

Grants Determination Sub Committee	 TOWER HAMLETS
1 May 2019	
Report of: Will Tuckley, Chief Executive	Classification: Unrestricted
MSG Project Performance Report – Extension Period 01 (September to December 2018)	

Lead Member	Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector
Originating Officer(s)	Robert Mee, Interim Voluntary & Community Sector Team Manager
Wards affected	All
Key Decision?	No
Forward Plan Notice Published	1 April 2019
Reason for Key Decision	Not a key decision
Community Plan Theme	All

Executive Summary

The Mainstream Grant (MSG) 2015/18 Programme was approved by the Commissioners on 29 July 2015 and was initially expected to be delivered from 1st September 2015 through to 31st August 2018.

At the 12th September 2017 Grants Determination Sub-Committee, the programme was extended to 31st March 2019.

A further extension to the programme, to the 30th September 2019, was agreed by the Grants Determination Sub-Committee at its meeting on the 6th June 2018.

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 Red, Amber or Green 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.

There were 109 live projects in September-December 2018, the first extension period. Project performance for this period (Sep-Dec 18) shows there are three Red rated projects.

Cubitt Town Bangladeshi Cultural Association, Stifford Centre – Community

Language services and Toynbee Hall – Wellbeing in Tower Hamlets

This report details these issues and provides recommendations for the Sub-Committee to consider.

Recommendations:

The Grants Determination Sub Committee are recommended to:

1. Note the performance of the Mainstream Grants (MSG) programme as set out in 3.3 - 3.6 and the premises update 3.7 – 3.8.

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

2. ALTERNATIVE OPTIONS

- 2.1 Information relating to various aspects of project and monitoring activity is contained within the report to provide Grants Determination 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 Sub Committee could request further information or alter the recommendations.

3. DETAILS OF THE REPORT

- 3.1 For the reporting period September to December 2018, the MSG Programme had 109 live projects. This is the first period of the extension up to September 2019. The extension is for 13 months and is split into four reporting periods – Sep-Dec 18, Jan-Mar 19, Apr-Jun 19 and Jul-Sep 19.
- 3.2 The Red rated projects were discussed at the meeting of 3 April. This was an internal meeting as the new THCVS CEO was in the process of starting. A meeting on 29 April has been scheduled to go through the ways the CEO is involved with the MSG reporting process including attendance at the spotlight meeting.

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 53 live projects within this theme of which two are RAG rated Red.

The Red rated projects are:

Cubitt Town Bangladeshi Cultural Association

Extension pre-award condition not met. Organisation has reported that they have done the safeguarding course however copy of certificate has not been submitted.

Officers are working with the group to ensure the safeguarding requirements are in place.

Stifford Centre – Community Languages Service

Extension pre-award condition not met. Safeguarding certificate received but Service Manager for Community Languages confirmed the certificate submitted is not satisfactory. A higher level certificate – Designated Child Protection Level 3 need to be in place.

Officers are working with the groups to ensure the safeguarding requirements are in place.

3.4 Theme 2 Summary – Routeways to Employment & Social 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, all are RAG rated Green for performance.

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 33 live projects, of which one is rated Red:

The Red rated project is:

Toynbee Hall – Wellbeing in Tower Hamlets

The project has underperformed on several key indicators including the number of workshops taking place and the therefore the number of people supported in the period.

The Grant Officer is working with the organisation and has agreed a Project Improvement Plan to ensure that the project will get back on track. The organisation reports that 7 workshops took place in January / February with only 3 more needed to make up the shortfall. The January – March 2019 Monitoring Return is due on 12th April and the project is expected to go back to a Green rating.

3.6 Theme 4 Summary – Third Sector Organisational Development

Theme four consists of 3 projects. All projects within this theme have been RAG rated Green for performance 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

Premises

3.7 At the Grants Determination Sub Committee meeting on the 1st August 2018, it was agreed that subject to completion of an appropriate property agreement, the following organisations would receive a rent subsidy to cover the cost of rent up to the end of the MSG programme (30th September 2019). Officers are in the process of liaising with these organisations confirming the rent subsidy and next steps. In accordance with the decision on 1st August 2018, whilst this takes place, together with lease negotiations, MSG payments to these organisations continue subject to satisfactory performance:

- Age UK East London
- Bethnal Green Weightlifting Club
- Black Women's Health and Family Support
- Legal Advice Centre
- Stifford Centre
- Our Base
- Tower Hamlets Community Transport

3.8 Asset Management are working with the organisations to put in place appropriate property agreements. The position as at 1 April 2019 is:

Age UK East London

The organisation has submitted an Expression of Interest to the Community Benefit Rent Reduction scheme.

