

GRANTS SCRUTINY SUB-COMMITTEE

Thursday, 8 March 2018 at 6.30 p.m.

C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,
E14 2BG

SUPPLEMENTAL AGENDA 1

This meeting is open to the public to attend.

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5 .5 MSG Update Report

Grants Determination Sub Committee 13 March 2018	 TOWER HAMLETS
Report of: Zena Cooke, Corporate Director Resources	Unrestricted
MSG Update Report - Our Base & Pollyanna Training Theatre	

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

EXECUTIVE SUMMARY

Reason for urgency: This report recommends releasing MSG grant payments to Our Base on the basis that they have now shown a clear willingness to enter into a property agreement with the Council and the Council are in the process of concluding the lease. This update is recent which has contributed to this being a late report. The organisation requires payments to be made in order for them to continue service delivery.

The Main Stream Grant (MSG) 2015/18 Programme was approved by Commissioners on 29 July 2015 and runs from 1 September 2015 through to 31 August 2018. The Programme is made up of five (5) broad Themes covering a range of activities and services. 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.

This report provides an update on the premises arrangements for Our Base and the additional information from Pollyanna Training Theatre on outreach undertaken to engage with BAME beneficiaries, which was requested by the GDSC at their meeting on the 6th February 2018.

RECOMMENDATIONS

The Grants Determination Sub Committee are recommended to:

1. Agree the recommendations relating to the releasing of payments to Our Base and the significant variation for the Pollyanna Training Theatre as set out in sections 3.3 and 3.6 of this report.

1. REASONS FOR THE DECISIONS

1. 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 Regular performance updates ensure that the MSG Themes and individual projects are on track to achieve the targeted outcomes.
- 2.2 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.
- 2.3 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.

3. DETAILS OF REPORT

Our Base

- 3.1 In December 2016, Commissioners asked that an audit take place to identify if any MSG recipients were based in Council buildings and didn't have an appropriate property agreement in place. As part of this audit it was identified that Our Base deliver part of their MSG programme from 16 Goulston Street. The Council has an interest in this property in that it has a long-term lease from the London Metropolitan University. As a result of this, on 14th February 2017 the Council's Grants Determination Sub-Committee agreed that MSG payments to Our Base be suspended until an appropriate property agreement was in place. Prior to this, Our Base had been assessed as Green rated for the first five monitoring periods (from October 2015 to December 2016).
- 3.2 On 12th September 2017 MSG payments relating to January-June 2017 were approved to be released subject to satisfactory project performance – however only January to March 2017 was actually released due to the organisation temporarily ceasing service delivery due to not being able to pay their staff as result of the suspension in MSG. This decision acknowledged that Our Base had signed a Heads of Terms for its premises and had thus demonstrated a willingness to enter into an appropriate premises agreement with the Council, pending the Council progressing the lease to conclusion. However since agreeing to the Heads of Terms Our Base, through their legal representatives, then asked to amend these terms as well as elements within the lease itself. From a Council perspective, some of these elements are non-negotiable. As a result of failure to progress the property issues, the Grants Determination Sub-Committee, including at its most recent meeting on 6th February 2018, agreed the following:
 - *The Council explore whether a license for the use of the premises will be more appropriate than a lease.*
 - *That the outstanding lease/premises issues be resolved before funds can be released to Our Base.*

- 3.3 Since the GDSC meeting on the 6th February 2018, Our Base have shown a clear willingness to resolve the premises issues. They have stated, through their legal representatives, that they are prepared to sign a lease with the Council or alternatively, if the Council wishes, are willing to move to another location if the Council facilitates this move. The Council has explored the possibility of Our Base moving to other local centres; however these centres are not available when Our Base delivers their MSG projects. The Council is therefore in the process of finalising the lease arrangements with the organisation

Recommendation 1 – Our Base

That in acknowledgement of Our Base demonstrating a willingness to enter into an appropriate agreement, pending the Council progressing the lease to conclusion, the MSG withheld payments for the period March 2017 – June 2017 be released subject to satisfactory performance.

Pollyanna Training Theatre

- 3.4 At the 6th February 2018 GDSC meeting one aspect of the significant variation request from the Pollyanna Training Theatre was deferred pending further information. This related to the request for a reduction in the number of BAME beneficiaries from 53% to 33% as the GDSC wanted additional information on what outreach work had been carried out to engage with BAME beneficiaries. This information has now been submitted by the Pollyanna Training Theatre and is detailed below:

- Use of leaflets (Appendix A) to promote the project with Schools in Tower Hamlets during the summer term. Leaflets were sent to all secondary schools in the borough. Existing links with local primary schools were also utilised to publicise the project for Year 6 leavers. This includes English Martyrs, Hermitage School, St Anne's and St Peter's.
- Made contact with a number of organisations recommended by London Borough of Tower Hamlets and the THCVS to improve recruitment of BAME beneficiaries. This included:
 - East London Baptist Church - Pollyanna visited the Church and delivered leaflets.
 - Green Candle Dance Company (GDC) - Pollyanna obtained advice from the organisation on how to improve recruitment of BAME beneficiaries. GDC is a successful example of an ethnic-generic organisation which has successfully engaged BAME communities in a Main Stream Grant-funded arts project – the MG Hop/Banglahop! After School project which is a dance project for girls of Bangladeshi ethnicity.
 - Osmani Trust - Pollyanna visited Osmani Trust at its open day in June
 - Society Links - Pollyanna Training Theatre had joint sessions with this organisation.
- Pollyanna Training Theatre promoted the project at the Whitechapel Based Wilton's Music Hall open weekend in October 2017.

