

GRANTS DETERMINATION (CABINET) SUB- COMMITTEE

MAYOR

Mayor John Biggs

MEMBERS

Councillor Candida Ronald	(Cabinet Member for Resources and the Voluntary Sector)
Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Community Safety and Equalities)
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing)

Deputies:

Councillor Amina Ali	(Cabinet Member for Culture, Arts and Brexit)
Councillor Rachel Blake	(Deputy Mayor and Cabinet Member for Regeneration and Air Quality)
Councillor David Edgar	(Cabinet Member for Environment)
Councillor Danny Hassell	(Cabinet Member for Children, Schools and Young People)
Councillor Motin Uz-Zaman	(Cabinet Member for Work and Economic Growth)

[The quorum for the meeting is 3 Members]

MEETING DETAILS

Wednesday, 16 January 2019 at 6.30 p.m.
Room C1, 1st Floor, Town Hall, Mulberry Place, London E14 2BG

The meeting is open to the public to attend.

Further Information

The public are welcome to attend meetings of the Grants Determination Sub-Committee.

Contact for further enquiries:

Zoe Folley, Committee Services Officer,
Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG
Tel: 020 7364 4877
E-mail: Zoe.Folley@towerhamlets.gov.uk
Web: <http://www.towerhamlets.gov.uk/committee>

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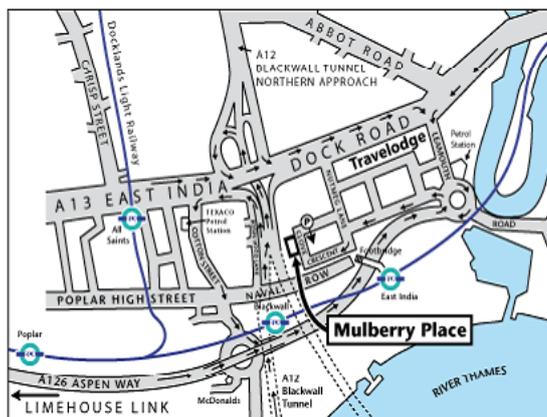
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2. DECLARATIONS OF INTERESTS To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. See attached note from the Monitoring Officer.	5 - 8
3. MINUTES OF THE PREVIOUS MEETING To approve as a correct record of proceedings, the minutes of the meeting held on 7 th November 2018.	9 - 16
4. CONSIDERATION OF PUBLIC SUBMISSIONS Consideration of any written comments received from members of the public in relation to any of the reports on the agenda. [Any submissions should be sent to the clerk listed on the agenda front page by 5pm the day before the meeting]	
5. EXERCISE OF MAYORAL DISCRETIONS To note for information individual decisions relating to the award of grants that have been taken by the Mayor the last meeting	
6. GRANTS DETERMINATION SUB-COMMITTEE MEETING REPORTS FOR CONSIDERATION	
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The next meeting will be held on Wednesday, 6 March 2019. Meeting venue: Room C1, 1st Floor, Town Hall, Mulberry Place, London E14 2BG

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Agenda Item 2.

DECLARATIONS OF INTERESTS - NOTE FROM THE MONITORING OFFICER

This note is for guidance only. For further details please consult the Members' Code of Conduct at Part 5.1 of the Council's Constitution.

Please note that the question of whether a Member has an interest in any matter, and whether or not that interest is a Disclosable Pecuniary Interest, is for that Member to decide. Advice is available from officers as listed below but they cannot make the decision for the Member. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending a meeting.

Interests and Disclosable Pecuniary Interests (DPIs)

You have an interest in any business of the authority where that business relates to or is likely to affect any of the persons, bodies or matters listed in section 4.1 (a) of the Code of Conduct; and might reasonably be regarded as affecting the well-being or financial position of yourself, a member of your family or a person with whom you have a close association, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected.

You must notify the Monitoring Officer in writing of any such interest, for inclusion in the Register of Members' Interests which is available for public inspection and on the Council's Website.

Once you have recorded an interest in the Register, you are not then required to declare that interest at each meeting where the business is discussed, unless the interest is a Disclosable Pecuniary Interest (DPI).

A DPI is defined in Regulations as a pecuniary interest of any of the descriptions listed at **Appendix A** overleaf. Please note that a Member's DPIs include his/her own relevant interests and also those of his/her spouse or civil partner; or a person with whom the Member is living as husband and wife; or a person with whom the Member is living as if they were civil partners; if the Member is aware that that other person has the interest.

Effect of a Disclosable Pecuniary Interest on participation at meetings

Where you have a DPI in any business of the Council you must, unless you have obtained a dispensation from the authority's Monitoring Officer following consideration by the Dispensations Sub-Committee of the Standards Advisory Committee:-

- not seek to improperly influence a decision about that business; and
- not exercise executive functions in relation to that business.

If you are present at a meeting where that business is discussed, you must:-

- Disclose to the meeting the existence and nature of the interest at the start of the meeting or when the interest becomes apparent, if later; and
- Leave the room (including any public viewing area) for the duration of consideration and decision on the item and not seek to influence the debate or decision

When declaring a DPI, Members should specify the nature of the interest and the agenda item to which the interest relates. This procedure is designed to assist the public's understanding of the meeting and to enable a full record to be made in the minutes of the meeting.

Where you have a DPI in any business of the authority which is not included in the Member's register of interests and you attend a meeting of the authority at which the business is considered, in addition to disclosing the interest to that meeting, you must also within 28 days notify the Monitoring Officer of the interest for inclusion in the Register.

Further advice

For further advice please contact:-

Asmat Hussain, Corporate Director, Governance and Monitoring Officer.

Tel 020 7364 4800

APPENDIX A: Definition of a Disclosable Pecuniary Interest

(Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, Reg 2 and Schedule)

Subject	Prescribed description
Employment, office, trade, profession or vacation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to the Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where—</p> <p>(a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

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LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE GRANTS DETERMINATION (CABINET) SUB-COMMITTEE

HELD AT 5.30 P.M. ON WEDNESDAY, 7 NOVEMBER 2018

ROOM C3, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, LONDON E14 2BG

Members Present:

Mayor John Biggs (Chair)	(Executive Mayor)
Councillor Candida Ronald	(Cabinet Member for Resources and the Voluntary Sector)
Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Community Safety and Equalities)
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing)

Others Present:

Councillor Marc Francis	(Chair of the Grants Scrutiny Sub – Committee)
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Officers Present:

Dr Somen Banerjee	(Director of Public Health)
Alison Denning	(Festivals and Events Officer, Place)
Janet Fasan	(Divisional Director, Legal)
Steve Hill	(Head of Benefits Services, Resources)
Dominic Hinde	(National Management Trainee, Public Health)
Sripriya Sudhakar	(Place Shaping Team Leader, Place)
Rosy Wilkie	(Strategy, Policy and Performance Officer, Corporate Strategy & Equality, Resources)
Zoe Folley	(Committee Officer, Governance)

1. APOLOGIES FOR ABSENCE

None received

2. DECLARATIONS OF INTEREST

Councillor Candida Ronald declared that she had a disclosable non – pecuniary interest in agenda item 6.4 as she was a patient of the Island Health practice

3. MINUTES OF THE PREVIOUS MEETING

RESOLVED:

The minutes of the meeting held on 27th September 2018 were presented and approved as a correct record of proceedings.

4. CONSIDERATION OF PUBLIC SUBMISSIONS

There were no public submissions relating to the agenda items to be considered at the meeting.

5. EXERCISE OF MAYORAL DISCRETIONS

The Sub - Committee noted that, since the last meeting, the Mayor had taken no urgent decisions in the form of an Individual Mayoral Decision that related to grants.

6. GRANTS DETERMINATION SUB-COMMITTEE MEETING REPORTS FOR CONSIDERATION

6.1 Event Fund - Quarter 4 & Annual Report 2017/18

Alison Denning (Festivals and Events Officer, Place) presented the report which provided an overview of Event Fund applications for events taking place between April 1st 2017 and March 31st 2018 and the Jo Cox / Big Lunch Great Get Together events. The report covered the number of applications received, the assessment process, the amount of applications funded, project descriptions and monitoring information amongst other matters issues.

The Sub – Committee also received an overview of the application criteria for the Event Fund and the projects funded per quarter. It was also confirmed that the initiative supported events in all wards across the Borough and some of the projects worked with partners from all over the Borough. The Council had introduced workshops and carried work to reach organisations. However there were variations in terms of the number of events funded per ward due to certain factors. The Council had also revised the monitoring arrangements so that it was now only required to provide essential information.

The Mayor invited the Chair of GSSC to comment on the report. He indicated that the GSSC sought clarity on the geographical coverage of the events given the slight overrepresentation of events in some wards and a slight underrepresentation in other wards. The GSSC were satisfied with responses and supported the project. The GSSC endorsed the report.

The Mayor then invited GDSC Members to comment on the report. In response to questions, it was confirmed that Officers worked with groups to ensure they engaged with residents from around the Borough and that the projects were benefiting LBTH residents. Officers also encouraged groups to provide projects across the Borough.

RESOLVED

1. That the contents of the report be noted

6.2 Payment of Historic Buildings Grant to St. Mary and Holy Trinity Church, Bow

The Sub-Committee considered the report relating to the payment of a Historic Buildings Grant of £20,000 to St. Mary and Holy Trinity Church (St. Mary's), for the first phase of vital repair works to the exterior of the church west tower. It was noted that the building was currently on Historic England's Heritage at Risk register and was a Grade 11 building.

In terms of background, it was noted that the Sub - Committee agreed in September 2017 to match fund the repair works. The works had been inspected and the Council were satisfied that they had been completed to a high standard. This report therefore sought the payment of that funding.

The Mayor enquired and it was noted that the GSSC asked questions and received assurances about the completion of the second phase of the project and the quality of the restoration work. The GSSC endorsed the recommendations.

The Mayor then invited GDSC Members to comment on the report. They supported the recommendations.

RESOLVED:

1. That the grant payment of grant of £20,000 to St. Mary and Holy Trinity, Bow, be approved as a contribution to vital repair works to the exterior of the west tower.

6.3 Approve the Change Note and subsequent changes that deviate from the initial PID that was approved in November 2017 of grant funding £3,119,421 to NHS Tower Hamlets CCG to deliver increased capacity, access and service provision in primary care and maintain continuity of local GP services.

Dr Somen Banerjee (Public Health) presented the 'Change Note' of the 'Aberfeldy Village Health Centre' PID of August 2017 regarding changes to the fit out and leaseholder arrangements for the project. He confirmed that there had been no other changes to the nature of the bid. It was also noted that the GSSC had sought clarity on the location of the new Aberfeldy practice. Officers have circulated a new map showing the location of the health centre. The committee should note that the practice would be in Lansbury.

The Mayor invited the Chair of GSSC to comment on the report. He indicated that the GSSC sought clarity about the amount of CIL funding for the project, gained from planning applications in the Isle of Dogs area, and the amount of CIL funding generally for health provision on the Isle of Dogs. The GSSC also asked questions about the reasonable endeavours to secure a health practice in the Blackwall and Cubitt Town ward, the journey times for the patients, and how quickly the new practice would reach patient capacity.

The Mayor then invited GDSC Members to comment on the report. Members noted the comments in respect of the allocation of the CIL money. Members also discussed the proximity of the new practice to its patient base. Members were satisfied with the proposals.

RESOLVED

1. That the grant funding of £3,119,421 to NHS Tower Hamlets CCG be approved to deliver increased capacity, access and service provision in primary care and maintain continuity of local GP services.

6.4 Approve the Change Note and subsequent changes that deviate from the initial PID that was approved in April 2016 of grant funding £1,871,948 to NHS Tower Hamlets CCG to deliver increased capacity, access and service provision in primary care and maintain continuity of local GP services.

The Sub – Committee considered the report, proposing to vary the Maximising Healthcare infrastructure PID, (agreed in 2016) for improvements in health care infrastructure. The Sub – Committee noted that two projects identified in the PID had been withdrawn and the reasons and impact of this. The report proposed that the underspend within the budget be utilised to expand the infrastructure at the Island Medical centre.

The Mayor invited the Chair of GSSC to comment on the report. The GSSC sought clarify about: the use of the first floor, the underspend that had arisen due to the projects within the PID not proceeding and the benefits of the proposed initiatives. The GSSC also noted a number of cost overruns identified in the report and the impact of this in terms of service delivery. The GSSC endorsed the report but requested that these points be clarified

In response, Officers advised that they had since contacted the Island Health Medical Centre. The Practice Manager at Island Health outlined that there had never been any clinical space upstairs; there was only one room which housed the admin team and the Practice Manager. They have now moved downstairs, and the medical records were now stored off-site to free up space. The Practice Manager had also advised that there had been an increase in appointments provided, although there were ongoing issues around recruitment of GPs.

The Mayor then invited GDSC Members to comment on the report. The members noted the comments regarding the allocation of the S106 funding and the wider plans to increase health capacity in the area. The GDSC supported the proposals.

RESOLVED:

1. That the change note that grant funds £1,871,948 to NHS Tower Hamlets CCG be approved to deliver increased capacity, access and service provision in primary care and maintain continuity of local GP services.

6.5 Healthcare ICT Infrastructure: Approval of the allocation of S106 and CIL Funding, totalling £1,502,608, for improvements to ICT infrastructure to improve access to and capacity of health facilities.

Dominic Hinde (Public Health) presented the report regarding the allocation of funding to the NHS Tower Hamlets Clinical Commissioning Group (CCG) to deliver ICT infrastructure in primary care and digital access for health services. This included a range of initiatives to enable patients to access services remotely.

The Mayor enquired and it was noted that the GSSC asked questions about the cost related to the development of a patient access mobile application given so many similar apps already existed. The GSSC questioned whether an existing one could be adapted for Tower Hamlets and asked if this could be explored. The GSSC also asked about other elements of the project and the plans to share the project with the NHS London Digital Forum. The GSSC also sought and received assurances that the project would assist with the aim of 'channel shifting'. The GSSC endorsed the recommendations.

In response Officers provided an update on these issues. It was noted that the CCG sought to create a unique, locally centred interface which integrated with existing apps, and targeted issues prevalent to Tower Hamlets. Any apps which were linked to or adapted would have to be accredited by the NHS England framework which takes into account matters of Information Governance and Security. Whilst there was a risk of duplication, every effort would be taken to ensure that the project linked to the NHS London Digital Programme to avoid a duplication of work.

The Mayor then invited GDSC Members to comment on the report. In response to questions, Officers noted the need for the plans to link to the wider health service strategies and confirmed that the new facilities should provide a number of benefits, both for patients and GPs.

Members also sought reassurances regarding the costs of developing the new mobile phone application and how the Council would ensure that it secured value for money. In response, Officers briefly outlined the results of

the tendering process and stated there would be a Tower Hamlets Officer on the project board for the app development.

Members also discussed the issue of ownership of the Intellectual property and whether the Council should explore the possibility of the Council owning a share of the IP. Accordingly, it was agreed that the first tranche of the funding should be released on the basis that the Council explore the possibility of the Council owning a share of the IP for the health app.

Members also asked questions about the continued availability of face to face GP appointments to those who preferred to visit their GP. Officers confirmed that the plans should help free up clinical capacity for such patients, such as the elderly

RESOLVED:

1. That the grant funding of £1,502,608 be approved to NHS Tower Hamlets CCG to provide digital access for healthcare services and to increase capacity in primary care through ICT infrastructure on the basis that the Council explore the possibility of the Council owning a share of the intellectual property for the health app

6.6 MSG Performance Report - Period 11 (April - June 2018)

Steve Hill (Head of Benefits) presented the report. It was noted that for the period, April to June 2018, two organisations had received red ratings due to premises issues relating to 5 projects as set out in the report. These projects related to the Tower Hamlets Youth Sports Foundation and Family Action. Officers at the Council were liaising with THYSF following their decision to wind down. For the period, Officers were satisfied that they had met all their MSG performance requirements. Officers are continuing to engage with THYSF to ascertain if there are any more premises agreements to be submitted to the council and will prepare a report and recommendations for the Mayor regarding the release of funding in line with the recommendation in the report.

