

<b>Grants Determination (Cabinet) Sub-Committee</b>	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Zena Cooke, Corporate Director Resources	<b>Classification:</b> Unrestricted
<b>Emergency Funding Application – Phase 12, Betar Bangla</b>	

<b>Originating Officer(s)</b>	Steve Hill – Head of Benefits Services Mohammed Ahad – Community Programmes Officer
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	One Tower Hamlets

**Reason for Urgency:** the organisation has submitted an application for emergency funding due to an unforeseen increase in their rent. The organisation was only given a months' notice of this increase and not have additional funds to cover this increase. This is the second unforeseen increase the organisation has faced in the past 6 months, after an unforeseen increase in their transmission costs – they managed to crowdfund to cover the costs of this increase. A decision is required on recommendations within this report. The next meeting of the GDSC is on the 27<sup>th</sup> September which would be too late to seek a decision on this emergency.

## **1. EXECUTIVE SUMMARY**

- 1.1 This report seeks a decision with regards to grant funding to Voluntary and Community Organisations in relation to the Council's Emergency Funding Scheme.
- 1.2 One application was received in this period (Phase 12, July 2018) requesting funding of £20,000. The application has been assessed on its individual merit against the agreed emergency funding criteria, approved at the Commissioners Decision Making Meeting on 27<sup>th</sup> September 2016. Recommendations have been made accordingly.

## **2. RECOMMENDATIONS**

- 2.1 The Grants Determination (Cabinet) Sub-Committee is recommended to:
  - i. Approve the officer recommendation to award emergency funding of £10,000 to Betar Bangla based on the analysis set out in paragraph 5.2 of this report.

### 3. REASONS FOR THE DECISIONS

- 3.1 The decision is required in order to enable officers to advise the organisation making the application and where appropriate, to prepare Grant Offer Letters and enter into contractual arrangements with the organisation.

### 4. ALTERNATIVE OPTIONS

- 4.1 The Grants Determination (Cabinet) Sub-Committee may wish to:
- Vary the recommended level of grant funding
  - Agree alternative arrangements for supporting some of the activities recommended for funding

### 5. DETAILS OF REPORT

- 5.1 To date 19 awards have been made over 12 phases totalling £167,606. Two organisations who were awarded a loan were either no longer eligible for funding or declined the offer, these are also detailed below. The available budget remaining is £82,394. The table below summarises the current financial position of the Emergency Fund.

<b>EMERGENCY FUNDING BUDGET FINANCIAL SUMMARY</b>				
<b>Original Budget £250,000</b>				
<b>No</b>	<b>Grant Phase</b>	<b>Previous awards:</b>	<b>Amount Paid (£)</b>	<b>Amount (£)</b>
1	1	Tower Hamlets Law Centre	20,000	
2	1	Volunteer Centre Tower Hamlets	19,936	
3	1	Senrab FC	5,330	
4	2	Jagonari	20,000	
5	2	Triratna Arts	15,000	
6	2	Weavers Adventure Playground	8,800	
7	2	Account3	19,400	
8	3	Bethnal Green Sharks Swimming Club	4,325	
9	3	Black Women's Health and Family Support	2,733	
10	3	East London Asian Family Counselling	12,250	
11	3	Grand Union Music (Loan)	1,600	
12	3	Women's Health and Family Service	9,782	
13	4	Rainbow Pre-School (Loan) - <b>organisation deemed no longer eligible after decision was made</b>		12,600
14	5	Island Advice	12,000	
15	5	Brick Lane Women's and Girls Project	4,200	
16	5	SSBA Community Trust - Heba Women's Project	3,000	
17	6	Praxis Community Projects	3,120	
18	7	Women's Environmental Network (Loan) - <b>rejected by organisation</b>		12,358
19	8	The Rooted Forum	6,130.01	
		<b>Awarded to date</b>	<b>167,606</b>	<b>24,958</b>
		<b>Original Budget</b>	<b>250,000</b>	
		<b>Remaining Balance</b>	<b>82,394</b>	

5.2 The table below details the grant application that was received in this period (Phase 12, July 2017) showing a requested total of £20,000 against an available budget of £82,394.

