


<p align="center">Grants Determination (Cabinet) Sub-Committee Report 14 February 2017</p>	
<p>Report of: Zena Cooke, Corporate Director Resources</p>	<p>Classification: Unrestricted</p>
<p>MSG Project Performance Addendum Report – Period 5 – October to December 2016 (item 6.3)</p>	

Lead Member	Rachel Saunders
Originating Officer(s)	Steve Hill
Wards affected	All wards
Key Decision?	No
Community Plan Theme	One Tower Hamlets

EXECUTIVE SUMMARY

This addendum to agenda item report 6.3 gives the Grants Determination (Cabinet) Sub-Committee an update on the grants recipients that were identified as being based in Council buildings.

This addendum also provides an update on the Amber performance rated projects that were reviewed at Mainstream Grants Spotlight Review Panel on 9th February 2017.

RECOMMENDATIONS:

The Grants Determination Sub-Committee are recommended to:

1. Consider the report and agree to the recommendations as detailed 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.12, 3.13, 3.14, 3.15, 3.16 3.17, 3.18, 3.19 and 3.20.

1. REASONS FOR THE DECISIONS

- 1.1 To comply with Commissioners instructions that no funding be released to Mainstream Grants recipients based in council buildings until an appropriate property agreement is in place.
- 1.2 Regular performance updates ensure that the MSG Themes and individual projects are on track to achieve the targeted outcomes.
- 1.3 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 The Grants Determination Sub-Committee may wish to request further information or alter the recommendations detailed in 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.12, 3.13, 3.14, 3.15, 3.16 3.17, 3.18, 3.19 and 3.20.

3. DETAILS OF REPORT

- 3.1 Monitoring of Mainstream Grants recipients identified the following organisations in council buildings which are not classed as community buildings. For each of these organisations the current status, when a lease is expected to be in place and recommendations to The Grants Determination Sub-Committee are detailed.

The organisations are:

3.2 Children's Education Group

A final letter issued by the council's Asset Management Team to CEG on the 16th January 2017 sets out two options for the organisation – the option of entering into a lease and paying the appropriate rent at Harkness House or moving to a space on a licence at the Christian Street Centre. The organisation has been given 4 weeks from the date of the letter to confirm to the Council how they would like to proceed. Third Sector Team officers contacted the organisation on the 9th February 2017 reminding the Group that it is a condition of their MSG that they enter into an appropriate property arrangement and that given the delay in a premises agreement being signed, this must be confirmed within the four week deadline or the Group will have their engagement with the MSG programme terminated.

Recommendation 1 – It is recommended that the Children Education Group be given until the expiry of the four week period, as detailed in the Asset Management letter of 16th January, to confirm their intention to enter into an appropriate premises agreement. Failure to do so will result in the group being removed from the Grants programme.

3.3 Bethnal Green Weightlifting Club

The council's Asset Management Team issued the organisation with a letter dated the 30th January 2017 detailing the council's intention to serve a notice under S25 which will give six months' notification in terminating their tenancy. A written submission was sent to the Council on the 7th February 2017 stating that the organisation has always been willing to negotiate a lease and to pay rent, however discussions with the organisation has centred on the organisation not being able to pay the full market rate for the premises.

Recommendation 2 – It is recommended that BGWLC be given four weeks from the date of the letter issued by the council's Asset

Management Team to agree to enter into an appropriate property arrangement or be removed from the Grants programme.

3.4 Black Women's Health and Family Support (Russia Lane)

The organisation has confirmed their willingness to enter into an appropriate property arrangement with the council. Heads of Terms were issued to the organisation on the 1st February 2017.

The Council is proposing the grant of a new lease for the first floor at 82 Russia Lane, London, E2 9LU to Black Women's Health and Family Support for a three-year term or five-year, commencing on 1st April 2014, at an annual rent of £25,000 per annum.

The Council's proposal has been raised as a concern by the Black Women's Health and Family Support as it will backdate the rental charge of £25,000 per annum for the previous 2 years. The organisation has not previously paid rent and therefore did not included rent in its MSG funding application.

Further work is being done to reach an agreed position on the lease. An updated position will be provided at the March Grants Determination (Cabinet) Sub-Committee meeting.

Recommendation 3 – It is recommended that the current Red performance ratings allocated due to the premises issues are considered separately for the purposes of the MSG payments. It is recommended that whilst the premises agreement is being finalised, the quarterly MSG payment is paid to the organisation monthly in arrears (rather than quarterly in advance), subject to satisfactory MSG performance ratings.

