there has been progress made which prompts review by the mayor. Background and the current status are detailed for each of these organisations.

#### **3.1 Somali Senior Citizens Club (SSCC)**

A license extension between the Council and the SSCC was signed on the 2<sup>nd</sup> August 2017 and expires on the 30<sup>th</sup> September 2017 for the use of Granby Hall.

##### **Recommendation 1 – Somali Senior Citizens Club**

**(a) That the Somali Senior Citizens Club continues to receive MSG payments as a result of signing the license extension, and subject to satisfactory performance.**

**(b) That pending the work to establish the hub at Granby Hall, existing charging arrangements for the use of Granby Hall and the SSCC continues.**

#### **3.2 Community of Refugees from Vietnam (CRV)**

CRV required an appropriate property agreement for the use of the Aberfeldy Centre; the Council has an interest in the Aberfeldy Centre as freeholders and have given the premises to Poplar HARCA on a long term lease.

A copy of the booking form between Poplar HARCA and the CRV was submitted to the Council on the 2<sup>nd</sup> August 2017 which fulfils the requirements of having an appropriate property agreement.

##### **Recommendation 2 – Community of Refugees from Vietnam**

**That having submitted an appropriate property agreement for the Aberfeldy Centre, MSG payments are to be released to the Community of Refugees from Vietnam subject to satisfactory performance.**

#### **3.3 Citizens Advice Bureau (CAB)**

CAB is currently holding over on its lease whilst they negotiate a new lease with their landlord (Chicksand Citizens Forum Limited). The Council are the freeholders for the property and have given a long lease to the Chicksand Citizens Forum Limited who have in turn sub-leased to CAB. Legally the expired lease continues until the organisation has renewed so in essence they still have an appropriate property agreement.



Advice has been sought from Asset Management who are satisfied the CAB have a current valid lease in law because they are able to 'hold over' pending the granting of a new lease from their landlord.

**Recommendation 3 – Citizens Advice Bureau (CAB)**

**That as the Citizens Advice Bureau have a current valid lease in law as they are 'holding over' on their license whilst a new licence is negotiated with their landlords; MSG payments continue to be paid to the organisation, subject to satisfactory performance.**

3.4 City Gateway

The organisation was using the Harford Street Multi-centre as an outreach site to deliver their theme 5 MSG programme (which came to an end on 31<sup>st</sup> March 2017). A final payment to the organisation has been held back until an appropriate property agreement was put in place. There was a delay in this due to the Council negotiating a lease with the Ocean Regeneration Trust for the premises; this has now been completed with the lease stipulating that the Ocean Regeneration Trust can share the premises with City Gateway.

**Recommendation 4 – City Gateway**

**That following the completion of the lease between the Council and the Ocean Regeneration Trust (ORT) which stipulates that ORT can share the premises with City Gateway; the final MSG payment to City Gateway is released subject to satisfactory performance.**

3.5 Our Base

Our Base has demonstrated their willingness to enter into an appropriate property agreement with the council and have signed and returned their Heads of Terms on 7<sup>th</sup> June 2017. The Council is currently undertaking due-diligence checks and is in the process of devising a lease plan.

**Recommendation 5 – Our Base**

**That in acknowledgement of Our Base signing the Heads of Terms and in so doing demonstrating a willingness to enter into an appropriate agreement, pending the Council progressing the lease to conclusion, the MSG withheld payments for the period January 2017 – June 2017 be released subject to satisfactory performance.**

**Recommendation 6**

**That where MSG related premises conditions are met by organisations in between Grants Determination Sub Committee Meetings, delegated authority be given to the Corporate Director Resources to authorise MSG payments subject to satisfactory performance and in each instance where delegated authority of this nature is used, it should be reported to the next meeting of Grants Determination Sub Committee.**

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report provides an update on the Councils MSG programme, budgeted at approximately £3.049m per annum or £9.148m, over the three year period 2015/18.
- 4.2 There are sufficient resources within directorate budgets to fund the agreed programme over the 3 year period.
- 4.3 There are a number of projects where temporary suspension of grant payments pending satisfactory performance information has been recommended. This is in line with grant conditions agreed with providers.