Regarding Family Access, there were also no performance issues and they had expressed a willingness to engage on their premises agreement. Given this, it was recommended that funding be released via delegated authority in line with the recommendations in the report.

The Mayor enquired and it was noted that the GSSC asked a number of questions and endorsed the recommendations.

The Mayor then invited GDSC Members to comment on the report. Regarding THYSF, it was confirmed that the Council would continue to work with them to resolve the complex issues and would release funding to the organisation subject to the resolution of issues. Officers were also continuing to explore

whether funding for the MSG extension could be released to an alternative service provider.

RESOLVED:

1. That three recommendations relating to the releasing of MSG payments to projects be agreed as set out in section 3.8 and 3.10 of the report, as set out below:
2. The release of MSG funding due to THYSF for the period April to June 2018, be released with approval via delegated authority of the Corporate Director Resources and/or the Divisional Director, Finance, Procurement and Audit after consultation with the Executive Mayor. These sums will be used to facilitate an orderly close down of THYSF and in settlement of identified priority payments.
3. That in acknowledgement of Family Action's willingness to enter into an appropriate property agreement, MSG payments be released for April to June 2018 period subject to satisfactory performance.
4. That conditional on Asset Management's confirmation of Family Action's satisfactory ongoing engagement on premises issues with the council; subject to satisfactory performance, future MSG payments be released to Family Action with approval via delegated authority of the Corporate Director Resources and/or the Divisional Director, Finance, Procurement and Audit.

6.7 Proportionate Monitoring Arrangements

Steve Hill (Head of Benefits) presented the report setting out proposed proportionate monitoring arrangements for grant awards in light of the LGA Peer Review and voluntary sector feedback that the existing arrangements were resource intensive. Internal Audit have been involved in the development of the new proportionate monitoring arrangements, in line with the LGA Peer Review recommendations and Internal Audit were satisfied with the new system.

The report set out the existing arrangements. It also set out the new arrangements that would continue to operate a RAG ratings system with less frequent but more proportionate robust monitoring. There were a number of benefits to this process and Officers would contact the groups directly to explain the new arrangements on a project by project basis.

The Mayor enquired and it was noted that the GSSC welcomed the plans and asked questions about how the new arrangements compared to the previous monitoring approach and whether the grant size ceiling were based on single or cumulative grants. The GSSC endorsed the recommendations but sought clarity on these issues.

In response, it was noted that a number of projects received funding from various grants funding streams. Officers proposed a grant by grant proportionate monitoring approach as opposed to a cumulative approach as projects often covered different themes, involved different staff and were delivered from different locations by the same organisation. Officers will work with Audit to review the need for an additional monitoring inspection trigger where it was felt necessary and it was noted the 3% visits trigger will be kept under review.

The Mayor then invited GDSC Members to comment on the report. They noted the merits of an additional trigger for monitoring inspections and questioned whether the Council could at its discretion carry out additional monitoring of an organisation if necessary. In view of this, Members agreed that this additional monitoring trigger should be added to the process.

RESOLVED

1. That the proposals outlined to rationalise grant monitoring arrangements making them proportionate to the level of risk be agreed subject to the inclusion of an additional trigger for monitoring and inspections

7. ANY OTHER BUSINESS THE CHAIR CONSIDERS TO BE URGENT

There was no other business

The meeting ended at 6.45 p.m.

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

<p>Grants Determination (Cabinet)</p> <p>Sub-Committee</p> <p>16th January, 2019</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Acting Corporate Director of Place</p>	<p>Classification: Unrestricted</p>
<p>Ocean Regeneration Trust / Harford Street Community Centre: grant funding 2018 - 2022</p>	

Lead Member	Councillor Rachel Blake
Originating Officer(s)	Niall McGowan – Housing Regeneration Manager Imelda Burke – Regeneration Officer Alan McCarthy - Interim Head of Asset Management
Wards affected	St Dunstons
Key Decision?	No
Forward Plan Notice Published	27/11/18
Reason for Key Decision	N/A
Strategic Plan Priority / Outcome	

1. EXECUTIVE SUMMARY

1.1 This report updates Grants Determination Sub-Committee on the ongoing work of Ocean Regeneration Trust (ORT) in bringing socio-economic improvements and investment into the Ocean area. ORT was set up in accordance with New Deal for Communities (NDC) succession and legacy requirements as a vehicle for ongoing local regeneration. The Council retains overview via a seat on ORT’s Board and close officer involvement.

1.2 The report requests:

1.2.1 allocation of £80,000 grant to ORT for 2018/19, funded as agreed in previous years by an interim provision of revenue from the existing shops on the south side of Ben Jonson Road (Nos 38-82 even), and supplemented by revenue from the new retail units on the north side of Ben Jonson Road (Nos 41-73 odd) which is now coming on-stream;

1.2.2 allocation of £809,000 grant to ORT for the period 2019 – 2022, comprising £528,000 projected revenue from the new retail units on the north side of Ben Jonson Road and £281,000 from existing shop units on the south side of Ben Jonson Rd: this grant will support ORT’s ongoing projects and core activities for this period, and specifically will enable ORT to take on a 3 year lease from the Council to manage the Harford Street Community Centre.

1.2.3 allocate a further provisional grant of £61,000 as a contingency should ORT not be eligible for the anticipated 80% community rent discount, as explained in the report.

- 1.3 It has been hoped ORT could take a lease of the Community Centre and manage it to achieve the council's long-term aspirations. ORT is well-established, has sound governance including Council participation and a remit to support regeneration legacy in the Ocean area. This approach, though expensive initially, is arguably cost-efficient as ORT is already part-funded by the Council and would direct a proportion of the proposed grant towards the running of the Centre.

Decision Type

Key Decision?	Urgent Decision?	Exempt from Call-In?	Restricted Report or Partially Restricted (e.g. appendix)?
No	No	No	No

2. RECOMMENDATIONS

- 2.1 The Grants Determination Sub-Committee is recommended to authorise the Acting Corporate Director of Place to:
- 2.1.1 pay ORT £80,000 grant for 2018/19, as explained in the report, funded by a combination of revenues from the existing shops on the south side of Ben Jonson Road (Nos 38-82 even), and as available from the new retail units on the north side of Ben Jonson Road (Nos 41-73 odd), to support ORT's ongoing projects and core activities for the current financial year;
 - 2.1.2 pay ORT grant in the sum of £809,000 for the period 2019 – 2022, comprising £528,000 projected revenue from the new retail units on the north side of Ben Jonson Road and £281,000 from existing shop units on the south side of Ben Jonson Rd, as set out in the report, to support ORT's ongoing projects and core activities for this period, and to enable ORT to take on a 3 year lease from the Council to manage the Harford Street Community Centre;
 - 2.1.3 allocate a further provisional grant of £61,000 as a contingency should ORT not be eligible for the anticipated 80% community rent discount, as explained in the report;
 - 2.1.4 note the arrangements for transitional council officer support and monitoring set out in para. 7.14.

3. REASONS FOR THE DECISIONS

- 3.1 The first of these grants (£80,000) will enable ORT to meet its commitments for 2018/19 to deliver socio-economic improvements and investment into the Ocean Estate area. It will comprise income from both the existing and new shops on Ben Jonson Road.
- 3.2 Secondly, the grant requested for 2019 – 2022 (£809,000), will formalise funding arrangements for ORT that have long been envisaged, including some £528,000 income from the council's new shop units on Ben Jonson Rd to supplement ORT's only other income stream of residential ground rents committed by the council's regeneration partners in the area (L&Q and Bellway): this Council grant will enable ORT to continue its valued programme of community projects for the next 3 years.
- 3.3 Thirdly, the continued provision as grant during 2019 – 2022 of rental income from the existing shops (£281,000) will help underwrite the estimated costs and associated risks

for ORT in agreeing to take on a lease of the Community Centre, in order to manage and develop it with greater focus for the needs of the local community.

- 3.4 As explained below, the Council has long-committed to make available to ORT the income from the new shops in Ben Jonson Road: the provisions in this report effectively direct part of that revenue – via ORT’s management role – to help fund and improve the Community Centre, creating the potential for more effective management by a local community organisation and relatively better value for the council.
- 3.5 However ORT would need to gear itself up to run a community centre and can only enter into the proposed lease if the Council gives funding certainty for the 3 year period which the lease covers, otherwise ORT’s core community programmes could be put at risk.
- 3.6 The proposals in this report, alongside provisions in the lease, will remove much of the risk and should enable ORT to enter into the agreement.
- 3.7 Although the sums requested are significant – i.e. because they fund a 3 year period - this approach will essentially utilise and redirect funds from existing shops revenue that the Council would have to spend anyway, if it continues to manage the Harford Centre itself.
- 3.8 The decisions requested will direct Council (retail units) revenue to a third party community organisation. On balance this is considered to represent good value as community needs will be better addressed by the new management arrangements; and the direct costs to the Council for Harford Centre will be roughly equivalent to the present, but with the potential to reduce the operating deficit in the longer term if ORT makes a success of this initiative.
- 3.9 The grant to ORT will fund projects primarily benefitting residents from St Dunstons wards; it will also support and develop the Harford Centre which similarly helps to meet the needs of residents predominantly from this ward, but also from other nearby wards.

4. ALTERNATIVE OPTIONS

- 4.1 The decisions requested will direct Council revenue (from specific local retail units) as grants to a third party community organisation operating in the Ocean area to provide charitable regeneration legacy funding to the local community. ORT’s operations fulfil commitments made by the Council to central government when it obtained NDC funding for the regeneration.
- 4.2 The principle of supporting ORT through this type of grant represents the council’s contribution to legacy funding for the area, alongside an ongoing contractual contribution made year on year by the council’s regeneration partners in the area, L&Q and Bellway.
- 4.3 ORT is well-established and has committed to funding specific community projects in the current financial year. A failure to provide the proposed grant for 2018/19 as set out in Recommendation 2.1.1 would leave the organisation in financial difficulty and render it unable to retain a prudent reserve or to plan to provide ongoing support to the projects which depend on it in 2019/20. The diverse projects would be jeopardised in Quarter 4 negatively impacting on their beneficiaries. There is no reasonable alternative other than for the Council to provide this grant.
- 4.4 In terms of the grant requested in Recommendation 2.1.2 which will both support ORT’s activities and enable it to enter into a lease to manage Harford Community

Centre by underwriting the anticipated operational deficit, the alternative would be for the Council to not enter into the lease for the premises with ORT.

- 4.5 In this circumstance the Council would need to decide how much grant it would wish to give to ORT solely for its proposed core activities for 2019/20, or for a longer period to enable better planning, acknowledging that the revenue from the new shop units on the north side of Ben Jonson Road (Nos 41-73 odd) has always been intended to fund the council's ongoing legacy commitment. Again any funding uncertainty for ORT would be likely to impact negatively on its project delivery and the recipients of the services it funds via grant.
- 4.6 Based on its present business plan for its core activities ORT would require Council grant of at least £125,000 in 2019/20 to support its envisaged project programme and running costs of c. £250,000 (taking into account its ground rents income stream of £118,000 next year). Consideration would also need to be given to funding for future years so ORT's Board could consider whether it should seek to expand its community activities after 2019/20 or simply continue to support its existing projects.
- 4.7 Whilst the Council by not entering into the lease for the Centre would no longer need to include in the grant some £281,000 of shops revenue to subsidise the operational deficit via ORT, such a deficit would still most likely exist and the Council would need to make a similar call on this funding, or other Council resources, to address this, whilst it determined how best to resolve the management hiatus for the Centre. There seems little to be gained in the medium term by this course of action if the Council remains committed to linking ORT to the running of the Centre, to achieve the benefits which should accrue from this.

5. OCEAN REGENERATION TRUST (ORT)

- 5.1 ORT was set up in 2008 as a regeneration legacy charity, fulfilling an Ocean NDC commitment. The Council is represented on its Board, which officers also attend, along with local residents, independent members and L&Q as the Council's regeneration partner and a major landlord in the area.
- 5.2 ORT's primary role is to support projects furthering socio-economic benefits for residents of the former Ocean NDC area. It has been delivering these core activities in line with the council's NDC Succession Strategy and has become a key stakeholder in the community.
- 5.3 In 2016 the Ocean and Limehouse Community Review identified a need for greater community capacity and involvement to address gaps in services and provide better integration and stronger governance, and a key role for ORT. Concerns included -
 - Persistent low employment levels, particularly for women and some ethnic minorities;
 - High levels of child poverty and the impact of welfare benefit changes on an already deprived community;
 - Local people priced out by spiralling housing prices and the danger of a polarised community;
 - Low levels of health and life expectancy;
 - Growth and development impacting on local infrastructure and services;
 - The need to be vigilant and tackle the potential for radicalisation and extremism; and
 - The impacts of austerity and public sector cuts.

5.4 Previous reports have secured necessary grant funding for ORT and have enabled it to sub-let the first floor of the Community Centre from the council; ORT has recently entered into a further 3 year lease to be based at the Centre and to continue running the Stepney Life Centre in partnership with City Gateway.

5.5 ORT Funding

For the first three years of its operations ORT was funded by £300,000 NDC monies. Subsequently the Council has planned for ORT's long-term funding to come from two reliable sources:

5.5.1 ground rents from new residential properties developed as part of the regeneration (a contractual provision with L&Q / Bellway);

5.5.2 income from the new retail units (Nos 41-73 odd) on the north side of Ben Jonson Rd, which were constructed and fitted out to reinvest in the community via ORT.

5.6 The ground rents (which are not a discretionary grant) are paid annually to ORT via the Council, which collects them from L&Q and Bellway. Increasing annually in line with RPI, this income is projected to be c. £118,000 in 2019/20, rising to c. £148,000 by 2021/22, as the sales from the second phase of L&Q's Ocean new-build complete.

5.7 However the income stream from the council-owned shops, which has previously been agreed for ORT – see 5.12 and 7.7.1 below - must be approved and paid as a Council grant. Therefore annual Council grants to ORT of c.£80,000 from shop rental income (on the south side of Ben Jonson Rd) have been agreed in recent years, as an interim measure to cover a short-fall whilst ground rents were accruing and in lieu of the income from the new retail units on the north side of Ben Jonson Rd.

5.8 The new shops are now being let and the income from these - allowing for initial rent-free periods, loan repayments and management fees - is becoming available for transfer to ORT. This is anticipated to be c. £36,000 in 2018/19; c. £148,000 in 2019/20; and c. £190,000 per year from 2020/21 onwards.

5.9 This report seeks to transition the main grant funding to support ORT's core community activities from the existing shop units on the south side of Ben Jonson Rd, to the new retail units on the north side as always envisaged. In 2018/19 the new income source will comprise c. £36,000 of the requested £80,000 grant. From 2019-2022 some £528,000 of this new Council income needs to flow as grant to ORT, to fund both its core activities and contribute to the running of the Centre.

5.10 Since it acquired the Harford Community Centre the Council has in practice continued to utilise revenue from the existing Ben Jonson Rd (south) shops to meet an operational deficit of c.£95,000 per year (after income to the Centre is taken into account) to fund in-house management of the premises. If ORT is to take on management of the Centre for the next 3 years it will need to receive a similar amount of revenue from the existing shops (c. £281,000 in total), via grant, to cover a comparable deficit over the period. This is explained below. A further contingency provision maybe required if ORT does not receive the anticipated 80% community rent discount, as in this scenario the Council will require a stepped rent to be paid which would cost c. £61,000 more than the discounted rent over the lease period.