3.5 Age UK (Russia Lane)

Age UK have also confirmed their willingness to enter into an appropriate property arrangement. Lease Heads of Term were sent to the organisation on 9th February 2017 for the organisations comments.

The Council is proposing the grant of a new lease for the second floor at 82 Russia Lane, London, E2 9LU to Age UK for a three-year or five-year term, commencing on 1st April 2014, at an annual rent of £25,000 per annum.

The Council's proposal has been raised as a concern as it will backdate the rental charge of £25,000 per annum for the previous 2 years. The organisation has not previously paid rent and therefore did not included rent in its MSG funding application.

Further work is being done to reach an agreed position on the lease. An updated position will be provided at the March Grants Determination (Cabinet) Sub-Committee meeting.

Recommendation 4 – It is recommended that the current Red performance ratings allocated due to the premises issues are considered separately for the purposes of the MSG payments. It is recommended that whilst the premises agreement is being finalised, the quarterly MSG payment is paid to the organisation monthly in arrears (rather than quarterly in advance), subject to satisfactory MSG performance ratings.

3.6 Pollyanna Training Theatre (Wapping TRA)

The Council's Asset Management Team will be terminating the Tenancy at Will with the Wapping TRA, a letter to this regard was sent out on the 6th February 2017. In addition to this a letter will also be going to Pollyanna Training Theatre issuing them with a Tenancy at Will in the interim and for a maximum of 6 months. At the same time it is expected that Heads of Terms will be agreed with the organisation with a view to granting them a lease within the next 6 months.

Recommendation 5 – It is recommended that the current Red performance ratings allocated due to the premises issues are considered separately for the purposes of the MSG payments. It is recommended that whilst the premises agreement is being finalised, the quarterly MSG payment is paid to the organisation monthly in arrears (rather than quarterly in advance), subject to satisfactory MSG performance ratings.

- 3.7 As set out in the report to the January 17th meeting, an audit of all MSG projects being delivered from Council buildings (whether as the main delivery site or an outreach site) was undertaken. The purpose of this exercise was to provide full assurance in that all MSG recipients were meeting the premises condition for grants. As part of the exercise, Officers in the Third Sector Team have been gathering evidence of agreements between organisations and premises that they are using. Organisations based in buildings which the Council has an interest in are being prioritised as part of this piece of work. To increase assurance, the Council's Asset Management Team is also verifying the evidence that has been received from the relevant organisations.

It needs to be noted that for outreach sites the exercise has demonstrated that although there may be no formal written agreement in place, evidence has been gathered from organisations to confirm they have permission to use the premises in question.

This evidence ranges from email confirmation from the site managers, letters confirming arrangements, evidence of payments made for room bookings etc.

It should be noted that in some cases the provision is as simple as a table in the foyer of an Idea store, use of a football pitch at Mile End Leisure Centre, use of a playground in a School etc. The council's Asset Management Team is reviewing the evidence supplied and if necessary and recommended by Asset Management, a formal written agreement will be obtained. An update report will be provided at the Grants Determination (Cabinet) Sub Committee meeting on 28th March 2017.

Recommendation 6 – in light of the on-going premises/MSG work and given each organisation's commitment in providing evidence of their current premises arrangements it is recommended that MSG payments should continue to be released subject to satisfactory performance ratings (unless the organisation is detailed below).

The audit identified 23 other organisations which required further verification in terms of their arrangements for the Council buildings that they were using. From this list of 23, there were three that required further review; these are detailed below with updates:

3.8 DeafPlus

Further clarity was required on the organisation using the REAL offices (Jack Dash House) as an outreach site as this is a Council building. The organisation has however confirmed that they are not using the REAL offices.

Recommendation 7 – It is recommended that MSG payments should continue to be released to DeafPlus subject to satisfactory performance ratings.

3.9 Limehouse Welfare Association

The organisation uses the Harford Street Multi-centre as an outreach site. Further work has identified that they are invoiced by the Council for this use. In addition, there is also an agreement between the organisation and the Council when the organisation was relocated to the Harford Street Multi-centre further to LIFRA hall being demolished – this move took place in November 2011. The organisation was previously based at LIFRA Hall. In light of this MSG payments can continue to be released to the organisation subject to satisfactory performance ratings.

Recommendation 8 – It is recommended that MSG payments should continue to be released to the Limehouse Welfare Association subject to satisfactory performance ratings.

3.10 Splash Play

The organisation uses the St Vincents (TRA) Porta Cabin as an outreach site. Further work has identified that they have an agreement in place for this use. In light of this, MSG payments can continue to be released to the organisation subject to satisfactory performance ratings.

