

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE GRANTS SCRUTINY SUB-COMMITTEE

HELD AT 6.34 P.M. ON MONDAY, 7 JANUARY 2019

COMMITTEE ROOM ONE - TOWN HALL MULBERRY PLACE

Members Present:

Councillor Marc Francis (Chair)
Councillor Kahar Chowdhury (Member)
Councillor Ehtasham Haque (Vice-Chair)
Councillor Mohammed Pappu (Member)
Councillor Andrew Wood (Member) (Leader of the Conservative Group)
Kim Hayman (Co-Optee)
Sue Kenten (Co-Optee)

Officers Present:

Michelle Bailleux	– Ocean Regeneration Trust
Imelda Burke	– Regeneration Officer
Kath Dane	– (Street Population Co-ordinator, Housing Options)
Steve Hill	– (Head of Benefits Services, Resources)
Alan McCarthy	– (Asset Strategy Capital Delivery & Property Services)
Niall McGowan	– (Housing Regeneration Manager)
Robert Mee	– (Programme Analysis and Review Officer)
Rachael Sadegh	– (Service Manager Substance Misuse)
Onyekachi Nosiri	– (Strategy & Policy Officer, Strategy Policy & Performance)
Warwick Tomsett	– Joint Director, Integrated Commissioning
Farhana Zia	– Senior Committee Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Sufia Alam.

2. DECLARATIONS OF INTEREST

Councillor Marc Francis declared an interest in item 5.1 on the basis that his wife is the Deputy Mayor with responsibility for this area. Councillor Francis left the meeting when the item was discussed, which was presided over by the vice-chair Councillor Ehtasham Haque.

3. MINUTES OF THE PREVIOUS MEETING

The minutes from the meeting held on the 5th November 2018 were agreed has an accurate record of the meeting.

Councillor Wood updated members with regard to item 6.5, page 14 and stated he had raised the issue regarding the action point with the Chief Executive. Councillor Francis stated the action point seeking clarification of the mobile app was also discussed at the Grants Determination Sub-Committee meeting of 7th November 2018 and the Lead Member for Resources had asked for further clarification. Cllr Francis stated that he would obtain an update for the Scrutiny Sub-Committee by the next meeting in March 2019.

4. CONSIDERATION OF PUBLIC SUBMISSIONS

The Sub-Committee noted that no public submissions had been submitted to the Committee Officer by the deadline. (5:00 p.m. the day before the meeting.)

5. GRANTS DETERMINATION SUB-COMMITTEE MEETING REPORTS FOR CONSIDERATION

5.1 Ocean Regeneration Trust / Harford Street Community Centre: grant funding 2018 - 2022

Councillor Ehtasham Haque, vice-chair invited the Officer to present the report. Mr Niall McGowan, Housing Regeneration Manager stated the report detailed the ongoing work of the Ocean Regeneration Trust (ORT) in bringing socio-economic improvements and investment into the Ocean area. Mr McGowan explained the ORT was set up in accordance with New Deal for Communities (NDC) succession and legacy requirements and was seeking three separate grants as detailed in paragraph 1.2 of the report.

In response to questions from Members the following was noted:

- Mr McGowan reassured Members the rent from the North side shops would be sufficient to cover the revenue required. Mr Alan McCarthy from Property Services further clarified that of the 16 shops, 11 shops were already let out and 5 were under negotiation, with the hope the leases for the remaining shops would be completed within the next three months. Mr McCarthy said management consultants would manage the shops and would take the necessary action in the event of defaulters who accrue rent arrears.
- In response to Table 1, page 30 showing a deficit of £281,000 and the steps taken to reduce this shortfall, Mr McGowan referred Members to Table 2, page 32 and said the deficit was a comparable deficit. If the ORT take over the running of the Harford Community Centre this will

result in a downward trend of the deficit which would be monitored on a quarter by quarter basis, year on year.

- Mr McGowan assured Members, paragraph 7.5 page 27, that the kitchen facilities at the Harford Community Centre would be fitted out immediately as a commercially functioning kitchen because this would generate income for the ORT.

Members of the Sub-Committee **RESOLVED** to **AGREE** and **ENDORSE** the recommendations to the Grants Determination Sub-Committee to authorise the Acting 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.

5.2 ESF Community Employment Programme Updates

Mr Steve Hill, Head of Benefits Service presented his report in relation to the European Social Fund (ESF) Community Employment Programme. Mr Hill stated the programme was co-financed through the European Union and administered by London Councils.

Mr Hill said of the three rounds of funding, the first round totalled £302,088 and was awarded to 17 organisations. The second round totalled £180,000 and had been provisionally awarded to 9 organisations, dependant on successful pre-agreement meetings. Mr Hill said that whilst the number of applicants applying for ESF funding in the second round was disappointing, suggestions on how to maximise the number of applications had been considered and this was detailed at paragraph 3.9 of the report.