5.11 ORT's main delivery partnership is with City Gateway, who is based on the first floor of the Multicentre (Stepney Life) and working closely with the Trust on a programme

of specialist womens' services. This has embedded the Trust further into the identity of the centre.

5.12 ORT's Core Activities

Cabinet of 9th June 2010 considered and agreed Ocean NDC's Delivery Plan and Succession Strategy, which addressed the long-term Ocean legacy by confirming ORT as the successor body, to be a catalyst and focus for the on-going regeneration of the estate. The Council's Solicitor affirmed that ORT's activities were supportive of the Community Plan goals and the local area agreement, and consistent with delivery of the Council's functions and good administration. The decision confirmed that ORT was set up as a community interest company and should hold and operate assets on behalf of the local community.

5.13 The approved Succession Plan set out that ORT would get the ground rents from the new homes; could take a lease of the new community facilities and manage the community space; and have a right to sub-let and receive income from these and from the retail / commercial units on both the south and north side of Ben Jonson Road. This provision meant ORT was well placed to manage the community aspects of the Harford Street premises, and to maintain a strategic view of community needs and existing resources.

5.14 Since November 2011 ORT has established strong links in the community. The Trust has an annual community grant fund of c. £50k to which organisations can apply for up to £5,000 for single projects or £10,000 for projects delivered in partnership with other organisations in the area. Examples of local organisations who have received grants are Tower Hamlets Hockey Club, Lower Regents Coalition and projects to benefit older and younger people. The projects come under themes including:

- Improving peoples' life skills, education, employability and enterprise (3 projects and 65 beneficiaries in 2018/19)
- Engaging young people in positive activities (5 projects, 435 beneficiaries in 2018/19)
- Community wellbeing and inclusion (4 projects, 300 beneficiaries in 2018/19)
- Connecting older people (4 projects, 60 beneficiaries in 2018/19)

5.15 ORT / City Gateway partnership is its fourth year of operation and has proved very successful with classes often oversubscribed. They continue to deliver:

- Services primarily aimed at the most disadvantaged women and families in Ocean Estate and the surrounding area;
- Engage, mentor and train the most excluded individuals;
- Bring together different groups and cultures, and work against conflict and division;
- ESOL, literacy, numeracy, and apprenticeship sessions every week

5.16 In addition the Trust works with and supports projects including:

- Tower Project who run the Ocean View café on the ground floor of the Centre.
- Streets of Growth: set up to address ASB on the estates and targets young people up to the age of 25. It is a partnership between the council, housing providers, police and other interested parties; it's facilitated by ORT. They have identified particular 'hotspots' in recent months such as Beaumont Square, Trafalgar Gardens and Grand Union Place and work with the police in helping to identify perpetrators of ASB. They have been successful in

getting a number of boys and young men to sign up for their in-house programme addressing life skills development, ASB awareness, career and work skills needed for positive progression.

- Universal Credit and Support - Limehouse Project has been awarded funding for a year to provide support to Ocean residents in order to understand changes with the benefits system with the introduction of the universal credit. The project will address problems that the changes to the benefits' system have caused for recipients.
- Ocean Summer Fair: a collaboration of four local TRAs and facilitated by ORT with event management support from DoLittle CIC, a local social enterprise specialising in community based events. It was held on Saturday 8th September in Shandy Park and had over 500 people attending. The focus was to encourage all members of the community to come together and join in the fun. There were food stalls, information stalls and lots of activities for children.
- Whitehorse Adventure Playground: ORT has funded Play Association Tower Hamlets (PATH) to fill a gap in activities for 8 – 12 year olds as provision for this age group in the area ceased when the adventure playground and the Arbour youth centre closed. PATH applied to ORT to staff play sessions at the Adventure Playground to address the issue. The main activity is outdoor play in all seasons, however indoor activity, such as craft making and table football is also provided.

5.17 **2017/18:** ORT income totalled £190,828 (including £80,000 grant from LBTH and ground rents). Expenditure was £237,683, leaving a deficit of £46,855 to be met from reserves.

5.18 **2018/19:** ORT has projected expenditure of c. £265,000, higher than in previous years because more projects are being delivered. Current projected income includes £114,000 ground rents and Council grant funding of £80,000, as recommended in this report. This Council grant will help ORT to meet its committed project expenditure this year, utilising some of its reserves, and retain a prudent operational reserve to carry into 2019/20.

5.19 ORT's costs and core work programme in 2018/19 includes:

- salaries / consultants / running costs £98,400;
- community grants for 16 projects and 2 networking events £48,000;
- and ORT directly funded projects £119,000.

5.20 **2019 – 2022:** in the next 3 years ORT has taken a conservative view on its core activities, partly to allow for its investment in the Centre if it takes on the management role; and partly in case the Council opts to retain some of the potential grant income from the new shops to meet its own costs if ORT cannot take on a lease of the Centre.

5.21 ORT has assumed in its business planning that its stand-alone core (i.e. non-Centre) community activities will comprise project expenditure on the themes indicated above of c. £156,000 on average per annum plus staff, consultancy and running costs of c. £97,000 per annum - equating to a total spend each year of c. £253,000 (excluding any expenditure on running the Centre).

5.22 The grant requested in this report can be broken down as follows:

- allocation of £80,000 grant to ORT for 2018/19, funded as agreed in previous years by an interim provision of revenue from the existing shops on the south side of Ben Jonson Road (Nos 38-82 even), and supplemented by revenue

from the new retail units on the north side of Ben Jonson Road (Nos 41-73 odd) which is now coming on-stream;

- allocation of £809,000 grant to ORT for the period 2019 – 2022, comprising £528,000 projected revenue from the new retail units on the north side of Ben Jonson Road and £281,000 from existing shop units on the south side of Ben Jonson Rd: this grant will support ORT's ongoing projects and core activities for this period, and specifically will enable ORT to take on a 3 year lease from the Council to manage the Harford Street Community Centre, which is explained below.
- a further provisional grant of £61,000 as a contingency should ORT not be eligible for the anticipated 80% community rent discount, as explained in the report.

6. ORT & TOWER HAMLETS STRATEGIC CONTEXT

6.1 On 25th August 2011, Department of Communities and Local Government (DCLG) endorsed the Council's approved Succession Strategy for ORT. DCLG was content with the viability of the strategy to sustain the benefits achieved by previous funding and that it was consistent with Tower Hamlets' local objectives. Subsequent grant applications for funding have supported the ongoing work of the ORT as it has continued to deliver on the Succession Strategy to promote the socio-economic regeneration of the Ocean Estate in line with the Council's corporate strategies.

6.2 The Trust through its grant funding delivers on the local and wider borough objectives. The Trust has tailored its objectives to address local neighbourhood need whilst contributing to the Council's wider strategies.

6.3 Ocean Regeneration Trust Objectives 2018 – 2022

The Trust's objectives below are tailored to the specific needs of the Ocean estate. They reflect the Council's objectives to improve the lives of all residents in the borough.

- Improving education, particularly English language skills, and training levels for adults and children
- Tackling unemployment
- Improving health and wellbeing and encouraging healthy lifestyles
- Supporting local shops and businesses to ensure economic regeneration of the neighbourhood is not side lined
- Monitoring the impact of benefit and welfare changes and helping to leverage additional resources to address poverty on the estate.

6.4 Tower Hamlets Strategic Plan 2018 – 21.

Listed below are two of three Council priorities that ORT will support through funding projects described already in this report:

- Priority 1: People are aspirational, independent and have equal access to opportunities
- Priority 2: A borough that our residents are proud of and love to live in

6.5 Tower Hamlets Community Engagement Framework 2018 – 2021

The Council has developed the vision and the strategy to work with partners and the wider community to deliver on the community engagement strategy. To turn the vision into a reality, four priority outcomes have been developed

- communities lead the way in making Tower Hamlets a great place to live
- communities have the power to influence issues that affect them
- activities to involve communities are focused and purposeful
- Tower Hamlets is digitally active.

6.6 ORT is a key organisation within the Ocean area to deliver on the borough's engagement strategy commitments. In particular:

- **Involve:** ORT has developed a presence in the area and through projects such as the annual **Community Grants fund**. The grants programme awards £50k a year in grants of up to £5k per project or £10k for projects developed and delivered by three or more local organisations working in partnership. The **Stepney Life Centre** specialises in services for women. The Centre is based on the first floor of the Harford St Centre and delivers ESoL, ICT, literacy, numeracy, women's empowerment etc. **Streets of Growth** is a project aimed at young people in danger of engaging in ASB on the streets.
- **Be Open and Connected:** ORT has a local Council member on its board along with attendance from Council officers. The board has two local resident members and one co-opted member from the area. The Trust connects to most local organisations, schools and projects in the area and has recently delivered a community fun day with four local TRA's.
- **Enable:** as described above ORT's project investment in the area enables community involvement within the Ocean area including particular enabling the Whitehorse Adventure Playground to continue to operate be open for some months to come.

6.7 The grant funding requested will support ORT as a local organisation which aims to deliver a range of services to the residents of the Ocean Estate supporting socio-economic and health and well-being improvements in the area. The objectives of ORT also align with and support delivery of a range of national, regional and local priorities. Some of these include:

- The Government's Social Housing Green Paper '[A New Deal for Social Housing](#)' which proposed to tackle stigma and celebrate thriving communities.
- The Mayor of London's [Economic Development Strategy 2018](#) in which he sets out his plans to create a fairer, more inclusive economy that works for all Londoners and businesses, supporting delivery of its goal to opening up opportunities to ensure everyone... benefit [s] from all our city offers, further supported by the MoL's good growth fund.
- The [Tower Hamlets Strategy Framework](#) which aims to 'tackle inequality by building a strong, inclusive and fair borough 'by 'supporting better health and wellbeing, building 'strong resilient and safe communities, facilitating 'good jobs and employment and providing 'a better deal for children and young people'.

- Supporting delivery of Tower Hamlets Council's strategic priorities and supporting outcomes (Tower Hamlets Strategic Plan 2018 – 21) which includes:
 - Priority 1: People are aspirational, independent and have equal access to opportunities
 - Priority 2: A borough that our residents are proud of and love to live in
- The Tower Hamlets Community and Voluntary Sector Strategy 2016-2019 supporting its vision to develop 'An independent and sustainable voluntary and community sector, taking a place based, collaborative approach to working with the council and partners to meet the needs of local people supporting its aim of to 'create resilient communities that are self-supporting. This will reduce demand on public services and improve the quality of life for local residents'.
- The Tower Hamlets Community Engagement Framework 2018-21 which commits to being open and connected...by working with the voluntary and community sector to make sure there is appropriate support for building people's skills and developing communities.
- The Tower Hamlets Health and Well Being Strategy 2017 – 2020 and its priorities which include Communities Driving Change, Creating a Healthier Place, Employment and Health, Children's Weight and Nutrition and Developing an Integrated System.

7. HARFORD COMMUNITY CENTRE

- 7.1 Reports to Overview & Scrutiny Committee (3rd April 2007) and to Cabinet (4th April, 2007) explained how local community facilities and services would be affected by the proposed transformational building programme on the Ocean Estate, and set out the re-provision of a new Centre in the Harford Street building. The role of a new Ocean Regeneration Trust was described which, it was envisaged, would own and manage the new community facilities. It was essential to provide this new base for community users and services being displaced by redevelopment.
- 7.2 The Cabinet decision of 1st July 2009 authorised the Corporate Director Development and Renewal to negotiate a long lease of part of the Harford St facility for community purposes, and to approve capital expenditure for 'fit out' of the new Centre, including space for the Ocean Regeneration Trust. The Council has a 26-year lease (since 2010) from L&Q (originally East Thames) for the community space within the Harford Street Multicentre: the building also houses a GP surgery and offices let by L&Q to THH.
- 7.3 The internal floor area of the council's community space is approximately 780 sqm on 2 floors. The 1st floor space is sub-let to ORT.
- 7.4 The Centre is one of the main purpose-built community amenities in the Ocean and Limehouse Fields area, replacing previous local facilities that were redeveloped as part of the council's regeneration strategy for the area.
- 7.5 The Centre is a flexible, multi-use premises suitable for a range of different activities and accessible for people with disabilities.

The facilities include:

Ground floor:

- Large main hall with a stage and capacity for c.75 seated or 150 standing.

- A main hall which can be divided into three separate halls each with capacity for 25 seated or 50 standing
- Kitchen space (only partially fitted-out).
- Café kiosk and seating area.

First floor (sub-let by ORT):

- Large training room with capacity for 60 seated and 120 standing
- The training room can be divided into two separate rooms with capacity for 30 seated and 60 standing.
- Three small one-to-one meeting rooms.
- Community office with capacity for 10 desk spaces.
- Crèche space.

7.6 The Centre is situated in the heart of the local community. It has an important role to play in involving residents in community activity, tackling social exclusion, promoting civic engagement and strengthening neighbourhood bonds.

7.7 Currently the Council manages the Centre but at the time the lease was granted there was no other alternative. The present interim management arrangements housed part-time within the Housing Regeneration Team are not sustainable. The Council has long hoped that ORT could be enabled to manage the Centre, as a dedicated local community organisation. ORT has been in situ on the first floor for several years and engages closely with the Council in the use and operations of the premises.

7.8 Proposal for ORT to Lease and Manage the Community Centre

7.9 Overview & Scrutiny Committee (3rd April 2007) advised Cabinet that “ORT must be established and operate so that it can use ongoing income to provide a sustainable and long term future for the community organisations and facilities that serve local people.”

7.10 Cabinet 2nd December 2009 agreed to the disposal of the HRA shops portfolio (south side of Ben Johnson Road) to the Ocean Regeneration Trust, subject to DCLG (NDC) grant funding being available. Ultimately this grant was not made available and the existing shops remained in Council ownership. The Ocean Succession Strategy adopted at Cabinet on 9th June 2010 established that rents from the new (and existing) Ben Jonson Road shops should be available to ORT, though subsequently the south-side revenue stream has been treated as gap-funding pending the income from the new north-side

7.11 Strategic Development Committee 13th February 2010 when approving the Ocean Regeneration scheme was advised of the Council’s intention that newly built community facilities will be leased by the Ocean Regeneration Trust, which will put in place appropriate management arrangements and be in a position through rental income from assets, to provide revenue support to ensure sustainability of services. It was envisaged that the Centre would be a base for services relating to health, older people and women, together with general information, advice and guidance.

7.11.1 Hitherto ORT, whilst supportive of the Centre, has been deterred from managing it by:

- uncertainty over long-term funding for ORT's core community activities;
- lack of clarity around costs and income for running the building; and
- risk of disrepair and inconsistent service charging due to poor performance by the previous superior landlord (now L&Q).

7.11.2 ORT has however confirmed that it has ambition for Harford Street Centre to be a flourishing community facility providing a wide variety of social, recreational and educational activities to meet the diverse range of needs within the local population and to be "a high quality, thriving community centre, used extensively and creatively by local residents."

7.11.3 ORT wants to take on the lease and assume responsibility for the management and operation of the Harford Street Multicentre community centre, recognising the community space is a valuable local resource that can and should bring local people together to build a stronger neighbourhood by:

- promoting the well-being of local residents;
- providing culturally sensitive and appropriate provision that meets the needs and priorities of all local residents;
- fostering social inclusion;
- encouraging participation in the life of the neighbourhood and building a stronger sense of local identity;
- promoting the provision of accessible social, recreational, educational, health and cultural facilities within the neighbourhood;
- creating opportunities for local employment, volunteering and business creation.

7.11.4 ORT understands that if it were to take on the Centre some form of subsidy would be required, at least in the early years of operation, whilst activities and services are being developed to their full potential.