Recommendation 9 – It is recommended that MSG payments should continue to be released to Splash Play subject to satisfactory performance ratings.

- 3.11 In addition to the above, the ongoing work identified a further 5 organisations where additional checks were required on the addresses that they were based at and work was undertaken to provide confirmation whether they met the property conditions. Four of these identified no issues, however the position regarding one organisation, Our Base is set out below:

3.12 Our Base LTD

The organisation is based at the community space at 16 Goulston Street which is owned by the London Metropolitan University and was leased to LBTH on the 13th April 2011 for 125 years. It was identified on the 6th February 2017 that the organisation does not currently have an appropriate agreement in place for the use of the building. The Third Sector Team and Asset Management will start discussions with the organisation to resolve this and a full update will be produced for the Grants Determination Sub-Committee meeting on the 28th March 2017

Recommendation 10 – It is recommended that payment to Our Base LTD be suspended until the organisation enters into an appropriate property agreement with the Council for the use of 16 Goulston Street. That Asset Management enter into negotiations with the organisation for the development of an appropriate property agreement.

3.13 Bromley by Bow Centre – Atlee Centre

We are presently awaiting confirmation of the organisation's use of the Atlee Centre as an outreach site.

Recommendation 11 – It is recommended that payments to Bromley by Bow Centre be suspended until the organisation provides confirmation of the organisations use of the Atlee Centre.

3.14 Betar Bangla

We are presently awaiting confirmation of the organisation's use of 4 - 8 Sutton Street as their main delivery site.

Recommendation 12 – It is recommended that payments to Betar Bangla be suspended until the organisation provides confirmation of the organisations use of 4 – 8 Sutton Street.

3.15 Wadajir Somali Community Centre

We are presently awaiting confirmation of the organisation's use of the Teviot Community Hall as their main delivery site.

Recommendation 13 – It is recommended that payments to Wadajir Somali Community Centre be suspended until the organisation provides confirmation of the organisations use of the Teviot Community Hall.

- 3.16 In addition to premises related issues, the RAG status of a number of organisations has been reviewed as a result of the Mainstream Grants Spotlight Review Panel on 9th February 2017. This was the second meeting of the panel which includes all Monitoring Officers, the CVS and for the first time, the groups who were performance rated Amber were invited along to discuss performance. The projects affected are detailed below:

3.17 St Giles Trust – Gamechangers

The Gamechangers Project works with families with serious and complex issues, particularly those who just fall short of meeting the criteria for Family Intervention Project, Troubled Families and Children's Social Services. The project also supports and sustains referred cases made to other agencies such as Spotlight Centre, Streets of Growth, Street Pastors, Rapid Response, Youth Offending Team and Lifeline. The organisation participates in the monthly Gangs Risk Matrix meetings to identify children and young people who may be affected by gang activity. Gamechangers provides interventions and partnership working within the 3 Tower Hamlets Pupil Referral Units at Harpley Inclusion Support Centre, Mile End; Third Base, Bow and Tommy Flowers Centre, Wapping. Gamechangers provides home support service and mentoring matches, one to one support, information and advice workshops to ensure positive engagement in education, training and employment.

As at the 26th January 2017, the organisation was rated Amber. The organisations October – December 2016 monitoring returns stated that the project has under-performed by 50% on its outputs for this quarter. The organisation reported that this was due to 3 key staff changes and the winter weather. The Grants Officer scheduled a site monitoring visit to St Giles on 1 February to review relevant documentation as well as to discuss drawing up an action plan to increase the levels of participation. The Interim Project Manager in an email of 25 January 2017 wrote that "I have reviewed the report for Q3 based on what you have said, and I think it is possible that I have under-reported on some outputs".

At the Grants Review Panel meeting The Grants Officer reported that during the site monitoring visit on 1 February to review the outputs and related documentation, it was clear that the project had under-reported its outputs for October-December 2016. Some of reasons are as follows:

- not including service users who had previously accessed the service

- not including one to one support with families
- the impact on reporting performance and the staff turnover issues

Representatives from St Giles elaborated on the progress being made by the project.

The panel considered the representations and concluded that Gamechangers be classified as Green for this period.

Recommendation 14 – It is recommended that outstanding payments be released to the organisation as a result of the Mainstream Grants Spotlight Review Panel assessment that the St Giles Trust – Gamechangers organisation be classified as having a Green performance rating.

