

Grants Determination Sub Committee 24 th October 2017	
Report of: Zena Cooke, Corporate Director Resources	Unrestricted
MSG Project Performance Report – Period 7 (April to June 2017)	

Originating Officer(s)	Steve Hill - Head of Benefits Services
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	All

EXECUTIVE SUMMARY

The Main Stream Grant (MSG) 2015/18 Programme was approved by the Commissioners on 29 July 2015 and runs from 1 September 2015 through to 31 August 2018. The programme was recently extended to 31st March 2019.

The Programme is made up of five (5) broad Themes covering a range of activities and services. Projects within one of these themes, Community Engagement Cohesion and Resilience, concluded at the end of March 2017. The activities and services are being delivered by a portfolio of projects each of which has targeted outcomes to achieve during the course of the programme period.

Projects are classified as Green, Amber or Red within the Council's agreed performance management framework. This report covers Red and Amber rated projects only. Red or Amber performance ratings may be as a consequence of premises issues, debtor issues, performance issues, failure to submit the quarterly monitoring returns or a combination of these factors.

Project performance for this period (April to June 2017) presently shows there are 8 Red rated projects and 2 Amber rated projects.

This report details those issues and provides recommendations for the Committee to consider

RECOMMENDATIONS

The Grants Determination Sub Committee are recommended to:

Consider the recommendations relating to the releasing of MSG payments to the 12 organisations as set out in sections 3.8 to 3.16 of the report.

1. REASONS FOR THE DECISIONS

- 1.1 Regular performance updates ensure that the MSG Themes and individual projects are on track to achieve the targeted outcomes.
- 1.2 Any issues that raise concerns can be addressed and appropriate remedial actions agreed. Where necessary, this could include the reduction, withdrawal or reallocation of funds to ensure that the overall Programme is making the most effective use of resources and maximising the potential achievement of agreed aims and objectives.
- 1.3 To consider the funding for MSG recipients in line with the July 2015 Commissioners' decision regarding MSG recipients in Council buildings having appropriate property agreements in place.

2. ALTERNATIVE OPTIONS

- 2.1 Information relating to various aspects of project and monitoring activity is contained within the report to provide Grants Determination (Cabinet) Sub Committee with an overall understanding of how projects and organisations have performed against the key elements of their Grant Agreements.
- 2.2 Grants Determination (Cabinet) Sub Committee could request further information or alter the recommendations.

3. DETAILS OF REPORT

Introduction

- 3.1 The MSG Programme currently has 114 live projects.
- 3.2 Performance ratings for the live projects throughout the April to June period have been affected by the premises related issues and by monitoring returns not being submitted. The deadline for returns to be received was 14th July 2017, 10 working days after the quarter end.

The Mainstream Grants Spotlight Review Panel took place to review Red and Amber performance rated projects on the 15th September 2017. Updates have been included below together with a theme by theme summary for Red and Amber projects.

3.3 Theme 1 Summary - Children and young people

The work of the theme focuses primarily on delivering activities and services aimed at children and young people.

There are 56 live projects within this theme of which 5 are rated Red and 1 project is rated Amber.

Of the 5 projects rated Red in Theme 1.

The Red rated projects are:

- **Our Base LTD** - One Stop Youth Service – Premises issues are still not concluded but progress has been made. The online monitoring return was not submitted in time for this quarter.
- **Pollyanna Training Theatre** – Musical theatre and Performance Arts Course – Premises issues are ongoing. There are also performance issues and a significant variation request has been submitted for consideration.
- **Children’s Education Group** – Berner Football Academy – Premises issues are ongoing. Performance issues (online monitoring return has again not been submitted for the quarter, project halted due to suspension of grant).
- **Tower Hamlets Youth Sports Foundation** – Hub Club Programme – Premises issues and further verification of performance is required.
- **Tower Hamlets Youth Sports Foundation** – Stepping Stones Programme - Premises issues and further verification of performance is required.

The Amber rated projects for theme 1 is:

- **Cubitt Town Bangladeshi Cultural Association** – have performance related issues but the organisation has submitted a significant variation request which has been submitted for consideration and is detailed later in this report.

3.4 **Theme 2 Summary – Routeways to employment & Welfare Advice Services**

The theme is split into two distinct areas of focus; the first being employability skills training which is formally referred to as Routeways to Employment. The other area focuses on delivering a range of social welfare advice services.