7.11.5 Council officers have reviewed the running costs for the building and refreshed the Council's relationship with its landlord L&Q - who have recently taken over all of East Thames' operations - to get more certainty on charging and performance. L&Q has agreed to undertake better billing procedures incorporating a regular billing process and more transparency of service charges and other costs, including capping their management fees to the Council as their tenant. Further L&Q has joined ORT's Board in working together to achieve these shared aims.

7.11.6 Council Officers have also looked at ORT's core project activities and commitments, and the minimum funding ORT needs to deliver its community projects moving forward, irrespective of whether or not it manages Harford Centre.

7.11.7 With ORT's funding coming on-stream, as set out above, and a better shared understanding and transparency about the costs for running the Centre, officers have proposed to ORT that it takes on a three year lease of the whole Community Centre.

7.11.8 ORT's Board has agreed to enter into a three year lease with the Council, on the basis that any potential financial risks to the Council are mitigated in the lease, and by underwriting anticipated running costs for the Centre (including the deficit) through provision of sufficient grant.

7.12 Running Costs for the Centre

7.12.1 Whoever runs Harford Community Centre, Council funding will continue to be needed from the shops on the south side of Ben Jonson Rd. The Centre currently runs at a deficit: this has always been covered by income from the existing Ben Jonson Rd (south) shops. If the Council aspires for ORT to take on the Centre an ongoing subsidy will be needed from this funding source, in the form of grant. However business modelling indicates this will reduce year on year as ORT's other ground rents and grant funding arrives.

7.12.2 **Table 1** below shows the indicative costs of ORT managing the Community Centre under a combined budget, including ORT's core activities and funding. The sums shown have been worked through with ORT and include a reasonable contingency for non-anticipated costs and other costs in relation to the building and services which may arise. This contingency mirrors that in the projected costs for the Council to continue running the building.

TABLE 1

COSTS OF ORT MANAGING CENTRE ON 3 YEAR LEASE - SINGLE BUSINESS PLAN COMBINING ORT CORE WORK / RUNNING CENTRE				
	YEAR 1 2019/20	YEAR 2 2020/21	YEAR 3 2021/22	TOTAL
ORT EXPENDITURE RUNNING CENTRE				
Centre Management (Staff) Costs	£ 59,000.00	£ 59,000.00	£ 59,000.00	£ 177,000.00
Building Running Costs (incl 80% rent discount)	£ 153,000.00	£ 138,000.00	£ 139,000.00	£ 430,000.00
Sub-Total - Running Costs	£ 212,000.00	£ 197,000.00	£ 198,000.00	£ 607,000.00
ORT EXPENDITURE - CORE ACTIVITIES (Not Centre)				
ORT General Staff & Running Costs	£ 94,000.00	£ 97,000.00	£ 100,000.00	£ 291,000.00
ORT Core Activities & Community Grants	£ 156,000.00	£ 156,000.00	£ 156,000.00	£ 468,000.00
EXPENDITURE BY ORT - CENTRE / CORE ACTIVITIES	£ 462,000.00	£ 450,000.00	£ 454,000.00	£ 1,366,000.00
PROJECTED INCOME TO ORT				
Council Grant to ORT - rental from new shops (Ben Jonson Rd North)	£ 148,000.00	£ 190,000.00	£ 190,000.00	£ 528,000.00
Room & Facilities Hire (including café)	£ 47,000.00	£ 53,000.00	£ 58,000.00	£ 158,000.00
Ground rents to ORT via LBTH (from L&Q and Bellway)	£ 118,000.00	£ 133,000.00	£ 148,000.00	£ 399,000.00
INCOME TO ORT	£ 313,000.00	£ 376,000.00	£ 396,000.00	£ 1,085,000.00
Deficit to be met by Council Grant - rental from existing shops (Ben Jonson Rd South)	-£ 149,000.00	-£ 74,000.00	-£ 58,000.00	-£ 281,000.00
Additional grant provision required if ORT does not receive 80% community rent discount	£ 6,792.00	£ 20,412.00	£ 33,960.00	£ 61,164.00

7.12.3 Staffing and building management costs £607,000 for the 3 years. This compares with a projected Council management cost of £535,000 for the same period (not shown here). This variation is attributable partly to the provision of a full-time manager by ORT, and investment to create a commercially functioning kitchen in Year 1, and better marketing and resourcing, all of which should help to boost take-up and income to the Centre.

7.12.4 Table 1 also shows the separate costs of non-Centre ORT core activities such as co-ordination, fund-raising and community grant programmes. If it did not take on the lease ORT would need to meet these costs from its anticipated future grant of new Council shop rents revenue plus its ground rents income.

7.12.5 The combined cost to ORT of managing the council's Centre alongside delivering its own community development programme is c. £1.37M.

7.12.6 The projected income shows an anticipated grant of £528,000 in the next 3 years from new shops revenue (Ben Jonson Rd north) and income of £399,000 from ground rents. In total projected income, including a conservative view of income from a better managed facility is £1.085M.

7.12.7 There is a deficit in total of £281,000 for this period. However there is a particular spike in Year 1, when ORT spends more on the Centre and has less grant funding from both the shops and ground rents. By 2021/22, the projected deficit

to be funded by the Council has dropped to less than £60,000 and could fall further if ORT is able to generate more income from the Centre.

- 7.12.8 In future years, if a follow-on lease to ORT is contemplated, the council's contribution from existing shop revenue is likely to remain lower than the net deficit that the Council will need to sustain if it retains the existing in-house management arrangements.
- 7.12.9 **Table 2** below compares projected average annual expenditure and income for running the Centre by either the Council or ORT. Over the 3 year period the projected annual deficit for each scenario is similar, but as shown in Table 1, in the ORT scenario it is decreasing year on year as ORT receives more of its planned income.
- 7.12.10 The costs to the Council of continuing to fund the deficit on the Centre through grant should not be significantly higher than they are now, across the 3 year lease period.
- 7.12.11 In the longer term, funding ORT to run the Centre on this basis looks increasingly financially viable, if the Council will grant fund ORT all the revenue from the new shop units, as previously envisaged and proposed in this report.
- 7.12.12 It has been assumed in this modelling, that ORT will be eligible to receive an 80% community rent discount on the premises. if however ORT is ineligible, Asset Management will apply a stepped rent under the lease, which would be lower than the market rent, but would require a further grant / subsidy to ORT of c. £61,000 as shown in Table 1 and flagged in recommendation 1.2.3.
- 7.12.13 Alternatively if existing arrangements continue and the Council retains management of the Centre, the Council will need to utilise c. £288,000 from its shop rental income (c. £96,000 per year) to keep the Centre running during 2019-2022, and may need to consider holding back some of shop rental income previously envisaged for ORT. Doing that could reduce ORT's scope to develop further community programmes beyond its existing commitments and risks leaving the Centre in stasis in terms of its funding and long-term development.

TABLE 2

Comparison of average annual expenditure & income for managing Harford Multicentre 2019-2022		
	Existing management by Council	Proposed management by ORT
AVERAGE ANNUAL EXPENDITURE		
Centre Management (Staff) Costs	£ 53,000	£ 59,000
Building Running Costs (incl contingencies)	£ 125,000	£ 143,000
ORT - Core Activities (non-centre)		
ORT General Staff & Running Costs		£ 97,000
ORT Community Projects Programme		£ 156,000
AVERAGE COMBINED EXPENDITURE (per year)		
	£ 178,000	£ 455,000
AVERAGE ANNUAL INCOME		
Room & Facilities Hire	£ 40,000	£ 53,000
Rent & charges to ORT (1st Floor)	£ 42,000	
LBTH Grant to ORT - rental from new shops (Ben Jonson Rd North)		£ 176,000
Ground rents to ORT via LBTH (from L&Q and Bellway)		£ 133,000
AVERAGE COMBINED INCOME (per year)		
	£ 82,000	£ 362,000
Deficit to met by Council		
	-£ 96,000	-£ 93,000

7.13 Benefits of Management by ORT

7.13.1 Management of the Centre under a lease by ORT would effectively pool its grant funding for core community activities alongside the budget for running the centre, meaning that a proportion of the future grant monies ORT seeks from the new shop rental income would go towards the costs of managing the Centre, benefitting the Council and the local community and continuing the regeneration legacy.

7.13.2 The existing management arrangements, including part-time staffing and ad hoc out of hours cover, are not sustainable and cannot achieve the full potential of the building. The proposed arrangements mean that once geared up ORT can invest in the Centre through dedicated resourcing (Centre Manager, wider marketing, more weekend and out of hours opening) to maximise commercial take-up alongside community use; physical improvements (e.g. kitchen fit-out / better furnishings and equipment); and by achieving greater synergies with community projects. It is hoped this will gradually increase take-up and revenues to recycle back into ORT's activities, or into the Centre if required.

7.13.3 The further advantages of funding ORT to manage the Centre are:

- management by an in-situ community-focused organisation that is already well established, with sound governance, partly council-funded and can develop the necessary skills to manage the Centre;
- ORT has a Business Plan (2018) for the Centre that considers its management, necessary initial steps and aims for the Multicentre to be a flourishing community facility delivering a variety of social, recreational and educational activities to meet diverse needs within the local population;
- an opportunity via dedicated management to achieve a better branding and balance of subsidised facilities for local people, alongside commercial provision to enhance income;
- ORT is well placed to benefit from a better relationship with L&Q as new landlord – including regular reviews of services and billing

7.13.4 Officers will assist ORT in the transitional setting-up period, in an application for rent and business rates discount, for which its eligibility is anticipated. Should this not be the case there are provisions in the draft lease for a stepped rent. Asset Management has confirmed that the lease to ORT will have specific provisions for the Council to cover unforeseen risk costs that may arise during the period of the lease. If such works were to arise under another management scenario they would also have to be paid for by the Council in the same way.

7.13.5 Taken together the proposal represents good value for the Council and the community across the 3 year lease period. Nevertheless this is very much a pilot that will need to be mutually monitored by the Council and ORT. A break-clause in the lease can be triggered by the Tenant (ORT) if the arrangement becomes non-viable, due for example to any significant unforeseen costs linked to the Centre.

7.13.6 The community centre has a number of existing users including some organisations (Legacy Users) who came across to the centre when previous premises they operated in were redeveloped. These arrangements are variable and have been subsidised for many years by the Council maintaining low hire rates. Prior to ORT taking the lease the Council in conjunction with ORT would review the current community centre usage as follows:

- Understanding what all of the hiring organisations offers; it's relevance to the Ocean community etc.; activities will need to be reviewed and the status of groups and the take up in the community considered, set against the extent of which they charge directly for their services.
- Develop a clear message for the local community to show a commitment to open the Centre up to a wider audience with a fair pricing system and define groups eligible for discount/subsidy.
- In liaison with Asset Management consider spaces nearby that could be used for relocation if appropriate. It is in the interest of both the Council and ORT to make any relocation as easy as possible limit any disruption to ongoing services for the community.
- Convening meetings to discuss their service provision, current income and aspirations with groups in order to discuss their current circumstances. This could be anything from relocation to rent increase. This would happen simultaneously to briefing to local members.
- The Council in liaison with ORT and individual user groups can then formulate the strategy to propose change where appropriate will write to groups after the meeting with notes of the discussion. However, if the message remains clear and consistent about the opening up of the Centre

to other groups this will support officers and ORT's objective. A clear message throughout will be about the importance about opening up the centre to make it sustainable and to achieve linkages where possible with services that ORT can help support.

7.14 Future Governance / Monitoring as follows:

As explained, the Council has provision for 2 Councillors to sit on the ORT Board, for a formal overview. Officers also attend bi-monthly ORT Board meetings. A Service Level Agreement (SLA) will be linked to the lease setting out provisions to support ORT as it makes the transition to managing the Centre, and for ongoing monitoring as follows:

7.14.1 Harford Centre Management:

- quarterly landlord (LBTH) / tenant (ORT) review of:
 - ongoing performance e.g. take-up, initiatives etc
 - budget / spend
 - building issues to be taken to superior landlord L&Q

7.14.2 Core Grant Activity

- ORT's activities set out in the report 5.12 – 5.20 ie for staff and funded projects, to which the grant from shops rental (max £190k) will contribute.
- Provision of annual ORT Business Plan and Associated Activity, in Q4 of preceding year, for review at ORT Board.
- Officer attendance at bi-monthly ORT Board meetings to scrutinise periodic updates on projects / spend.
- Review of annual ORT Trustees Report & Financial statement to Charities Commission

8. EQUALITIES IMPLICATIONS

- 8.1 The funding requests for ORT in the recommendations contribute to the Council's equality of opportunity aim. The proposed services enhance local residents' chances to broaden their role in society and the workplace.
- 8.2 Activities by the ORT will help promote good relations within the community as local people see the ORT for the benefit of residents and groups, particularly those who are more vulnerable in the community.
- 8.3 It is argued that the Community Centre can be better managed and developed as proposed in fulfilment of the post-regeneration legacy for the area.

9. OTHER STATUTORY IMPLICATIONS

- 9.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration.

9.2 Best Value Implications

- 9.2.1 The economic value of the ORT can be measured in the work to date e.g. community grants and the relationships they have built up within the Ocean community. ORT can deliver programmes efficiently through its partnership with City Gateway, for example to support women in the community. In addition the ORT actively looks for community partnerships when assessing small grant applications.
- 9.2.2 The Council is committed to the effectiveness of a local organisation such as ORT to deliver the ongoing socio-economic programme for the community with a focus that the Council could not deliver on.
- 9.2.3 Although the sums requested are significant – i.e. because they fund a 3 year period - this approach will essentially utilise and redirect funds from existing shops revenue that the Council would have to spend anyway, if it continues to manage the Harford Centre itself.
- 9.2.4 The decisions requested will direct Council (retail units) revenue to a third party community organisation. On balance this represents relatively good value as it is envisaged that community needs will be better addressed by the new management arrangements. The direct costs to the Council for Harford Centre will be roughly equivalent to the present, but with the potential to reduce the operating deficit in the longer term if ORT makes a success of this initiative.

9.3. Risk Management.

- 9.3.1 The ORT has been involved with community life on the Ocean for a number of years through the small grants programme, involvement with local organisations and through its development of the partnership with City Gateway. If the Council grant was not awarded it could be perceived as the local authority not willing to support the local community and risk reputational damage to the Council.
- 9.3.2 The proposal for grant for an extended 3 year period is intended to mitigate risk so that ORT can take on a lease of the Centre without jeopardising its core programmes and activities. It is argued that this up-front investment and commitment of grant by the Council will ultimately lead to a more efficiently run and responsive Centre. This has to be viewed as a potentially successful pilot. If during the lease the new arrangements become non-viable financially there will be break provisions for both parties, who would then revert to their existing relationship. The Council would then need to consider how best to deliver community centre services in the Ocean locality.

9.4 Crime Reduction.

- 9.4.1 The ORT has a remit to engage with wider projects and organisations in the community. They actively link with the local Safer Neighbourhood teams and the Anti-Social Behaviour (ASB) team within Tower Hamlets Homes to look at support for their efforts to reduce ASB in the community.

9.5. Safeguarding.

- 9.5.1 The ORT will support organisations who work with the most vulnerable in the community. It will actively promote engagement with excluded individuals and community development within the area.

10. COMMENTS OF THE CHIEF FINANCE OFFICER

10.1 This report seeks the approval of the Grants Determination Sub-Committee to allocate funding totalling £889,000 to the Ocean Regeneration Trust (ORT) as follows:

	£
2018/19	80,000
2019/20 to 2021/22	809,000 *

* The 2019/20 to 2021/22 payments total £809,000 over the three year period. These average £270,000 per annum but are profiled with a likely higher annual allocation towards the start of the period as ORT requires additional financing support as it builds up its own income generation streams.