#### **5. LEGAL COMMENTS**

- 5.1. The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This is referred to as the Council's best value duty. Best Value considerations have also been addressed in paragraph 7 of the report.
- 5.2. Applying this duty to grants, the Council must operate a fair and open application procedure to process a request to obtain funding. Requests for grant funding should ordinarily be measured against a predetermined set of criteria and the criteria themselves must be fair and transparent. The grant agreement should include a clear monitoring process against defined parameters in order for the Council to demonstrate either: that delivery is in line with the application and, therefore, the grant achieved its purpose; or provide clear delineation where outcomes were not achieved and the reasons for such failure are apparent. Monitoring should therefore include measuring performance against the expected outcomes.
- 5.3. This report provides the Sub-Committee with a performance update advising as to the MSG Themes and whether individual projects are on track to deliver the agreed outputs and outcomes.

#### **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1. The contribution of VCS Organisations helping to deliver One Tower Hamlets objectives and priorities are explicitly recognised and articulated within the Council's agreed Voluntary and Community Sector Strategy.
- 6.2 VCS Organisations play a key role in delivering services that address inequality, improve cohesion and increase community leadership. These services are real examples of 'One Tower Hamlets' in practice.
- 6.3 The opportunities offered through the MSG Programme will play a key role in delivering the aims of One Tower Hamlets.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The level of awards to organisations was determined by the quality of their individual applications as well as the overall demand for the funds available within each Theme.
- 7.2 Additionally, the application appraisal process took into consideration the proposed levels of outputs and outcomes to be delivered as well as the organisation's track record and the bid's overall value for money rating.
- 7.5 There will be ongoing performance management of the approved portfolio of projects to ensure that interventions meet the required standards; that the evidencing of project achievements and expenditure are accurately recorded and reported.
- 7.6 Monitoring and reporting arrangements are in place to ensure that payments to organisations are in line with performance. The agreed Payment By Results process will ensure that grants will not be paid to organisations that either significantly or consistently under-perform, or those that are not able to properly evidence the work/outcomes for which funding has been approved.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 The MSG 2015/18 Programme has a broad focus including developing new skills for local people and organisations that are disadvantaged and perhaps facing multiple barriers to achieving a sustainable future.
- 8.2 All programme beneficiaries be they individuals or local organisations will be encouraged to consider taking appropriate steps to minimise negative impact on the environment when taking up the opportunities offered within the programme and on an ongoing basis.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 A number of different risks arise from any funding of external organisations. The key risks are:
- The funding may not be fully utilised i.e. allocations remain unspent and outcomes are not maximised
  - The funding may be used for purposes that have not been agreed e.g. in the case of fraud
  - The organisation may not in the event have the capacity to achieve the contracted outputs/outcomes
- 9.2 The monitoring being undertaken has identified a small number of projects that have been rated either Red or Amber within the Council's RAG performance rating process. In these circumstances either formal project improvement plans or other appropriate arrangements have been put in place to minimise the risk of further/significant underperformance.

9.3 As part of the ongoing programme management arrangements, support, advice and guidance will be made available projects to ensure that all performance and other risks are minimised.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 The activities, services and outcomes that are being targeted through the MSG Programme support the objectives of reducing crime and disorder; this is particularly true of the projects delivering under the Community Engagement Cohesion and Resilience Theme.

10.2 Throughout the programme as a whole however, those people involved in, or at risk of involvement in the criminal justice system will be targeted for support.

## **11. SAFEGUARDING IMPLICATIONS**

11.1 As part of the initial application process organisations were required to provide details of their safeguarding policy if appropriate. The Grant Agreement that funded organisations have entered into includes requirements in relation to safeguarding.

11.2 Organisations providing services to children or vulnerable adults and employing staff or volunteers in a position whose duties include caring for, training, supervising or being responsible in some way for them, are required to fully comply with all necessary safeguarding requirements.

---

### **Linked Reports, Appendices and Background Documents**

#### **Linked Report:**

- None

#### **Appendices:**

- None

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

- None

#### **Officer contact details for documents:**

Steve Hill, Head of Benefits Services

**Phone:** 020 7364 7252     **Email:** [steve.hill@towerhamlets.gov.uk](mailto:steve.hill@towerhamlets.gov.uk)