There are 20 projects with 0 rated Red and 1 rated Amber. The amber related project is due to under performance.

There is 1 Amber rated **project**.

- **Osmani Development Trust** – Education and Employment project – under performance has been reported against key targets for this period.

3.5 **Theme 3 Summary – Health and Wellbeing**

This theme is entitled prevention, health and wellbeing and is intended to achieve a range of targeted outcomes with a primary focus on what were traditionally referred to as adult services.

This theme is made up of 35 live projects, of which 3 are rated Red and 0 are rated Amber.

The Red rated projects all have premises related issues. Online monitoring returns have also not been submitted by any of the three organisations.

The Red rated projects are:

- **Bethnal Green Weightlifting Club** – Bethnal Green Weightlifting Club have ongoing premises issues and the online monitoring return was not submitted on time.
- **Children Education Group** – Harkness Luncheon Club – Premises issues are ongoing. Performance issues (online monitoring return has again not been submitted for the quarter, project halted due to suspension of grant).
- **Tower Hamlets Youth Sports Foundation** – Active Families; Premises issues and further verification of performance is required and monitoring return was not submitted in time for this quarter.

3.6 **Theme 4 Summary – Third Sector Organisational Development**

Theme four consists of 3 projects. No projects within this theme have been rated Red or Amber for this reporting period.

One of the projects covers a key “strategic partner” role to the Council and is undertaken by Tower Hamlets Council for Voluntary Services. The other two consortium projects provide organisational development and capacity building support to local voluntary and community sector organisations.

3.7 **Theme 5 Summary – Community Engagement, Cohesion and Resilience**

This theme focused on community engagement, cohesion and resilience. Projects worked closely with local residents to facilitate the building of a stronger, more cohesive, supportive and stronger community.

The theme was made up of 10 projects which concluded at the end of March 2017. A closure report detailing the outcomes of this theme was considered by the Grants Determination (Cabinet) Sub-Committee at their meeting on the 12th September 2017.

Premises Issues

Monitoring of Mainstream Grants recipients identified the following organisations based in council buildings did not have an appropriate property agreement in place. Background and the current status are detailed for each of these organisations.

3.8 Our Base

Our Base has demonstrated their willingness to enter into an appropriate property agreement with the council in respect of the premises at London Metropolitan University and have signed and returned their Heads of Terms on 7th June 2017. The Council is currently undertaking due-diligence checks and is in the process of devising a lease plan. Our Base have also been requested to submit a copy of their premises agreement in respect of Royal Mint Place.

Recommendation 1 – Our Base

That the committee note the progress being made with Our Base in respect of premises and a premises update be provided in the next MSG quarterly monitoring report (July to September 2017).

3.9 Pollyanna Training Theatre (Wapping TRA/Raine Street)

Premises issues relating to the building are not yet resolved. These issues prevent a premises agreement from being entered into by the Pollyanna Training Theatre.

There are project performance issues which have been discussed with Pollyanna. A significant variation request has been submitted for consideration; this requires some further work and will be considered as part of the next quarterly performance report.

Pollyanna are being supported by the council and the Tower Hamlets Council for Voluntary Services.

Recommendation 2 – Pollyanna Training Theatre

That a premises update be provided in the next MSG quarterly monitoring report (July to September 2017) in respect of the Pollyanna Training Theatre together with the finalised significant variation request.

3.10 Children Education Group (Harkness House)

Draft lease sent to the Children Education Group in June 2017 together with repair items. No response has been received from the organisation. The CEG have now been performance rated as Red for a full 12 months due to premises issues. Project delivery has ceased as a consequence of grants suspension.

Recommendation 3 – Children’s Education Group

In acknowledgement that the CEG have been Red rated for performance for a period of 12 months due to the premises issues which remain unresolved, mindful too that CEG projects delivery have ceased as a consequence of grant funding being suspended, CEG are to be removed from the MSG programme.

3.11 Tower Hamlets Youth Sports Foundation (use of various Schools)

Further to the concerns raised by the organisation in completing the Premises hire booking agreements, as they work from around 30 different venues across the borough, further time was given to the organisation to gather the agreements. The council is in the process of undertaking monitoring visits with THYSF who are currently Red rated for performance; it is intended that the premises issue will be addressed as part of the wider performance monitoring work currently being undertaken with them.