5.3

No.	Organisation	Amount requested	Recommended Award	Reason for Recommendation
1	Betar Bangla	£20,000	£10,000	<p>Overall this is a good application which details a clear emergency faced by the organisation which seems to be unforeseen. The organisations rent has increased from £12,000 to £36,000 per annum as a result of the Council's proposed increase in rent for the landlord (Pearl Blue Ltd). This is the second unforeseen emergency in the past 6 months after their transmission costs were also increased. To address the increase in transmission cost the organisation has successfully crowdfunded to cover this for 6 months – this included a pledge through the LBTH Innovation Fund. In addition the Council has also secured funding through the ESF Community Employment Programme which LBTH co-finances.</p> <p>Being the only Bangladeshi radio station in the UK, it is evident that the organisation can reach out to parts of the Bangladeshi community in the borough that might be socially excluded. The organisation deliver a number of important services through their radio shows ranging from debt advice (in partnership with Toynbee Hall) and covering other topics related to domestic violence, community safety and health.</p> <p>We have engaged with the Council's Asset management Team who have confirmed the proposed rent increase for Pearl Blue Ltd. However negotiations are still on-going as Pearl Blue Ltd hasn't accepted the proposed rent increase.</p> <p>Guidance for the Emergency Funding states rent increases would come under items 'not likely to be funded', however this is only on the basis of due notice being given which hasn't been the case in this instance. The organisation was notified on the 1<sup>st</sup> May 2018 of the rent increase which was due to take affect from the 1<sup>st</sup> June 2018.</p> <p>When submitting their application for the Innovation Fund the organisation detailed how they would seek to be sustainable moving forward, this including securing funding from other streams such as the ESF. It is expected that this would cover some of the rent increase. With this the recommendation would be to fund the organisation £10,000 to cover the rent increase for 5 months as opposed to 10 months.</p> <p>To fund the organisation £10,000 to cover 5 months' rent increase conditional that any change to that figure will be reflected in the grant award.</p>
	<b>TOTAL</b>	<b>£20,000</b>	<b>£10,000</b>	

- 5.4 The application was assessed to establish the extent to which it meets the agreed Emergency Funding criterion. The application together with the completed eligibility checklist is attached in Appendix A.

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

- 6.1 The Council is under a legal duty to secure best value for the use of public funds. Consequently, funding should be allocated to individuals and organisations that contribute to efficiently and effectively meeting the Council's policy objectives.
- 6.2 This payment provides a safety net to Betar Bangla to meet the unforeseen costs and payments remain subject to Council satisfaction that this organisation continues to meet the necessary criteria. This must include making arrangements to be able to meet the ongoing costs associated with this rent increase. This could include engagement with THCVS to ensure that there is a viable business plan for the organisation that takes account of the increased cost base.
- 6.3 It is anticipated that this payment to Betar Bangla will be contained within existing budgets and there are no additional budget implications arising from this report.

## **7. LEGAL COMMENTS**

- 7.1 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 section 9 of the report.
- 7.2 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.
- 7.3 This report advises the Grants Determination (Cabinet) Sub-Committee of one (1) application for grants from Voluntary and Community Organisations for the Council's Emergency Funding. These grants are discretionary and the applications have been assessed on their individual merit against the agreed emergency funding criteria, approved at the Commissioners Decision Making Meeting on 27<sup>th</sup> September 2016. In this case, the recommendation is to approve the application for the reasons as set out in the table at paragraph 5.2 of the report.

## **8. ONE TOWER HAMLETS CONSIDERATIONS**

- 8.1 The Council's support of the voluntary and community sector through grants contributes to the delivery of One Tower Hamlets priorities and objectives.

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

- 9.1 Grants are considered through the Emergency Fund Programme to ensure organisations are not at risk of increased costs in future when an emergency isn't remedied and to safeguard any existing Council projects the organisation may be delivering.

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

- 10.1 There are no immediate sustainable or environmental issues arising from this report.

## **11. RISK MANAGEMENT IMPLICATIONS**

- 11.1 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
- 11.2 As part of the Programme Management arrangements, support will be provided to ensure that all risks are minimised.

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

- 12.1 There are no immediate Crime and Disorder reduction implications.

## **13. SAFEGUARDING IMPLICATIONS**

- 13.1 There are no safeguarding risks or benefits from the proposals detailed in the report.

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

### **Linked Report**

#### **Appendices**

- Appendix A – Application forms, eligibility checklists and completed assessments (Restricted)

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

- NONE

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

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