10.2 It is proposed that the funding for the grants will be met from rental income generated from shops in Ben Jonson Road as follows:

2018/19	£80,000 - contribution from the rental income from shops on the south side
2019/20	£528,000 - the full rental income from the new shops on the north side
2021/22	£281,000 - contribution from the rental income from shops on the south side

10.3 The ORT was created in May 2008 to own assets and receive income generated from the Ocean Estate regeneration scheme to use for the benefit of the local community. This included the income for the new retail units on the north side of Ben Jonson Road.

10.4 The ORT currently occupies Council premises at Harford Street under the terms of a licence that was approved in April 2015. The Trust pays a market rent for the property to the Council from its own resources which are in part dependent upon this Council grant funding. It is proposed that from 1st April 2019, the ORT will enter a three year lease with the Council to fully manage the Harford Street Centre.

10.5 Under agreements previously entered into as part of the Ocean NDC succession plan, the Trust will receive funding from the Council in the form of the rental income generated from the retail units on the north side of Ben Jonson Road. These units have been developed by Bellway as part of the Ocean Estate regeneration scheme, and Bellway (as freeholder) has granted a long lease for the units to the Council which in turn will lease the units itself to retailers. Delays in letting the units, together with the various rent free periods that will apply, mean that income is not likely to be generated until 2019-20. It is therefore proposed that the existing grant arrangements (£80,000) are extended for another year (2018-19), funded by a contribution from the income received from the existing retail units on the south side of Ben Jonson Road. These receipts (currently approximately £170,000 per annum) remain earmarked to finance costs associated with the Harford Centre as necessary.

10.6 On establishment of the lease, the management costs that the Council currently incurs in managing the Centre will become the responsibility of ORT. The costs will be mainly funded from the grant contribution that is the subject of this report, but will also be supported by the income that ORT will generate from hiring rooms in the Centre (estimated at £158,000 over three years) as well as the ground rents that it receives from the Council's partners in the Ocean Estate regeneration scheme - London and Quadrant Housing Association (formerly East Thames) and Bellway Homes. The ground rents are estimated at £399,000 over the three year period. As well as the costs of managing the Centre, the income received by the ORT finances its core activities, including its community projects programme. Projections of future expenditure and income are included in tables 1 and 2.

- 10.7 As part of the lease arrangements, ORT is likely to apply for a community rent discount for the Centre. This is subject to a separate Council process, and although it is considered likely that this will be authorised, this report seeks approval for a contingency of £61,000 to be included within the grant approvals in case this bid is unsuccessful. If required, this will also be met from the earmarked rental income from the south side shops.
- 10.8 In summary, for the three years from 2019-20 to 2021-22, the report is essentially seeking approval to transfer to ORT the full income generated by the new shops on the north side of Ben Jonson Road (estimated at £528,000 over the period) and £281,000 of the total rental income of £510,000 that will be received for the existing south side units. If it becomes necessary to provide additional funding due to an unsuccessful application for a community rent discount, this will also be funded from the residual south side income. Application of the additional ring-fenced south side rental income may also become necessary if a shortfall in total rental income arises from unlet shop units or unpaid rents.
- 10.9 In accordance with Council policies, the onward transfer of the rental receipts to ORT should be treated as a grant payment and as such requires approval as part of the agreed grant awarding processes. In awarding this grant funding, the Council needs to be satisfied that the terms of any grant funding are both permissible within the Council's statutory powers and are state aid compliant.

11. LEGAL COMMENTS

- 11.1 The Council has the legal power to make the grants detailed in this report.
- 11.2 In the event that ORT are successful in their application for a community rent discount in accordance with the Council's policy the discount will also have the effect of being a grant.
- 11.3 Money received by ORT relating to the letting of the commercial properties also is a grant. This is because the Council is legally entitled to receive the rent and the Council is then giving the money to ORT.
- 11.4 The Ocean Regeneration Trust was specifically set up by the Council for the delivery of community benefits as part of the wider development agreement. The funding referred to in this report was identified as part of the New Deal For Communities report and therefore the ORT does not need to reapply for the grant funding. However, the Council will apply the same monitoring rigour in respect of the Grant Agreement and ensure the delivery of Best Value.
- 11.5 The grant funding referred to in this report will not constitute European State Aid. ORT is a highly geographically specific organisation and the beneficiaries of ORT's work must come from the immediate area. Therefore, the grants will not distort competition or affect trade between different member states. This is consistent with previous case law considered by the European Commission.
- 11.6 The Council has a legal duty to ensure that the grant money achieves Best Value. It will do this by entering into a grant agreement and ensuring under the terms of the grant that the money is used for the purposes and in the manner for which it is intended.
- 11.7 Under section 123 of the Local Government Act 1972 the Council may dispose of its land in any manner that it may wish. However, except in the case of a short tenancy, the consideration for such disposal must be the best that can be reasonably be obtained. Otherwise, the Council requires the consent of the Secretary of State for

such a disposal. There is a General Disposals Consent 2003 that permits a disposal at an undervalue in certain circumstances

- 11.9 The report attaches the proposed Heads of Terms setting out the fact that the proposed lease to ORT is for a term of three years i.e. less than seven years and therefore will be exempt from the best consideration requirement.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- **Appendix 1 – Heads of Terms of Lease for the Harford Street Community Centre**

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

- None

Officer contact details for documents:

N/A

SUBJECT TO CONTRACT

HEADS OF TERMS

HARFORD COMMUNITY CENTRE, HARFORD STREET, LONDON, E1 4FG

18TH September 2018

- LANDLORD:** London Borough of Tower Hamlets "The Council".
- TENANT:** Ocean Regeneration Trust
- PREMISES:** Part of the ground and first floor of a part 5, part 6 storey purpose built mixed use building. The demise is known as part of the Community Centre Harford Street, London, E1 4FG (See attached lease plan)
- LEASE:** The Tenant to be granted a lease for a term of 3 years.
- BREAK CLAUSE:** There will be a Tenant only break clause at any time during the term upon 6 months' prior written notice
- RENT:** £56,600 per annum plus VAT.
- SERVICE CHARGE:** The Tenant will be responsible for reimbursing the Council the full cost of the service charge payable to the superior landlord London and Quadrant. Payment should be made to the Landlord within 30 days of being demanded. There is an agreed protocol between Tower Hamlets and London and Quadrant .
- Utility costs;** The Tenant will be responsible for all electricity, gas and water. The bills will be forwarded by the superior landlord on a quarterly basis and it will be for the Tenant to reimburse the Council the cost of these. Payment should be made to the Landlord within 30 days of being demanded.
- REPAIR:** The Tenant shall keep the Premises in good and substantial repair and condition and clean and tidy and shall ensure that any service Media within and exclusively serving the Premises is kept in good working order.
- FIXTURES AND FITTINGS:** The Tenant shall keep any fixtures and fittings in good and substantial repair and condition and shall replace the Landlord's or the Superior Landlord's fixtures and fittings as and when necessary with new ones which are of a similar description of no lesser quality.

DECORATION:	The Tenant shall decorate the inside of the Premises as often as is reasonably necessary and also in the last three months before the end of the term but the Tenant need not carry out any such redecoration more than once in any twelve month period.
CAPITAL WORKS:	The Council will be responsible for any capital works that are required during the lease term not covered by the Superior Landlord's service charge. These works will include replacement lifts, entrance doors, M&E works and upgrading works to the Premises.
INSURANCE:	The Superior Landlord will insure and recover the premium from the Tenant through the Service Charge.
PERMITTED HOURS:	7.00 am to 11.00pm on all days except days which are bank holidays or public holidays in England.
OUTGOINGS:	The Tenant will be responsible for Service Charge, Business Rates and all other outgoings arising directly as a result of their occupation including Health and Safety compliance of the building.
ALIENATION:	Non assignable in accordance with draft lease.
USE:	Community purposes and purposes ancillary thereto within use Class D1 of the Town and Country Planning (Use Classes) Order 1987 in the form in which it is enacted as the date of the grant of the superior lease.
EXCLUSION OF 1954 ACT:	The lease will exclude the provisions of S24 – 28 of the Landlord and Tenant Act 1954. (Security of Tenure)
LANDLORDS SOLICITOR:	Legal services, Tower Hamlets Town Hall Mulberry Place, 5 Clove Crescent London E14 1BY.
TENANT'S SOLICITOR:	TBC
LEGAL COSTS:	Each party to pay their own costs.

<p>Grants Determination (Cabinet)</p> <p>Sub Committee</p> <p>16th January 2019</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Neville Murton, Acting Corporate Director Resources</p>	<p>Classification: Unrestricted</p>
<p>ESF Community Employment Programme Updates</p>	

Lead Member	Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector
Originating Officer(s)	Steve Hill, Head of Benefits Robert Mee, Programme Analysis & Review Officer
Wards affected	All
Key Decision	Yes
Forward Plan Notice Published	27/11/18
Reason for Key Decision	Impact on Wards
Community Plan Theme	All

Executive Summary

The purpose of this report is to update the Grants Determination Sub-Committee on grants that have been awarded through the European Social Fund (ESF) Community Employment Programme which is co-financed through the European Union and administered by London Councils.

The first of three rounds has been launched as part of the ESF Community Employment Programme where grants totalling £302,088 were awarded to 17 organisations as reported to the 1 August 2018 GDSC. A progress report from London Councils on Round 1 is attached as Appendix 1.

In addition Round 2 was launched with grants totalling £180,000 provisionally awarded to 9 organisations depending on successful pre-agreement meetings.

Recommendations:

The Grants Determination Sub Committee are recommended to:

1. Note the organisations and projects provisionally funded through Round 2 of the ESF Community Grants Programme as detailed in 3.6 and 3.7.
2. Note the progress of projects funded in Round 1 as detailed in 3.4 and 3.5

and Appendix 1.

1. REASONS FOR THE DECISIONS

- 1.1 As part of the ESF Community Grants Programme being delegated to officers, there is a requirement to update the Grants Determination Sub-Committee of grants that have been awarded to local Voluntary and Community organisations.

2. ALTERNATIVE OPTIONS

- 2.1 As this is a noting report, the Grants Determination Sub-Committee may request additional information on projects and organisations provisionally awarded funding.

3. DETAILS OF THE REPORT

ESF Community Grants Programme

- 3.1 At the 1st March 2016 Commissioners Decision Making Meeting in Public, Commissioners agreed to match-fund the European Social Fund (ESF) Community Employment Grants Programme 2016-19. The council's financial commitment is £225,000 per year over 3 years. This funding attracts an equal contribution from the European Social Fund thus making a total scheme budget of £1.350m over the 3-year programme period. It is intended that there will be 3 bidding rounds: one during each year of the programme – Round 1 was launched in December 2017. Voluntary and Community organisations are able to apply for grants of up to £20,000 during each bidding round.
- 3.2 London's ESF Programme is administered by the Greater London Authority (GLA). However, the day-to-day management and administration of the programme will be undertaken by London Councils. Due to delays in finalising the contractual agreement between the GLA and London Councils, the programme was launched in December 2017 and will run until 2020
- 3.3 The programme falls within Investment Priority 1.4 to address the root causes of poverty which create barriers to work so more people move closer to or into employment.

ESF Round 1 progress

- 3.4 London Councils has produced a report giving an update on progress for the Round 1 projects which is attached as Appendix 1 with a list of the Round 1 projects and project descriptions as Appendix 1.1. The report also gives an update on the applicants and process for Round 2.
- 3.5 The report shows that for Round 1 "A total of 18 projects were eligible, but 16 were eventually funded (see Appendix 1.1). The programme end predicted

results, in the main, show that the programme will be successful with 73% (214 participants) gaining a level 2 or below qualification. This is a considerable achievement for Tower Hamlets residents on the programme, many of whom have no qualifications.

ESF Round 2 update

- 3.6 In Round 2 of the programme, 10 applications were received from local VCS organisations. Applications were assessed by LBTH and London Council’s staff. A panel comprising of LBTH officers and colleagues from London Councils were involved with moderating applications with a final report being devised with recommendations for the decision making panel – comprising of senior officers from LBTH, London Council’s and the GLA.
- 3.7 As a result, 9 organisations have provisionally secured funding depending on the Pre-Agreement meetings. Organisations listed below:

Organisation	Grant Amount
1 Love Community	£20,000
Al Isharah	£20,000
Boundary Community School	£20,000
Tower Hamlets Somali Organisation Network	£20,000
CEN Business and Training Services	£20,000
Cressy IT Solution CIC	£20,000
Dorset Community Association	£20,000
Wise Youth Trust	£20,000
Bongobir Osmany Trust	£20,000
Total Round 2 Grant Value	£180,000

- 3.8 Appendix 2 has some background information on these organisations including the charitable objects where applicable.

ESF Round 3

- 3.9 Round 3 of the programme is scheduled to launch February / March 2019. In order to maximise the number of applications from Tower Hamlets VCS group the following actions have been discussed:
- Look at making the application form more user friendly
 - Look at streamlining the Application Prospectus to make it more clear what is being asked for
 - Work with the Tackling Poverty Team and the THCVS to identify groups in the borough who could apply to this programme that haven’t already done so
 - Use the new development role of the Third Sector Team to support groups in applying for ESF funding

- Publicise the launch of Round 3 – potentially the last ever ESF funding round - in a more expansive way than Round 2
- Increase the number of workshops prior to the Round 3 deadline

4. EQUALITIES IMPLICATIONS

- 4.1 London Councils' ESF Community Employment Programme promotes equal opportunities and non-discrimination. All delivery partners are required to adhere to the principles and processes set out in EU and UK equality legislation.
- 4.2 As part of the application process all applicants have to explain how they have embedded equality, diversity and inclusion at all stages within their project. They should include information about how they will ensure equal access to the project and any ways in which their project will celebrate diversity and a commitment to reducing inequality.

5. OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.

5.2 Best Value Implications

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.

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.

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. For the ESF Community Grants Programme, this will be administered by London Council's.

5.3 **Environment**

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.

5.4 **Risk Management**

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

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.

5.5 **Crime Reduction**

The activities, services and outcomes that are being targeted through these grant programmes support the objectives of reducing crime and disorder.

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

5.6 **Safeguarding**

As part of the initial application process organisations were required to provide details of their safeguarding policy, if appropriate. The Grant Agreements for both funding streams includes requirements in relation to safeguarding.

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.]

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report provides an update on the European Social Fund Community Employment Programme and allows opportunity for greater transparency and scrutiny of the Councils grants processes.
- 6.2 Round one of the programme delivered total grants allocations of £302,888 to 14 organisations.
- 6.3 The report provides details of the second of three rounds which includes the provisional release of £180,000 in awards to 9 organisations.
- 6.4 The Council's financial commitment to the programme is £225,000 per year over three years, with the programme funding attracting an equal commitment from the European Social Fund making up a total £1.350m.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council has the legal power to make the grants referred to in this report.
- 7.2 The evaluation of grant applications and the proposed level of award took into account the quantity and quality of deliverables which assists demonstrating compliance with the Council's Best Value legal duty. Also, the grants are monitored to ensure the money used for the purposes for which the money is given.
- 7.3 Compliance with the Equality Act 2010 has been evaluated as part of the application process and therefore it is likely that these schemes comply with the Council's Equality Duty under that act

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

- Appendix 1 – London Councils ESF Progress Report
- Appendix 1.1 – ESF Round 1 Project Descriptions
- Appendix 1.2 – ESF Round 2 Applicants
- Appendix 2 – ESF Round 2 – Organisation Background

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

- None

Officer contact details for documents:

Robert Mee, Programme Analysis & Review Officer

Phone: 020 7364 0487 **Email:** robert.mee@towerhamlets.gov.uk

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SUMMARY

This document represents the London Councils Tower Hamlets Community Employment ESF Programme 2014-2020 (round 1). A total of 18 projects were eligible, but 16 were eventually funded (see annex 1). The programme end predicted results, in the main, show that the programme will be successful with 73% (214 participants) gaining a level 2 or below qualification. This is a considerable achievement for Tower Hamlets residents on the programme, many of whom have no qualifications.