3.18 Cubitt Town Bangladeshi Cultural Association

The project provides mother tongue classes to students, supplementary education and homework support, organise cultural events for the community and to also arrange educational visits for the students. Sessions run Thursday and Friday. All the classes will take place at St. Luke's Primary School between 5pm and 7pm.

The organisation reported under performance in the period. On closer examination it appears that there are valid reasons for this. In particular they are struggling to get users onto the project around the winter period. The main reason for this is that the service is provided in the evening between 5pm and 7pm and as it is dark during these hours, parents find it difficult to bring their children to the session.

At the Mainstream Grants Spotlight Review Panel the grant officer outlined his findings at the MSG Panel Review Meeting. The group explained the reasons for the underperformance, explaining that they only receive £2,222 a year and are run by volunteers. It was also made clear that the tutors are provided by the Community Language Service and the group has exceeded in students achievements in examination results.

The Panel considered all representations and agreed the following:

- The grants officer will continue to work closely with the organisation and assist them in proposing a Significant Variation to the project for consideration. The variation should take into account the difficulty the organisation faces during the winter period and explore how outcomes may be achieved by rebalancing attendance across the whole of the academic year. It was agreed that the target outputs delivery time line will be reconfigured, with higher numbers of attendees in the spring and summer periods and lower in the winter period.
- The organisation will be referred to THCVS for support.

Recommendation 15 – It is recommended that in light of the Mainstream Grants Spotlight Review Panel assessment, the Cubitt Town Bangladeshi Cultural Association project should remain Amber performance rated for this period.

3.19 Somali Parent's Children and Play – Somali Women's Engagement Forum

This project aims to develop Somali women as leaders who can speak for the interests of their community and promotes community cohesion to help build strong and resilient community. Activities include weekly sessions, coffee/discussion events with women from other communities volunteering and supporting the women with community engagement. Somali Parent's Children and Play continues to make significant progress towards catching up on previous unmet outputs. A timetable of increased activity continues to be in place to support this. The project was put on amber as there was still progress to be made in delivering some elements of the project including an event that was delayed from the start of term of the grant. The expectation is that the organisation will achieve a Green rating by the end of March 2017.

At the Mainstream Grants Spotlight Review Panel meeting the Somali Parent's Children and Play stated they felt the Amber rating was not justified. The organisation stated that the Somali Women attending feel more confident because they respond to individual need. The organisation raised several concerns including what they felt was conflicting information on their performance provided by the grants officer to their organisation and their disappointment at the proposed performance ratings. The organisation was advised that the Service Manager will meet with them to discuss their concerns.

The panel agreed that the Amber performance rating would be reviewed by the grants officer together with an independent grants officer for added assurance.

This review took place on 9th February and the outcome was that the appropriate performance rating was Amber.

Recommendation 16: Following the Mainstream Grants Spotlight Panel considerations and the further Officer performance review subsequently undertaken, it is recommended that the Somali Parent's Children and Play – Somali Womens engagement Forum project should remain Amber performance rated for this period.

3.20 EC Lighthouse

EC Lighthouse School classes take place on Saturdays (10 am - 5 pm). They teach Lithuanian language, history, dance, drama, music. The school has been awarded a Silver Award in the Quality Framework for Supplementary School and has won the British Academy Schools Language Awards. Students participate in local and international projects.

The organisation reported underperformance on two outputs relating to the number of beneficiaries accessing the service. However, further work undertaken revealed this was due to under reporting on these target outputs. The officer verified actual targets achieved in the Quarter.

The officer presented the facts to the Panel and explained that the project updated actual figures are within the Green RAG rating. Consequently, the Mainstream Grants Spotlight Review Panel agreed that performance for the current monitoring periods should be Green rated.

Recommendation 17: It is recommended that any outstanding payments be released to EC Lighthouse as a result of the Mainstream Grants Spotlight Review Panel assessment that the organisation be classified as having a Green performance rating.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1. Comments of the Chief Financial Officer are contained within the main report.

5. LEGAL COMMENTS

- 5.1. Legal comments are set out in the main report, to which this report is an addendum. Recommendations made in this report that are not in the main report, are ones which can be agreed by the sub-committee.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1. These are set out in the main report

7. BEST VALUE (BV) IMPLICATIONS

- 7.1. These are set out in the main report

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 These are set out in the main report

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 These are set out in the main report

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 These are set out in the main report

11. SAFEGUARDING IMPLICATIONS

11.1 These are set out in the main report

Linked Reports, Appendices and Background Documents

Linked Report

- **MSG Project Performance Report – Period 5 – October to December 2016**

Appendices

NONE

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

- None

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