Recommendation 4 – Tower Hamlets Youth Sports Foundation

That a premises update be provided in the next MSG quarterly monitoring report (July to September 2017) in respect of the Tower Hamlets Youth Sports Foundation.

3.12 Family Action

The old license for 2014-2017 was completed on the 7th June 2017; this included £15,300 in rent. A new lease is currently being completed with the organisation showing a clear willingness to enter into an appropriate agreement. The new agreement has yet to be completed.

Recommendation 5 - Family Action

That in acknowledgement of Family Action completing their old license, including payment of rent and considering their willingness to enter into an appropriate property agreement, MSG payments be released for this period subject to satisfactory performance.

3.13 Wadajir

Although the organisation returned their premises hire booking agreement, further analysis has identified that the Trustees are not permitted to share the premises.

It is proposed to leave Wadajir in the Teviot Community Hall at present although this will not be a permanent solution. Approval has now been received to send out Heads of Terms for a lease to the Teviot Community Hall. The Third Sector Team is liaising with the Teviot Community Hall regarding the community benefit rent reduction process.

Recommendation 6 – Wadajir

That whilst negotiations take place between the Trustees of the Teviot Community Hall and the Council, MSG payments to Wadajir continue subject to satisfactory performance.

3.14 Community Building Review – extended scope

The Grants Determination (Cabinet) sub-committee agreed at their meeting on the 10th July 2017 that the process and criteria for reduced rent, agreed by Cabinet on 1 November 2016, be extended to apply to all council buildings and reviewed to ensure they are appropriate in the context of the wider review of council support to the VCS.

A number of MSG organisations with premises related issues are in scope for this review, these are detailed below:

- Bethnal Green Weightlifting Club (229 Bethnal Green Road)
- Black Women's Health and Family Support (82 Russia Lane)
- Age UK East London (82 Russia Lane)
- Tower Hamlets Community Transport

Recommendation 7 - That payment continue to be paid to Bethnal Green Weightlifting Club, Black Women's Health and Family Support, Age UK and Tower hamlets Community Transport whilst the review is concluded, subject to satisfactory performance.

3.15 Significant Variation Request – Cubbitt Town Bangladeshi Cultural Association

Cubbitt Town Bangladeshi Cultural Association previously submitted a significant variation request and further information was sought prior to a decision being made. The variation request was made due to the group experiencing an issue with meeting their target numbers of students enrolled onto the project (this is a community language project). The association have asked for consideration to reduce the number of take up participants for the project. The current target is 38 participants and the group would like to reduce this to 28.

The variation request was considered at Grants Spotlight Panel on 15th September 2017. The Panel comprises LBTH Third Sector Team and Tower Hamlets Council for Voluntary Service

The variation request was reviewed to ensure that if accepted the reduction would still offer value for money and advice was also sought from CLC Community Languages who advised as follows:

- Cubitt Town BCA has been successfully providing after-school Bengali language classes on Thursday and Friday, two hours each day for 36 weeks p.a.
- Cubitt Town BCA managed to achieve reasonable attendance throughout the year and have participated regularly in exams set by Community Languages Service.
- They have also participated in annual International Language Day (ILD) programmes held last year and before. The ILD has not taken place this year as yet.
- They have taken a couple of educational trips in the year and are set to go to another trip before the expiry of the academic term.
- They have also arranged an annual parental conference day which usually takes place before the end of the academic year.
- It would still be worthwhile to support this group as they still have a reasonable number of students attending the after-school language classes including extra-curricular activities.

A cost benefit analysis of the proposal demonstrates that with the reduced participants, the project still compares favourably against other groups and will continue to provide value for money in comparison to other projects of this nature.

In light of the above, the Grants Spotlight Panel Review Panel agreed to recommend that this variation request be approved.

Recommendation 8

That the significant variation request to reduce the number of participants received from Cubbitt Town Bangladeshi Cultural Association is approved.