- Pollyanna Training Theatre unsuccessfully made attempts to contact four additional community organisations recommended by LBTH and THCVS as potential source of referrals for BAME beneficiaries or potential source of advice on how to improve recruitment of BAME beneficiaries and will be making renewed attempts to liaise with two of the these organisations.
- 3.5 Pollyanna Training Theatre's manager has agreed to liaise with The Brady Centre about having outreach classes there. Pollyanna's manager will be visiting the Brady Centre to examine room options in person to determine which rooms are best suited for project activity.
- 3.6 In addition to the above the organisation has confirmed that they can revise their target to 40% BAME beneficiaries for period 11 (April-June 2018).

Recommendation 2 – Pollyanna Training Theatre

That the significant variation request for the Pollyanna Training Theatre be approved in relation to the reduction in the number of BAME beneficiaries from 53% to 33% in period 10 and to 40% in Period 11 .

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The Main Stream Grant (MSG) Programme was approved by the Commissioners to span between July 2015 and August 2018.
- 4.2 This report ensures that recipients of MSG who operate in Council premises, function within and are signed up to the appropriate Council framework and has in place the relevant property agreement. Within this framework there is scope to reduce or cease MSG for organisations that don't hit the required milestones and ultimately achieve the necessary outcomes. These actions would be within the conditions attached to each service provider and in line with MSG performance monitoring.
- 4.3 The total funding over the life time of the MSG programme is £9.1m, which is profiled equally across each financial year. This provides the appropriate level of funding to deliver on each project theme, within the programmed timescale.

5. LEGAL COMMENTS

- 5.1. 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.
- 5.2 Therefore, in the event that agreement cannot be reached with Our Base in the near future and provided that the Council is presenting commercially acceptable terms then the Council will have no alternative but to discontinue the grant.
- 5.3 Currently agreement has not been reached and therefore the Council is not compliant with the relevant Commissioners' decision. This means that the Council is not obliged to pay the grant. However, the Council must also act reasonably and the Council should allow a reasonable period of time to agree the occupation terms prior to discontinuing the grant. Therefore, the Council may make the interim payment as recommended.
- 5.4 The Council awarded the original grants following an application procedure and agreement of the grant conditions. The change to the terms of the Pollyanna Training Theatre's grant conditions is inconsistent with that process. However, the Council can agree the changes provided that had the changes been effective at the time of the application procedure it would not have affected the outcome of the result of the evaluation.
- 5.5 The Council must perform an equality assessment in the event of taking a decision that leads to the failure of either of the grant schemes as it is likely that persons with a protected characteristic may be affected by such a decision and the Council must comply with its duties under the Equality Act 2010. This may mean that the Council must carry out a consultative exercise. Both assessment and consultation must be taken when the decision is at a formative stage.

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.
- 7.3 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.
- 7.4 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,

Linked Reports, Appendices and Background Documents

Linked Report:

- MSG Premises Update Report (Individual Mayoral Decision) – 11th September 2017

Appendices:

- Appendix A –Pollyanna Training Theatre promotional leaflets

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

- None

Officer contact details for documents:

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Monday Musical Theatre	Age 4-11yrs	5.00-7.00pm	£130
Tuesday College Course (Drama)	Age 14-18yrs	6.00-8.00pm	£125
Wednesday Musical Theatre	Age 4-11yrs	5.00-7.00pm	£130
Thursday Preschool Drama	Age 2.5-4yrs	4.30-5.15pm	£60
Friday Musical Theatre	Age 4-11yrs	5.30-7.30pm	£130
Friday Teens Musical Theatre	Age 11-15yrs	6.00-9.00pm	
Saturday Musical Theatre	Age 4-11yrs	10.30am to 1.30pm	£160
Saturday Teens Musical Theatre	Age 11-15yrs	10.30am to 1.30pm	

All our Musical Theatre courses include Drama, Dance and Singing. All fees listed are per term and term last 12 weeks

Teenage Musical Theatre Courses are currently funded by London Borough of Tower Hamlets – please contact us for details

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Pollyanna offer classes for children and young people aged 2.5 to 16 years, we have been established for over 25 years and offer all students the very best in performing arts tuition, to encourage confidence, gain self esteem and benefit your child.

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