In response to questions asked by Members the following was noted:

- Of the nine organisations who had applied for funding in the second round, rigorous monitoring would take place to ensure they were performing to the expected standard and were providing value for money. Funding is provided on a 'payment by results' basis and as such each organisation from round one and two must demonstrate they have achieved the targets expected of them.
- Mr Hill confirmed for round three, both existing and new organisations would be targeted. He reminded Members round one was still ongoing and his team was determined to ensure a bigger impact was made in round three, which is due to be launched in February/ March 2019 by attracting further organisations.
- Mr Mee, Programme Analysis and Review Officer, confirmed unused money from round one and round two would be added to round three of the programme. Unspent funding at the end of the programme which ends in 2020 would be returned to the Council.
- In relation to why traditional organisations who undertake employability programmes, had not applied for funding, Mr Mee stated that the ESF programme was very specific on the types of organisations who could apply. He said unless the threshold is changed the focus was on small organisations so they could get a taste of how European funding worked.
- Members made suggestions that other advertising platforms should be used to attract organisations for round three of the programme.
- In response to why Table 3, page 51 showed a big gap between enrolment (starts) and the number of participants who had sustained employment, Mr Mee stated that it was extremely hard to ensure participants in these programmes took up full time employment. The idea is to signpost people to the 'Workpath' programme once they have completed the programmes offered by these organisations.

Members of the Sub-Committee **RESOLVED** to **AGREE** and **ENDORSE** the recommendations to the Grants Determination Sub-Committee to:

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

5.3 Substance Misuse Prescribing Costs

Ms Rachael Sadegh, Service Manager for Substance Misuse presented her report. She informed Members that following further discussions with Tower Hamlets Clinical Commissioning Group (THCCG), it had been agreed the arrangements for the Council's contribution for the Prescribing Costs for substance misuse should be paid directly to the East London Foundation Trust – the providers, rather than to THCCG.

Ms Sadegh explained the Council's contribution amounted to £350,000 and the THCCG contributed £89,000.

In response to questions raised by Members the following was noted.

- Members asked why this was a grant rather than a commissioned service. Ms Sadegh explained that there were historic reasons for this however going forward the intention was to include the costs in the contract when the contract would be re-procured in October 2019. She referred Members to paragraph 3.1 which gave further details of this.
- In response to if the service could be provided in-house, Ms Sadegh stated there was no expertise in the Council to offer this service in-house and it's unlikely any other Council offers this service in-house.
- Ms Sadegh confirmed the Council's contribution was larger than the CCG's as it was required to provide a substance misuse service. The CCG's contribution takes into account the activity spending and not all of the CCG's actual spend.
- Ms Sadegh confirmed up to 18,000 people use the Substance Misuse service per financial year.
- **ACTION:** Officers were asked to update the table of costing in Appendix 1 from the 24th October 2017 meeting and to provide this information in time for the Grants Determination Sub-Committee meeting of Wednesday, 16th January 2019.

Members of the Sub-Committee **RESOLVED** to **AGREE** and **ENDORSE** the recommendations to the Grants Determination Sub-Committee 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 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.

5.4 Non UK Rough Sleepers and Complex Couples who are rough sleeping

Ms Kath Dane, Street Population Coordinator presented her report on Non-Uk Rough Sleepers and Complex Couples who are rough sleeping. She informed members the report was seeking 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.

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.

In response to questions from Members the following was noted:

- Ms Kath Dane stated it was vital to target non EEA Rough Sleepers as this group of rough sleepers are more likely to stay with friends, go to a shelter or remain on the streets after experiencing illness. Ms Dane said this cohort has the least amount of resources allocated to it. The grant to Praxis will provide 12 bed spaces for non EEA rough sleepers as well as provide them with access to immigration advice and help with documentation.
- Members expressed concern over St Mungo's controversial reputation including within the homelessness sector however Ms Dane reassured Members that this grant was seeking to target co-dependant couples who sleep rough. She said St Mungo's would be offering assistance with training and would be providing additional expertise looking at how we can work with complex co-dependant couples who sleep rough. Ms Dane stated there were 6 known couples within the borough who would benefit from this pioneering work.
- In response to how many homeless people both organisations would target and work with, Ms Dane said it would be difficult to gauge as the aims of both projects are different and each case would be assessed on a case-by-case basis.

The Sub-Committee **RESOLVED** to **AGREE** and **ENDORSE** the recommendations made to the Grants Determination Sub-Committee to:

1. 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. 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.

5.5 Grants Forward Plan

Members made no comments in relation to the Grants Forward Plan.

6. SUB COMMITTEE REPORTS FOR CONSIDERATION

There were no Grant Scrutiny Sub-Committee reports for consideration.

7. ANY OTHER BUSINESS THE CHAIR CONSIDERS TO BE URGENT

No other business was discussed at the meeting.

The meeting ended at 8.05 p.m.

Chair, Councillor Marc Francis
Grants Scrutiny Sub-Committee