3.16 Significant Variation Request – Half Moon Professional Theatre Venue for Young People in Tower Hamlets

The Half Moon Professional Theatre Venue for Young People in Tower Hamlets Project is progressing very well against its outputs. The variation request received from the group proposes re-scheduling of the measurement of outputs *Number of users beginning to report improved personal outcomes from attending* to the final periods of remaining project years (July-September 2017 and July-August 2018). This is considered to be a practical one as full progress on improvements in personal outcomes can be measured most effectively at the end of the academic year when full benefit of the project has been experienced by beneficiaries. No reduction in outputs/outcomes is being proposed, this is simply realigning the periods in which outcomes are measured.

The proposed variation request was considered by the Grant Spotlight Review Panel meeting on 15th September 2017. The Panel comprises LBTH Third Sector Team and Tower Hamlets Council for Voluntary Service. The Grants Spotlight Panel Review Panel agreed to recommend this variation be approved.

Recommendation 9

That the significant variation request to realign the periods to measure user outcomes, received from Half Moon Professional Theatre Venue for Young People in Tower Hamlets is approved.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 This report provides an update on the Councils MSG programme, budgeted at approximately £3.049m per annum or £9.148m, over the three year period 2015/18.
- 4.2 There are sufficient resources within directorate budgets to fund the agreed programme over the 3 year period.
- 4.3 The report highlights a number of instances where approved grant awards will not be made, the awards are largely declined as the organisations have not met key project milestones.

5. LEGAL COMMENTS

- 5.1. The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency

and effectiveness. This is referred to as the Council's best value duty. Best Value considerations have also been addressed in paragraph 7 of the report.

- 5.2. Applying this duty to grants, the Council must operate a fair and open application procedure to process a request to obtain funding. Requests for grant funding should ordinarily be measured against a predetermined set of criteria and the criteria themselves must be fair and transparent. The grant agreement should include a clear monitoring process against defined parameters in order for the Council to demonstrate either: that delivery is in line with the application and, therefore, the grant achieved its purpose; or provide clear delineation where outcomes were not achieved and the reasons for such failure are apparent. Monitoring should therefore include measuring performance against the expected outcomes.
- 5.3. This report provides the Sub-Committee with a performance update advising as to the MSG Themes and whether individual projects are on track to deliver the agreed outputs and outcomes.
- 5.4. The report sets out 9 recommendations and all are appropriate in line with agreed procedures.

6. ONE TOWER HAMLETS CONSIDERATIONS

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

7. BEST VALUE (BV) IMPLICATIONS

- 7.1. The level of awards to organisations was determined by the quality of their individual applications as well as the overall demand for the funds available within each Theme.
- 7.2. Additionally, the application appraisal process took into consideration the proposed levels of outputs and outcomes to be delivered as well as the organisation's track record and the bid's overall value for money rating.
- 7.5. There will be ongoing performance management of the approved portfolio of projects to ensure that interventions meet the required standards; that the evidencing of project achievements and expenditure are accurately recorded and reported.

- 7.6 Monitoring and reporting arrangements are in place to ensure that payments to organisations are in line with performance. The agreed Payment By Results process will ensure that grants will not be paid to organisations that either significantly or consistently under-perform, or those that are not able to properly evidence the work/outcomes for which funding has been approved.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

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

9. RISK MANAGEMENT IMPLICATIONS

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

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 The activities, services and outcomes that are being targeted through the MSG Programme support the objectives of reducing crime and disorder; this is particularly true of the projects delivering under the Community Engagement Cohesion and Resilience Theme.
- 10.2 Throughout the programme as a whole however, those people involved in, or at risk of involvement in the criminal justice system will be targeted for support.

11. SAFEGUARDING IMPLICATIONS

- 11.1 As part of the initial application process organisations were required to provide details of their safeguarding policy if appropriate. The Grant Agreement that funded organisations have entered into includes requirements in relation to safeguarding.
- 11.2 Organisations providing services to children or vulnerable adults and employing staff or volunteers in a position whose duties include caring for, training, supervising or being responsible in some way for them, are required to fully comply with all necessary safeguarding requirements.
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Linked Reports, Appendices and Background Documents

Linked Report:

- None

Appendices:

- Appendix 1 – Project Performance April to June 2017
- Appendix 2 – Project Performance by RAG rating
- Appendix 3 – Beneficiary Data
- Appendix 4.1 – Theme 1 Summary
- Appendix 4.2 – Theme 2 Summary
- Appendix 4.3 – Theme 3 Summary
- Appendix 4.4 – Theme 4 Summary

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

- None

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