Bethnal Green Weightlifting Club

The organisation has submitted an Expression of Interest to the Community Benefit Rent Reduction scheme. The organisation is currently working with the THCVS in improving its Business Plan in order to ensure it meets the requirements of the rent reduction application process. In addition to this the organisation is also working towards a sports accreditation. The organisation needs to engage more with Asset Management to work through issues and the VCS Team is working with all parties to help progress this.

Black Women's Health and Family Support

The organisation was successful in their application to the Community Benefit Rent Reduction scheme. The application was considered at the 6th February CBRR panel meeting.

Legal Advice Centre

The Legal Advice Centre have submitted an Expression of Interest for the Community Benefit Rent Reduction scheme, together with the majority of documents required for assessment. There is one document which is currently outstanding before we commence assessment.

Stifford Centre

The organisation was successful in their application to the Community Benefit Rent Reduction scheme. The application was considered at the 6th February CBRR panel meeting.

The Offer Letter setting out the Rent Subsidy amount and conditions is being drafted to fund the rent up to September 2019. The Community Benefit Rent Reduction scheme Offer Letter is being developed to cover the reduction amount from October 2019.

Our Base

The Offer Letter setting out the Rent Subsidy amount and conditions is being drafted to fund the rent up to September 2019

Tower Hamlets Community Transport

Rent subsidy agreed. Section 25 notice served. Legal services to confirm expiry date.

Action from previous meeting

- 3.9 At the previous Grants Determination Sub-Committee of 6 March 2019 following feedback from the Chair of Grants Scrutiny Sub-Committee, Officers agreed to update the Appendix 1 Project Performance Jul-Aug 2018 Key Achievements column to ensure that the information on key achievements and project progress reflected the period and this would be published on the website.

3.10 Appendix 2 of this report contains the July-August 2018 Performance Report and the updated Appendix 1 – Project Perf Jul-Aug 2018.

4. EQUALITIES IMPLICATIONS

4.1 A strategic assessment was undertaken of the proposed MSG programme in April 2015. It focused on identified need (or beneficiaries) and the difference between the MSG Programme 2013-15 and the proposed programme.

Looking in particular at the potential impact of;

- Reduction in overall funding;
- Rationalisation of themes; and
- Introduction of locality boundaries

4.2 The programme continues to deliver against the themes developed to address the identified need.

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.

One Tower Hamlets Considerations

5.2 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.

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.

The opportunities offered through the MSG Programme will play a key role in delivering the aims of One Tower Hamlets.

Best Value (BV) Implications

5.3 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.

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.

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.

Agreement of the proposed rent subsidies will assist the Council in achieving the Best Value action plan in relation to the regularisation of lease arrangements with VCS organisations which occupy our premises.

Sustainable Action for a Greener Environment

- 5.4 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.

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.

Risk Management Implications

- 5.5 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

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.

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.

Crime and Disorder Reduction Implications

- 5.6 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.

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.

Safeguarding Implications

- 5.7 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.

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 The Main Stream Grant (MSG) Programme was approved by the Commissioners on the 29 July 2015 and initially covered the period between 1st September 2015 and 31st August 2018. However, subsequent Grants Determination Committees (GDC) revised the end date of the current programme to 30th September 2019, this was decided at a GDC meeting held on the 6th June 2018.
- 6.2 The Council's MSG programme is budgeted at approximately £3.049m per annum. Funding exists within individual directorate budgets to fully fund the agreed programme and associated payments until 30th September 2019.
- 6.3 At the conclusion of the MSG programme, there will need to be a full review of expenditure and income to determine the remaining funds available to deliver the post MSG programme in 2019/20. The current medium term financial plan assumes a proposed saving target of £330k between 2019 and 2022. If at the point of the review it is determined that there is the potential for incurring costs that exceed the current envelope, those additional costs will need to be approved using existing financial procedures and rules before any further commitments can be made.

6.4 Section 3 of this report highlights individual project performance and only identifies Toynbee Hall as failing to achieve key project milestones. The remaining projects have managed to achieve an acceptable level of performance.

7. COMMENTS OF LEGAL SERVICES

7.1 The decisions of the Commissioners relating to the Mainstream Grants were made at a time when the Council's grant function was being carried out by the Commissioners. Therefore, the Council executive should still consider itself to be bound by those decisions.

7.2 The key requirement for the Council is to act reasonably and consistently with the advertised grant process and terms. In addition, the Council is bound by its Best Value duty to ensure that the grant funds are being used in accordance with the grant terms.

7.3 In the event that organisations are not performing in a manner consistent with those terms then the Council is entitled to take the variety of actions as highlighted in this report.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – Project Performance September – December 2018
- Appendix 2 – MSG Project Performance Report – Period 12 (July 2018 to August 2018)
- Appendix 2a – Appendix 1 – Project Perf Jul-Aug 18 Revised 12-04-19

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

- None

Officer contact details for documents:

Robert Mee, Interim Voluntary & Community Sector Team Manager

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