Soft outcomes are a clear benefit of the programme, with several projects commenting on the reduction in social isolation, improved confidence and better communication skills. In addition, the development of a range of other “hard” skills training was given, particularly basic ESOL and ICT skills.

The combination of these outcomes illustrates the value and contribution of small community level organisations in tackling worklessness and making a difference to the lives of those who live in their communities.

The Community Employment Programme also contributes to improving the capacity of small community and voluntary organisations in Tower Hamlets, and in doing so, contributes to the viability and role of the sector. For many groups, the Community Employment Programme represents the first opportunity to apply for, deliver and report on an externally funded project and this learning is often crucial to their development and sustainability. The Community Employment Programmes’ Project Managers and Quality Assurance team offer substantial one-to-one support to organisations to help them deliver their projects successfully.

INTRODUCTION

The Community Employment Programme is part of the 2014-2020 London European Social Fund (ESF) Programme. ESF in London is managed by the Greater London Authority’s (GLA) European Programmes Management Unit (EPMU) who has been designated by Government as an Intermediate Body for ESF and ERDF.

The 2014-2020 ESF Programme has two main Priorities, each with a number of Investment Priorities. The London Councils ESF Community Employment Programme operates under:

- Priority Axis 1 – Inclusive Labour Markets
- Priority 1.4 – Active Inclusion

What is Community Employment?

Round 1 of the London Councils Tower Hamlets ESF Community Employment Programme works under ESF Priority 1.4, to support people furthest away from the labour market. The Community Employment Programme grants are:

- small grants (up to £20,000)



- given to small non-governmental or VCS organisations in Tower Hamlets (eligibility criteria apply)
- for projects which help long-term unemployed and economically inactive people move into or closer to the labour market in line with the Tower Hamlets Employment Strategy
- for projects that will run for a maximum of nine months of delivery, with a further three months to close the project
- for projects that contribute to the 2014-20 London European Structural & Investment Funds (ESIF) Strategy for London.
- the Community Employment programme aims to help people fulfil their potential by giving them better skills and better job prospects. The programme is open to organisations that:
- given to organisations whom have an annual income of less than £150,000 (or £250,000 if the organisation works exclusively with people with a disability)

The Community Employment Programme is aimed at specific groups who are felt to be at highest risk of social exclusion:

- Residents housed by Tower Hamlets in temporary accommodation in neighbouring boroughs
- Those in receipt of Discretionary Housing Payments
- Women, in particular Somali and Bangladeshi women and those who are economically inactive due to parental and/or caring responsibilities
- People with health issues, particularly mental health or a disability
- Lone parents, particularly those living in temporary accommodation
- Residents who are 50+ years old
- Long-term unemployed and economically inactive residents who have not engaged with any projects or developed their skills in the last two years.

Application Process

The Community Employment programme is promoted through mail outs, the Tower Hamlets Council for Voluntary Services and the London Councils website. The Community Employment team also promote the programme through a series of promotional workshops, where the application process is explained to potential applicants, giving them a chance to ask questions and network with other voluntary sector organisations.

Once the deadline is reached applications are assessed for eligibility using a due diligence framework, then scored by London Councils and Tower Hamlets officers. Individual scores are then moderated. Applications are scored out of 100; a minimum score threshold of over 50 is required for organisations to be funded. All eligible applications are then put before an appraisal panel (internal and external).

Payment of Funding

All successful organisations are paid 50% of their grant on signing their funding agreement (subject to due diligence requirement being met), then 30% of the grant on evidencing 50% of total grant defrayed. The final 20% is paid on submission of evidence of defrayal of 100% of grant expenditure.



At each stage, payment is released once organisations have submitted copies of expenditure, participant enrolment forms and evidence templates to demonstrate that delivery, and expenditure, has taken place.

1. PROGRAMME OUTPUTS AND RESULTS

The programme aimed to support people from a range of key equality and priority groups. Round one's package of provision is due to end March 2019.

Table 1 shows the participants the projects will be supporting through their projects.

Table 1 Programme targets groups (numbers achieved to October 2018)

Target group	Profiled Target (%)	Achieved To Date (against original target)	% of profiled starts
Enrolments (starts)	292	193 (66%)	66%
Long term unemployed	90 (31%)	70 (78%)	24%
Economically inactive	196 (67%)	123 (63%)	42%
Over 50	47(16%)	32 (68%)	11%
Women	214 (73%)	165 (77%)	56%
Lone parents	38 (13%)	25 (66%)	8%
Ethnic minorities	265 (91%)	186 (70%)	64%
Disabled (self declared)	19(6%)	9 (47%)	3%

The targets achieved to-date are encouraging and it is anticipated that by the end of the programme, as we get more enrolment data submitted, that the targets should be met.

Equality Groups

The Community Employment programme contains targets for the numbers within each equality group that the funded projects need to engage with. The figures in table 2 show that the programme is likely to hit the target for supporting participants from the Bangladeshi community, but it is likely to underachieve in engaging with participants in the other equality groups. This is a reflection of the community based within Tower Hamlets, where the Bangladeshi community make up 32% of the population¹.



Table 2: Ethnicity (based on figures submitted up to October 2018)

		Profiled	Achieved
Asian/Asian British	Indian	3	0
	Pakistani	2	0
	Bangladeshi	195	134
	Chinese	0	1
	Other	1	2
Black/Black British	African	6	2
	Caribbean	1	0
	Somali	53	4
	Other	2	0
White	English/Welsh/Scottish/Northern Irish/British	19	7
	Irish	0	0
	Gypsy or Irish traveller	0	0
	Other	2	1
Mixed	White and Black Caribbean	1	0
	White and Black African	0	0
	White and Asian	0	0
	Other	2	0
Other	Arab	1	0
	Other	4	1

Results

The Tower Hamlets Community Employment Programme expects funded projects to deliver a range of outputs and results. Table 3 sets out the expected and achieved results delivered to October 2018.



Table 3

Result	Profiled Results (%)	Achieved To Date (against original target)	% of Profiled Starts
Enrolments (starts)	292	193 (66%)	66%
6+ hours of support (IAG, job-search, mentoring, training, 1-2-1)	272 (93%)	186 (68%)	64%
Level 2 (or below) qualification	246 (84%)	109 (44%)	37%
Further education or training provider or specified accredited support service within 4 weeks of leaving the project	88 (30%)	11 (12%)	4%
Long-term unemployed participants in employment within 4 weeks of leaving the project	36 (12%)	9 (25%)	3%
Economically inactive participants in employment/ job search within 4 weeks of leaving the project	84 (29%)	10 (12%)	3%
Participants in sustained employment for 26 weeks	14 (5%)	1 (7%)	0.3%

There are clearly barriers to engaging with economically inactive and long-term unemployed participants, given their economic, as well as social exclusion. This illustrates the need for continued support for these organisations that are dedicated to reaching out to people in their community who often feel excluded from other training provision.

The predicted figures for the results achieved by the end of the programme look more promising. We will have a better idea in the coming months, as projects draw to a close and submit their enrolment data, what the final results will look like.

Challenges

The Tower Hamlets projects have been finding it difficult to understand and manage the reporting requirements of ESF. We are providing extra support to projects, where needed to help with this. Our Quality Assurance staff have conducted a minimum of two visits to ensure provider enrolment paperwork is eligible. Also, projects have been assigned a London Councils project manager to visit them on a fortnightly or monthly basis, to check all financial and enrolment data.



There has been an ongoing issue with some groups verifying the employment status of their participants. Due to cultural barriers, some of the female participants in Tower Hamlets have not been able to provide the documentation needed to verify their employment status. To resolve this, London Councils has suggested that verification is sought from their mosque or other third sector organisation they may have received training from.

Successes

Links with Jobcentre Plus have proved invaluable for Wise Youth Trust. The organisation put links in place with Job Centre Plus before their project commenced. They regularly do presentations at the Job Centre to recruit participants. This has resulted in the Jobcentre referring participants to their project and also promptly signing the job centre referral form to confirm employment status.

Betar Bangla are offering a 12 week media presentation course. They are currently working with 10 Bangladeshi women. All the women are economically inactive (in most instances, for over 3 years). They have learnt a new skill in a sector that tends to be male dominated. Their course will culminate with them presenting live in the Betar Bangla studio.

Dorset Community Association, Wapping Bangladesh Association, The Rooted Forum, Weavers Community Forum, Newark Youth London and Olive Tree, have worked to ensure that collectively 71 participants achieve a Level 1 (or below) qualification. This includes employment skills training in Health and Social Care; Food Safety and Hygiene; First Aid and Customer Service.

Effectiveness of Community Employment

If this programme had not been funded, it is unlikely that the majority of activities would not have taken place, although it is not possible to comment on the extent to which organisations would have supported individuals in the absence of funding, as many small organisation's staff often work on a voluntary basis to deliver services in the community.

However, Community Employment can represent the only source of funding some organisations receive. The feedback from many projects funded under the Community Employment Programme suggests the funding and support received has helped them to improve their processes and services, which may lead to them operating more effectively in the future.

2. Application Round 2

Organisations based within the London Borough of Tower Hamlets were invited to submit applications for £20,000 from a total investment pot of £400,000 was the original intention to award up to twenty grants through this second round.

Ten submissions were received by the deadline of 12 noon on 9 November 2018 (see annex 2).



The applicants were subject to a series of 'gateway checks' i.e. eligibility requirements for the programme. The application prospectus highlighted that failure to provide any of the documents or other evidence specified (in the gateway questions or the application process) may result in an application not being scored.

Using the moderated scores, applications fell into the following categories:

- 9 applications scored above 50
- 1 application scored under 50.

Internal Panel

An Internal Panel meeting was held on 28 November 2018. The following officers were in attendance:

- Ellie Kershaw – Tower Hamlets Council
- Robert Mee – Tower Hamlets Council
- Karen Ferguson - London Councils
- Yolande Burgess - London Councils (Chair).

External Panel

An External Panel meeting was held on 29 November 2018 to provide final judgement on application. The following officers were in attendance:

- Sarah Bennett – GLA
- Robert Mee – Tower Hamlets Council
- Ali Ahmed – Tower Hamlets Council
- Karen Ferguson - London Councils
- Yolande Burgess - London Councils (Chair).

3. Next steps

Due Diligence

Due diligence will take place for all 9 applicants. The checks will consist of:

- Credit reference checks
- Financial (e.g. financial history or accounting systems)
- Legal (e.g. governing documents).

The Pre-agreement meeting

The Pre-agreement meeting will take place between the provider and a London Councils ESF officer. The meeting aims to outline the London Councils' project delivery process including:



- Roles and responsibilities between London Councils and the organisation
- Review working relationships with project sub-partners (include SLAs)
- Confirmation of the outputs and results the project will deliver
- Agreement of the Project Delivery Schedule
- Review Risk Register and intended actions to mitigate and manage risks
- Explain London Councils' ESF monitoring and payment arrangements
- Confirm evidence requirements for expenditure, outputs and results
- Confirm evaluation requirements
- Confirm publicity requirements
- Confirm Data Protection requirements

At the meeting, a list of actions for the provider will be drawn up. These actions must be completed before the organisation is issued with a funding agreement. These actions will include but are not limited to:

- Ensuring that the organisations project delivery schedule profile signed and submitted
- Ensuring that London Councils received the organisations completed bank details template
- Ensuring that the organisations cash flow forecast is completed
- Clarification of any outstanding due diligence issues or issues identified in the organisations application

ⁱ https://www.npi.org.uk/files/6614/7316/1332/Demography_and_deprivation_in_Southwark_and_Tower_Hamlets.pdf

ID	Project	Project Description
2489	Al Isharah	Specialist support services for the deaf community using British Sign Language in level 2 training.
2488	Betar Bangla Ltd	Introduction to basic electronic media presentation including scriptwriting, audio recording, editing and interview techniques.
2496	Bongobir Osmany Trust	Series of one day level 2 accredited training course. Participants will also receive one-to-one support, guidance, linking up with the employers and volunteering opportunities.
2505	Boundary Community School	Personal development and employment support. Entry level Basic IT training.
2490	City Steps Guided Tours	AQA Social Media training in LinkedIn/Twitter/Facebook, understanding internet marketing and creation and development of a personal of Blog, networking. Also, training in presentation and public speaking and self employment skills - How to become a freelance Guide/Consultant
2516	Cress IT Solution CIC	OCR accredited Level 2 IT User Skills (ITQ) training, digital literacy training and non-accredited customer service training along with employability training
2511	Dorset Community Association	Level 2 training i.e. ESOL and First Aid. Non-accredited customer service training and hands-on workplace (employability) training/support .
2493	Newark Youth London	Level 2 Award in Food Safety, Customer Service and Health & Social Care (Nurses and Health & Social Care workers).
2504	Olive Tree Education	Level 2 basic skills training.
2503	Somali Parent & Children Play Associati	Basic skills training for Somali women
2509	Sylhet Bawl Shangith Ghosti	Level 2 vocational qualifications accredited by the Chartered Institute of Environmental Health (CIEH).
2499	Thames Bengali Association	Level 1 basic skills training i.e. ESOL and ICT.
2487	The Ensign Youth Club	Series of one day level 2 course and personal development for 12 participants.
2497	The Rooted Forum	Series one day level 2 accredited training course.
2508	Tower Hamlets Parents Centre	Entry level 1-3 ESOL and IT training. Sewing lessons will also be provided and careers advice.
2498	Wapping Bangladesh Association	Series one day level 2 accredited training course. Personal skills through a basic and non-accredited mentoring and employability life skills training workshop programme will also be provided.
2494	Weavers Community Forum	Series of One Day Training course which are Accredited at Foundation level 2.
2515	WISE Youth Trust	Level 2 Security Industry Authority, Construction Skills Certification Scheme and Caring for Children (CACHE) Level 1 Diploma.

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Annex 2 - Applicant Organisations

ID No	Organisation Name
2518	1 Love Community
2519	Al Isharah
2520	Bongobir Osmany Trust
2521	Boundary Community School
2522	Tower Hamlets Somali Organisation
2523	CEN Business and Training Services
2524	Rejuvenate UK 2016
2425	Cressy I.T. Solutions C.I.C
2526	Dorset Community Association
2527	Wise Youth Trust

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1 Love Community CIC

Organisation Background:

1Love Community is a social initiative seeking to create actual, substantial, viable change and improvement to the quality of life of people in the city. It is a grassroots network outreaching into local communities to provide support, knowledge and activity that enriches and engenders health, responsibility and security not just to the urban environment but to its inhabitants therein. We look for projects that we can introduce into the community that enriches lives and develops skills like community gardens and art zones. Objects: The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to enhance the skills, health and well-being of disadvantaged communities located near the 1Love Community C.I.C. premises and land.

Project Proposal (Summary):

1Love Community is a social initiative seeking to create viable, actual change and improvement to the quality of life of people living in the Isle of dogs E14. We have delivered a vast amount of personal & professional development workshops where as members of the community have gained training & work experience through our pop up shops in Millharbour E14 (see website)

This ESF funding initiative will enable us develop a partnership with experienced accredited training providers to offer the Tower hamlets community accredited training in modern technology & employability skills.

Our proposed partnership project is called 'Hard Knock Uni' and is designed to prepare learners to enter the world of work through creative training & work experience. The project will aim to successfully train 16 long term unemployed people over the age of 25 through Level 2 NCFE accredited implementing employability skills through video production, social media for the workplace, website design and personal development.

The objectives of the project are to develop participants technical skills for the modern working environment, develop participants motivation & confidence, improve participants communication skills & personal effectiveness, provide a basis for further study & basis for employment.

Al Isharah

Organisation Background:

(1) to relieve need amongst and advance the education of deaf people by providing or assisting in the provision of training to enable such deaf people to acquire skills the possession of which will assist them to obtain employment or otherwise become self-supporting (2) to advance the education of the public concerning the special needs of deaf people particularly, but not exclusively, by undertaking research into such needs and publishing the useful results thereof

Project Proposal (Summary):

Al Isharah plan to deliver specialist support services for the deaf community and their families using British Sign Language during weekly training sessions over the course of a 12 month period. The session format will vary depending on the nature of the topic. We will have theory based information, advice and guidance sessions. This will be taught in a office environment setting. For practical learning, we will engage with employment agencies and organisations offering work placements. Al-Isharah looks to address the issue of various forms of exclusion suffered by the deaf community. The charity has found the deaf community more distant from the labour market. Although there are a complex set of factors behind this, Al-Isharah is working to ensure factors such as skills gap, interview techniques, confidence building, mentoring and interview training are put in place so that these issues that are being addressed are overcome. It is often the case that potential employers are also discouraged by how difficult it maybe to work deaf people. The charity would like to address those misconceptions by raising awareness and closing the gap from the deaf community and the labour market by providing assistance. The lack of provision and limited access to work for Deaf and hard of hearing people is the reason for this project. Also the lack of BAME organisations qualifies to deliver such a project for the deaf community. Our main aim is to support, people with Mental Health issues and those who are unemployed and/or economically inactive residents living in the borough of Tower Hamlets; in particularly who negatively impacted by the benefits cap.

Bongobir Osmany Trust

Organisation Background:

1. To advance the education of the public in Bengali culture and traditions and in particular but not exclusively in the life and achievements of General Bongobir Osmany.
2. To provide facilities in the interests of social welfare for the recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.
3. The relief of unemployment for the public benefit in such ways as thought fit, including assistance to find employment.

Project Proposal (Summary):

16 participants (aged 25 onwards) will be recruited to the project and be given a tailor-made innovative package of training, information, advice and guidance with a view to create four jobs. A highly successful selected package will include short but industry-specific vocational and sought-after qualifications namely Customer Service, First Aid and Food Safety.

The second phase of the project will help a total of six participants into meaningful employment/self-employment. The participants will undergo a series of accredited courses, one-to-one support, guidance, linking up with the employers and volunteering opportunities. Upon successful completion of the courses and the additional support provided, the participants will be ready to move forward into the next stages of their career path. A carefully selected training package together with a holistic approach in the project's design, implementation and delivery, will make the participants job-ready.

Other support such as Advice and Guidance from a coordinator, CV preparation, Discussions and group work, Job Search techniques, Interview work/discussions, Job Interview preparation including Making job applications will be provided from the project too.

Boundary Community School

Organisation Background:

(1) to advance the education of children of statutory school age in particular children of Bengali ethnic origin by the provision of supplementary classes in particular but not exclusively in the Bengali language. (2) to provide recreational facilities in the interests of social welfare with the object of improving conditions of life of persons having need of such facilities by reason of their poverty or social and economic circumstances

Project Proposal (Summary):

BCS Pathways to Employment Project (BCS PEP) is a skills training and employment related project which will run 39 weeks and recruit 21 unemployed residents of Tower Hamlets in 3 consecutive intakes. Each intake will involve 7 participants and run for at least 13 weeks. The activities will be held on Tuesday and Wednesday from 10:00am to 1:00pm. The participants will be expected to attend 5 hours or more per week for the duration of the project activities. The project will deliver an innovative and individually tailored approach support to all participants who are long-term unemployed or economically inactive. The project will employ interactive and creative methods to engage participants from Tower Hamlets and provide following one to one support; initial assessment, action planning, capacity building assistance, employment support, CV preparation workshops, interview technique training, job application support, job search help, and entry level Basic IT Course such as UK Online Basic - leading to work placements or potential employment and further training. The project will improve the employability and skills of long term unemployed and economically inactive residents of Tower Hamlets and will support the boroughs Employment Strategy.

CEN Business & Training Services

Organisation Background:

Our services are mainly a wide range business support for small businesses, social enterprises and individuals engaged in creative businesses. Our support includes training and advice on training needs, marketing support, guidance on quality assurance, business support and consultancy, organisational development, funding and investment guidance, signposting relevant services and business opportunities, facilitating networking and organising events. Through various programmes, predominantly targeting black, minority and ethnic groups at particular industry sectors we promote a culturally diverse and sustainable creative industries sector.

The objects are to advance the education of the public in the knowledge, understanding of the arts, vocational training, skills for life, ESOL, Information technology, business support and skills development, personal leadership and management development, particularly creative innovative and allied techniques and to improve the quality of life who are in need.

Project Proposal (Summary):

CEN has an excellent track record in the development and delivery of high quality outreach, cultural and educational community initiatives in Tower Hamlets for Bengali residents in Spitalfields and Banglatown areas in particular. CEN is the lead organisation for cultural and media employment projects and has a long-established link with the BanglaTown and Brick Lane Cultural Quarter - demonstrating our strong community links, in Tower Hamlets. CEN has been delivering NVQ and business support projects since 1995, for LB Tower Hamlets, ERDF Objective 2 and LDA, Business Link with Exemplus and Grant Thornton's national business support programmes for SME business growth. Our work over the last 18 months with ESF London Councils has allowed us to further build the working relationship with Job Centre Plus – we seek to continue to develop this working relationship with this project (2014-16). It allows good value for money and complements and does not replace existing provision. This relationship has been developed in line with a range of other, complementary employability delivery projects that CEN is delivering in partnership with London training partner agencies, such as Best Practice Ltd. On this basis, CEN is available to provide further special support to Tower Hamlets, Bengali residents – as a complementary activity to our contracted activities. This offers excellent value for money – and does not replace existing provision. Overall, the continuation of this employability activity is a benefit to local residents and allows ESF London Councils and CEN to develop more employability opportunities. Without additional funding, we cannot target Bengali speakers especially Bangladeshi women who are specifically economically inactive or long-term unemployed.

Cressy I.T. Solutions

Organisation Background:

Cressy I.T Solutions (CiTS) aims to provide affordable I.T Solutions and support services to the residents, businesses and third sector organisations of Tower Hamlets and surrounding boroughs. As a community interest company, Cressy I.T Solutions CIC not only provides I.T services but re-invests a proportion of profits into local community initiatives which in turn means that Cressy I.T is an affordable and ethical choice in today's market place.

Project Proposal (Summary):

Cressy I.T. Solutions wish to facilitate a Women's Training and Employment project including: OCR accredited ITQ Training, Digital Literacy Training, Customer Service Training, Employability, other skills development training and volunteering opportunities, recruiting disenfranchised women in Tower Hamlets including carers and single parents of BAME heritage with limited English language, confidence and secondary education for formal and informal community learning. We will offer a personalized and holistic combination of formal and informal advice, training and support ranging from counselling and self-esteem sessions to workshops and mentoring to help reconnect particularly disenfranchised women with mainstream networks. The provision of employability support to accompany training will further enable women, in particular, traditional family carers, to actively gain skills for employment.

Dorset Community Association

Organisation Background:

The objects of the Dorset Community Association are to facilitate and arrange social and recreational activities for the members of the local community through providing services such as training, education, advice, employment support, on-to-one support, health & well-being and various community activities that improve the quality of life of beneficiaries to the local people.

Project Proposal (Summary):

The overall aim of the project is to empower these hard to reach and isolated women to reduce their isolation, overcome any barriers for employment and build bridges within the community. The project will seek to engage 20 BAME women aged 25+ and train them by qualified trainer to get into employment. We will bring in professionals in the form of ESOL teacher and employment (IAG) trainer. The project will be delivered over two days of the week with each session being delivered in 3 hours slots depending on the activity. We would like to incorporate ESOL for those furthest from the job market. In order to inspire these women into employment or skills opportunities locally, we need firstly build their confidence and self-esteem and then engage them with ESOL and employment (IAG) advice. This project is also designed to increase their involvement in the centre, their community and build their primary skills to engage in employment.

Tower Hamlets Somali Organisation Network (THSON)

Organisation Background:

The charity's objects ("the objects") are:

a. To promote social inclusion for the public benefit by working with people in the London Borough of Tower Hamlets who are socially excluded on the grounds of their ethnic origin, religion, belief or creed (in particular, members of the Somali community) to relieve the needs of such people and assist them to integrate into society, in particular by

1. providing a local network group that encourages and enables members of the Somali community to participate more effectively with the wider community,
2. increasing, or co-ordinating, opportunities for members of the Somali community to engage with service providers to adapt services to better meet the needs of that community

Project Proposal (Summary):

Recruit 16 workless Somali residents to help them into jobs/self-employment and by training them to achieve Paediatric First Aid Level 2 and common core skills and knowledge to become qualified Home Carer and register them with Ofsted. We will be providing these mothers with job search, CV and interview techniques. As well as helping them about self-employment and process needed to register with HMRC. Successful candidates will get help from us with DBS applications, so that they can engage with employment professionally. This training and qualifications will build the confidence and will gain the capacity to gain employment thereafter. Job Search and Advice session: Bespoke 1-2-1 CV writing, interview and job search techniques will focus on giving workless and economically inactive Somali females a wide range of advice on employment issue delivered by an expert employment adviser. An experience and expert co-ordinator will be recruited to deliver this project. We will be advising with dress codes, common mistakes including role play before and after mock interview video recording service so that they can witness their own mistakes and improve upon it. On leaving the project THSON will also provide after care service for participants on employment requiring help and support to make their employment sustainable increasing confidence to get on with the job environment.

Wise Youth Trust

Organisation Background:

2. Aims and objectives

2.1. The objectives of the organisation shall be:

- a. to help develop life skills, vocational and employment training for young people
- b. to provide facilities for and to promote participation of the whole community in sport & recreation
- c. to widen access to hard to reach groups in particular, BME & DE communities
- d. to offer personal development initiatives to improve educational attainment
- e. to use sports to divert young people from crime & anti-social behaviour and offer coaching and competitive opportunities in sport and allied professions
- f. to offer youth opportunities including youth clubs, cafes and educational support
- g. to promote public health awareness, physical & mental health
- h. to offer leisure pursuits and informal learning as appropriate
- i. to promote the organisation within the local community and in sport and the arts
- j. to participate in community projects and initiatives
- k. to undertake work that is of benefit to young people and their immediate communities
- l. to manage the organisations' facilities
- m. to use sports as a conduit to foster better community relations
- n. to ensure a duty of care to all members of the organisation and to provide all its services in a way that is fair to everyone and ensure that all-present and future members receive fair and equal treatment.

Project Proposal (Summary):

Pathway 2 Work is person-centred programme providing support for individuals to obtain competitive employment or self-employment by offering an individualized planning process that helps individuals identify a career or vocational direction. It will provide instruction and training in job readiness skills and develops a plan for achieving competitive, integrated employment and work placements.

It is designed to promote the employability of excluded individuals in the community to equip them with the personal and occupational skills they need to access and compete effectively in the labour market. It is an intensive 12 week training and support programme for local people in Tower Hamlets aged over 25 who are long term unemployed, who are either marginalised by the labour market or facing barriers which make this transition difficult.

The key priority is tackling high and persistent unemployment through one-to-one mentoring involving individualized planning process that includes personal development plans plan for developing the skills, competencies and confidence to make the transition from worklessness into achieving competitive and sustainable employment.

Defining Characteristics:

Those furthest away from employment including those without a level 1 qualification requiring employability, literacy and numeracy skills;

Those requiring specific support with vocational skills and underpinning ESOL and key skills

<p>Grants Determination (Cabinet) Sub-committee</p> <p>16th January 2019</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Denise Radley, Corporate Director, Health, Adults and Community</p>	<p>Classification: Unrestricted</p>
<p>Substance Misuse Prescribing Costs</p>	

Lead Member	Councillor Jones, Cabinet Member for Adults and Health
Originating Officer(s)	Rachael Sadegh, Service Manager – Substance Misuse
Wards affected	All wards
Key Decision?	No
Forward Plan Notice Published	13/12/18
Reason for Key Decision	
Community Plan Theme	Better health and well-being

Executive Summary

LBTH currently commissions a number of treatment interventions for individuals who misuse drugs / alcohol. The primary service providing such interventions is Reset drug / alcohol treatment service currently contracted to East London Foundation Trust (ELFT). The cost of this service is met via the Public Health Grant. An important element of the treatment of drug / alcohol addictions is pharmacological therapy. A number of different drugs are used though many will be familiar with Methadone and Buprenorphine used to substitute illicit Opiates (mainly Heroin). In Tower Hamlets, these drugs are prescribed by Reset treatment service (ELFT) practitioners and by GPs.

The costs associated with prescribing these drugs have been shared over time with both LBTH and Tower Hamlets Clinical Commissioning Group funding this resource. Due to the recommissioning undertaken across the drug / alcohol treatment system and to ensure transparency, a grants agreement is required to reimburse these prescribing costs on an annual basis.

A paper was submitted to the Grants Determination Sub-Committee on 24/10/17 requesting authorisation to transfer funds for these purposes to Tower Hamlets Clinical Commissioning Group (THCCG). Following agreement at this Committee, further discussions have taken place with THCCG at the Joint Commissioning Executive (JCE) and arrangements have changed with a proposal that LBTH reimburses ELFT directly with a contribution from THCCG.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve an annual grant to ELFT to the value of up to £400k to fund drug costs associated with substance misuse treatment interventions for the duration of the current Reset contract with ELFT (due to end on 30th October 2019).
2. Delegate authority to Corporate Director Health, Adults and Community to approve funding agreement between THCCG and LBTH.
3. Note that payment of the grant will be made in arrears at the end of the year in which expenditure was incurred. The first payments will therefore be for the contract year 31st October 2016 to 30th October 2017 and 31st October 2017 to 30th October 2018.

1. REASONS FOR THE DECISIONS

- 1.1 To facilitate service delivery as per the service specification for Reset drug / alcohol treatment service and to ensure appropriate clinical governance.
- 1.2 To ensure a transparent transfer of funds to ELFT to reimburse drug costs incurred by the Reset service.

2. ALTERNATIVE OPTIONS

- 2.1 LBTH to transfer liability for prescribing costs to Reset drug / alcohol treatment service. This would require a contract variation agreeable to both parties and would limit control over prescribing costs within the service. Such an arrangement would require discussions with THCCG in relation to whether an agreed funding contribution would be forthcoming. This would also not address spend to date. The Joint Commissioning Executive will be considering a pooled funding arrangement for future contracts.

3. DETAILS OF THE REPORT

- 3.1 LBTH currently commissions a number of treatment interventions for individuals who misuse drugs / alcohol. The primary service providing such interventions is Reset drug / alcohol treatment service currently contracted to East London Foundation Trust (ELFT) from 31st October 2016 to 30th October 2019. The cost of this service is met via the Public Health Grant.
- 3.2 An important element of the treatment of drug / alcohol addictions is pharmacological therapy. A number of different drugs are used though many will be familiar with Methadone and Buprenorphine used to substitute illicit

Opiates (mainly Heroin). In Tower Hamlets, these drugs are prescribed by Reset treatment service (ELFT) practitioners and by General Practitioners.

- 3.3 Prior to the transition of Public Health (and the Public Health Grant) into the Local Authority, the majority of funds for substance misuse treatment interventions were held by Tower Hamlets Primary Care Trust. Upon the transition of Public Health in 2013, funding associated with public health initiatives (including substance misuse) were amalgamated and allocated to LBTH via the Public Health Grant. Whilst this included all funding associated with treatment service contracts, it did not include funding associated with prescribing costs and other non-discreet services such as diagnostic testing.
- 3.4 At the point of transition in 2013, substance misuse services were structured and contracted very differently to the current treatment system which was implemented in October 2016. Prescriptions for the drugs concerned were written by GPs with a special interest in substance misuse (GPwSIs) who worked in treatment services, ELFT practitioners working in the Specialist Addictions Unit (SAU) and General Practitioners within their own surgeries. GPwSIs and GPs used THPCT / THCCG prescription forms to prescribe and therefore these costs were picked up by THPCT / THCCG. ELFT practitioners prescribed on ELFT prescriptions and the costs of these drugs were included in the contractual value for the SAU service. Hence in 2013, the PHG allocated to LBTH included provision for SAU prescribing costs but not for the costs incurred for prescriptions written by GPs and GPwSIs. However, up until the point of implementing new services in October 2016, funding arrangements remained the same with THCCG paying for GP / GPwSI costs and LBTH funding the SAU service (including prescribing costs).
- 3.5 When treatment services were recommissioned in October 2016, the GPwSI function and the SAU contract was terminated. All prescribing is now undertaken by Reset drug / alcohol treatment service (ELFT) and GPs within their own practices. In 2015, an agreement was reached with THCCG that they would continue to fund all prescribing costs with the exception of the cost previously included within the SAU contractual value.
- 3.6 Drug costs were explicitly excluded from the Reset contract in order to maintain the balance of prescribing costs between LBTH and THCCG. Original plans for ELFT to prescribe on THCCG prescription forms have now been reconsidered and therefore it is more logical for ELFT to invoice LBTH for the full cost and LBTH to invoice THCCG for the agreed contribution. THCCG will directly cover the cost of all primary care prescribing. Reset prescribing costs for 17/18 are £350k and the CCG will be contributing £89k.
- 3.7 After much deliberation within LBTH and with THCCG colleagues, LBTH legal services have recommended that this annual payment is made as a grant. Approval was obtained from this Committee on 24/10/17 but now that payment mechanisms have been revised, approval is sought for the payment to be made directly to ELFT.

- 3.8 Exact payment amounts will depend upon monthly prescribing costs incurred which is validated by returns from the NHS Business Authority. Data to date shows an average total cost of £344,000.
- 3.9 LBTH officers have worked with THCCG to agree the contribution of THCCG to the prescribing costs incurred. An agreement has been reached for 2016/17 and 2017/18 and the calculation will be similarly applied to 2018/19 and 2019/20 (April to October).
- 3.10 The Joint Commissioning Executive also agreed that a pooled funding arrangement be pursued for new Reset contracts commencing in October 2019. Therefore this transfer of funds will not be necessary in future contracts.

4. EQUALITIES IMPLICATIONS

- 4.1 Substance misuse services are subject to annual needs assessments and service equity audits. There are no impacts on equality as a result of this funding arrangement.

5. OTHER STATUTORY IMPLICATIONS

Best value (bv) implications

- 5.1 The exclusion of prescribing costs from the service specification ensures an additional control measure on the cost of the treatment service and safeguards investment in frontline staff.
- 5.2 The contribution of THCCG is well received and alternative arrangements would be challenging to resource.

Sustainable action for a greener environment

- 5.3 No impacts

Risk management implications

- 5.4 The risks within this proposal are primarily related to the variable budget. Whilst the prescribing budget in recent years has been relatively stable, the impact of the new service model cannot accurately be estimated.
- 5.5 Whilst the new service is anticipated to be more effective in facilitating service users to complete treatment earlier and hence incur lower prescribing costs, it is also expected to increase the total cohort in treatment.
- 5.6 There is also the risk of new pharmacological technologies being developed for the treatment of addiction which could be expensive. There are no known developments anticipated currently. Any future risk would be managed via discussion within the prescribing sub-committee as to the merits and

affordability of such drugs in the first instance. This would be followed by agreed addition to the approved formulary of prescribable drugs if possible, with or without prescribing restrictions. If an increased budget was required to meet costs, this would be discussed with both organisations to determine whether resource was available prior to authorising prescribing of the relevant medications.

Crime and disorder reduction implications

- 5.7 The use of Opiate Substitution Therapy and successful engagement in drug treatment has demonstrated effectiveness in reducing crime and is an essential element of the National Drug Strategy as well as Tower Hamlets Substance Misuse Strategy.

Safeguarding implications

- 5.8 Successful treatment of drug / alcohol misuse has many benefits for affected families, safeguarding both vulnerable adults and children of drug / alcohol users. Much of this treatment relies upon effective pharmacological therapies alongside psychosocial interventions.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The report recommends an annual grant of up to £400k for the period October 2016 – October 2019 to ELFT to fund drug costs associated with substance misuse treatment interventions. Contributions from THCCG have been agreed towards the grant that will be made to ELFT. The remaining grant award after the THCCG contribution will be funded through the Public Health grant.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council has the legal power to make this grant
- 7.2 Grants Determination Sub-Committee had previously approved this grant. However, due to a technical change in the commercial relationship the grant recipient will now be ELFT rather than the CCG. Legal Advice given to the officers involved was that whilst the grant was essentially the same and for the same ultimate purpose, the change in the identity of the grant recipient required a reapproval under the constitution. However, all other aspects in respect of Best Value and other legal duties of the Council remain the same as were considered in the previous report.
- 7.3 There are also no new Equalities considerations that must be accounted for prior to the making of this decision.

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:

N/A

<p>[Grants Determination (Cabinet)</p> <p>Sub-Committee</p> <p>16th January 2019</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Report of: Ann Sutcliffe, Corporate Property and Capital Delivery</p>	<p>Classification: Unrestricted</p>
<p>Non UK Rough Sleepers and Complex Couples who are rough sleeping</p>	

Lead Member	Councillor Sirajul Islam Cabinet Member for Housing
Originating Officer(s)	Kath Dane, Street Population Coordinator
Wards affected	All Wards
Key Decision?	No
Forward Plan Notice Published	07/12/18
Reason for Key Decision	N/A
Community Plan Theme	Strong, resilient and safe communities Better health and wellbeing

Executive Summary

This report is recommending the Grants Determination Committee approves two small grants both to be paid from the MH CLG Homelessness Prevention Grant.

The first grant is for £15,000 to Praxis to fund supported bed spaces for non-UK nationals with complex and unresolved immigration status who are rough sleeping in Tower Hamlets. Praxis has been supporting vulnerable migrants since 1983 and is located within Tower Hamlets. They have experience working in partnership with homeless destitute migrants, homelessness charities and the council. Praxis was successful in a bid to the GLA for an extensive 2 year project to ensure non-UK nationals being discharged from the hospitals including the Royal London do not return to rough sleeping. This grant will ensure that identified rough sleepers within our boroughs who fit this profile have a route off the street and out of destitution.

The second grant is for £30,000 to St Mungo's to provide intensive specialist support to hostel staff and rough sleeping couples in Tower Hamlets. This support is based on research and a good practice toolkit funded through the GLA's Innovation Fund this year entitled 'Working with Complex Co-dependent Couples who Rough Sleep'. This grant will include case reviews of our long term rough sleeping couples in Tower Hamlets, co-production of action plans, training, and an incorporation of St Mungo's reflective practice tool. St Mungo's currently hold the rough sleeping outreach contract in Tower Hamlets. We are keen to support his new project, alongside the City of London and LB of Barking and Dagenham to ensure we test and embed best practice within our services. This will ensure our rough sleeping

couples have the very best chance of success of exiting rough sleeping permanently.

Recommendations:

The Grants Determination Sub - Committee is recommended:

1. To approve a grant for £15,000 to Praxis to fund supported bed spaces for non-UK nationals with complex and unresolved immigration status who are rough sleeping in Tower Hamlets.
2. To approve a grant for £30,000 to St Mungo's to provide intensive specialist support to hostel staff and rough sleeping couples in Tower Hamlets based on best practice.

1. REASONS FOR THE DECISIONS

Both grants will

- support the council's aim to end rough sleeping.
- provide rough sleepers who have very limited accommodation options with support, housing and hope for the future.
- enable the council to use and employ specialist agencies to work with identified cohorts of rough sleepers.
- help reduce anti-social behaviour that is associated with some rough sleepers. This reduces the number of complaints from the community and resources employed by community safety.
- ensure that the council continues to lead in testing and implementing evidence based innovative approaches when working with rough sleepers. This is good for clients, the community and the council's reputation.

2. ALTERNATIVE OPTIONS

- 2.1 There are very few alternative accommodation options for non-UK nationals and complex couples. Without these grants, a number of identified rough sleepers will in all likelihood continue to rough sleep in Tower Hamlets.

3. DETAILS OF THE REPORT

3.1 Grant: Non-UK National Rough Sleepers.

- 3.1.1 Praxis has received funding from the GLA Innovation Fund to run a 2 year project with non-EEA migrants referred through the Hospital Pathways teams who are at risk of rough sleeping/returning to rough sleeping due to problems relating to immigration status. Their work with non-EEA migrants who are street homeless (those already on the CHAIN database) clearly demonstrates

that rough sleeping could have been prevented if immigration advice and casework had been provided at an earlier point. Due to the regulated nature of immigration advice, the fast-moving legislative landscape and the intense nature of the work, the interventions needed can only be provided by specialist advisers.

- 3.1.2 With proper assessment, advice and assistance a great number of these cases can be resolved. Analysis of the cases and progress on either regularising status, changing conditions of leave, or obtaining documents will enable the advisor to identify the most appropriate forms of accommodation that may be available pending the outcome of the case and to work with the Pathways teams to enable referrals.
- 3.1.3 Tower Hamlets Housing Options team are keen to ensure that our physically ill long term non-UK national rough sleepers are able to access this support and thus, we would like to provide this grant to Praxis to ensure that when a patient is ready for discharge from the Royal London Hospital but their complex immigration status means they are not currently entitled to benefits, they are provided with appropriate accommodation rather than discharged to the street.
- 3.1.4 HOST has endorsed this Praxis proposal to the GLA innovation fund and fully support the aims of this project.

3.2 Grant: Complex Co-dependent Couples who are Rough Sleeping

- 3.2.1. The council's Housing Options service approached St Mungo's with the idea of conducting a piece of social action research and applying to the GLA's Innovation fund to get the project off the ground. St Mungo's were successful and the GLA agreed to fund elements 1 and 2 below. It is element 3 for which we are requesting this Grant. The £30,000 would be used solely on rough sleepers identified within Tower Hamlets. Housing Options have worked closely to bring the City of London and LB of Barking and Dagenham on board to both endorse and provide financial support to the roll out of the best practice work.
- 3.2.2 The four elements are:
 - 1. Conduct exploratory research and scoping with homelessness services across London to understand the specific barriers to recovery for homeless couples; map existing provision for homeless couples in London; and conduct a literature review.
 - 2. Create a toolkit for homelessness professionals, informed by the format of our Homeless Pregnancy Toolkit. Train homelessness professionals in London to improve services for couples sleeping on the streets.
 - 3. **Provide intensive support to hostel staff and couples in partner boroughs, including case review, co-production of an action plan, and training, incorporating St Mungo's reflective practice tool.**
 - 4. Finalise training and toolkit based on feedback and trial period.

- 3.2.3 St Mungo's are the leading homelessness agency that focuses on ending rough sleeping across the UK. The council and the Corporation of London alongside other councils have all seen that people who are sleeping rough as part of a couple are finding it extremely difficult to move on from the streets, despite the support of dedicated homelessness professionals – as a result people are being exposed to the dangers of sleeping on the streets for far too long. Our outreach services, like other homelessness services across London struggle to help couples who are rough sleeping to leave the streets, especially for couples where one or both face significant additional challenges (eg domestic abuse, mental health issues, physical health issues, learning disabilities or drug and alcohol abuse). Although we do not currently consistently record whether people are part of a couple as a possible factor in their homelessness, anecdotally we have seen the difficulty that couples have in negotiating services designed for single people. There are currently six couples sleeping rough in Tower Hamlets, and two to four couples in the City.
- 3.2.4 This project is innovative – although it is clear that the needs of homeless couples are not being met, this is a new area of research. Homeless Link is collating evidence on the needs of homeless couples nationally, but there is not yet any data on the services available in London, and there are no toolkits for professional to use to improve services.

4. EQUALITIES IMPLICATIONS

- 4.1 Rough sleepers are already a marginalised cohort within the homeless population. Our commissioned outreach services record demographic information on all rough sleepers met within Tower Hamlets and this same data will be recorded under these two grants. Quarterly monitoring meetings occurred with all commissioned and grant funded organisations where demographics, support needs and disabilities are reviewed and equality issues discussed and challenged when required.

5. OTHER STATUTORY IMPLICATIONS

- 5.1 Internal consultation has been conducted within the Housing Options Service and with homelessness stakeholders including the GLA. All have agreed the importance of both these grants in supporting innovative and effective support and accommodation options for our vulnerable rough sleepers in Tower Hamlets.

Supporting rough sleeping to exit the street and take up safe offers of accommodation reduces the risk of violence and harm associated with rough sleeping. In term, these grants help to safeguard these individuals.

Moving rough sleepers into accommodation also helps reduce anti-social behaviour that often accompanies those who rough sleep.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report seeks the approval of the Grants Determination Sub-Committee to award grants to two charities – Praxis and the St Mungo’s Homeless Charity – to finance two initiatives aimed at providing support for rough sleepers within the borough.
- 6.2 Both grants will provide funding to enhance existing projects that the charities have been undertaking in conjunction with the MHCLG and GLA. The St Mungo’s initiative to provide speciality support to hostel staff and rough sleeping couples is being undertaken in partnership with, and will be part funded by, the City of London Corporation and the London Borough of Barking and Dagenham as well as this council.
- 6.3 The costs of the grants (totalling £45,000) will be fully funded from the Homelessness Prevention Grant of £1.72 million that the council has received from the MHCLG for the 2018-19 financial year. Homeless Prevention Grant can be used to finance initiatives carried-out the by the local authority, or invested into projects operated by voluntary organisations.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council has the legal power to enter into both grants referred to in this report.
- 7.2 However, the Council must ensure that both grants achieve Best Value under the law. This means that the grants should be supported by an appropriate grant agreement which allows the Council to monitor the effectiveness of the services and ensure that the money is used for the purposes for which it has been given.
- 7.3 The Council must ensure that both grants comply with the grant conditions imposed by the MHCLG when they made the Homeless Prevention Grant to the Council.
- 7.4 The Council has undertaken appropriate levels of consultation in order to properly understand the implications on those who have a protected characteristic by making these grants as shown at paragraph 4.1 above.

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:

- None

Grants Forward Plan 2018-2019

Wednesday 16th January 2019 – Grants Determination Sub-Committee

	Report Title	Lead Officer	Officer Confirmation	Notes
1.	Mayoral Discretions/IMD	Steve Hill		
2.	Grants Forward Plan	Steve Hill		
3.	Ocean Regeneration Trust / Harford Street Community Centre: grant funding 2018 - 2021	Niall McGowan		
4.	ESF progress update report	Steve Hill		
5.	Non UK Rough Sleepers and Complex Couples who are rough sleeping	Kath Dane		
6.	Substance Misuse Prescribing Costs - LBTH / THCCG	Rachel Sadegh		
7.	An Integrated Information and Advice Plan for Tower Hamlets	Ellie Kershaw		

Wednesday 6th March 2019 – Grants Determination Sub-Committee

	Report Title	Lead Officer	Officer Confirmation	Notes
1.	Mayoral Discretions/IMD	Steve Hill		
2.	Event Fund Report - Qtr 2 2018/19	Alison Denning		
3.	MSG performance report for period 12 (July and August)	Steve Hill		
4.	MSG Outcomes Report 2015-18	Steve Hill		

Wednesday 1st May 2019 – Grants Determination Sub-Committee

	Report Title	Lead Officer	Officer Confirmation	Notes
1.	Mayoral Discretions/IMD	Steve Hill		
2.	Grants Forward Plan	Steve Hill		

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