

<b>Grants Scrutiny Sub Committee</b> 3 <sup>rd</sup> July 2017	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Zena Cooke, Corporate Director Resources	Unrestricted
<b>MSG Project Performance Report – Period 6 – January to March 2017</b>	

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

### **EXECUTIVE SUMMARY**

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.

The update reports to the Grants Determination (Cabinet) Sub Committee on 9<sup>th</sup> May 2017 covered Red and Amber performance rated projects for period 6 from January to March 2017. This report is the full performance report for period 6 complete with the standard appendices.

Projects are classified as Green, Amber or Red within the council's agreed performance management framework. Following Committee decisions on 9<sup>th</sup> May 2017 there are 124 live projects for period 6, January to March 2017 of which there are 7 Red rated projects and 3 Amber rated projects.

## **RECOMMENDATIONS**

To consider and comment on the recommendations that Grants Determination (Cabinet) Sub Committee are recommended to:

1. Note the content of this report and provide any comments.
2. Note the premises updates provided at para 3.10 to 3.25.

### **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.
- 1.3 To consider the funding for MSG recipients in line with the July 2015 Commissioners' decision regarding MSG recipients in council buildings having appropriate property arrangements in place.

### **2. ALTERNATIVE OPTIONS**

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

### **3. DETAILS OF REPORT**

#### **Introduction**

- 3.1 The MSG Programme currently has 124 live projects.
- 3.2 The performance update reports considered by Committee on 9<sup>th</sup> May 2017 detailed projects affected by the premises related issues together with performance related issues including late receipt of monitoring returns.
- 3.3 Following Committee consideration on the 9<sup>th</sup> May 2017 and subsequent decisions made, a revised update of the theme by theme summary for Red and Amber projects for period 6 is set out below.

### 3.4 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 56 live projects within this theme of which 5 are Red rated and 1 project is rated Amber. The total funding allocation for theme 1 is approximately £748k p.a.

The Red rated projects are:

- **Pollyanna Training Theatre** – Musical Theatre and Performance Arts Course – this project has premises issues (an update is provided at paragraph 3.14 of this report) and performance issues which are being monitored. The project is co-operating with the review of their operating arrangements, which is on-going.
- **Children's Education Group** – Berner Football Academy – due to ongoing premises issues (an update is provided at paragraph 3.10 of this report), project delivery has come to an end due to the suspension of grant.
- **Osmani Trust** - Shaathi Family Support Programme – the online monitoring return was submitted late and past the deadline, quarterly performance for the project is being evaluated.
- **Our Base LTD** - One Stop Youth Service – the online monitoring return was not submitted for period 6 and there are ongoing premises issues. An update on premises issues is provided at paragraph 3.15 of this report.
- **Community of Refugees from Vietnam** - East London – Home-School Liaison Project - the project is rated red due to premises issues, an update is provided at paragraph 3.24 of this report.

The Amber rated project for theme 1 is:

- **Cubitt Town Bangladeshi Cultural Association** – the organisation submitted a significant variation request which requires further work which is presently being undertaken, pending consideration of the variation request, performance is Amber rated.

### 3.5 Theme 2 Summary – Routeways to employment & 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. The total funding allocation for theme 2 is approximately £1.2m p.a.

There are 20 projects with none rated as Red or Amber.

### 3.6 **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. The total funding allocation for theme 3 is approximately £764k p.a.

This theme is made up of 35 live projects, of which 2 are Red rated and 2 are Amber rated for performance.

The Red rated projects are:

- **Bethnal Green Weightlifting Club** – Bethnal Green Weightlifting Club submitted a late online Monitoring Return for period 6. There are also ongoing premises issues. An update on the premises issues is provided at paragraph 3.11 of this report.
- **Children Education Group** – Harkness Luncheon Club – due to ongoing premises issues, an update on which is provided at paragraph 3.10 of this report, project delivery has come to an end due to suspension of grant.

The Amber rated projects are:

- **Green Candle Dance Company** – Green Candle have yet to implement part of their agreed significant variation and consequently performance is Amber rated for period 6 but plans are in place to deliver this within period 7.
- **Toynbee Hall** – Toynbee had some issues with cancelled workshops in quarter 6 prompting an Amber rating for performance issues however remedial action has already been taken and performance is expected to improve in period 7.

### 3.7 **Theme 4 Summary – Third Sector Organisational Development**

Theme four consists of 3 projects. The total funding allocation for theme 4 is approximately £260k p.a.

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.

No projects within this theme have been rated Red or Amber for this reporting period.

### 3.8 **Theme 5 Summary – Community Engagement, Cohesion and Resilience**

This theme focus is on community engagement, cohesion and resilience.

Projects work closely with local residents to facilitate the building of a stronger, more cohesive, supportive and stronger community.

This theme is made up of 10 projects. No projects within this theme have been rated Red or Amber for this reporting period.

The total funding allocation for theme 5 is approximately £105k p.a. Funding for this theme concluded on 31<sup>st</sup> March 2017.

### **Spotlight Review Panel**

- 3.9 The Mainstream Grants Spotlight Review Panel reviewed Red and Amber performance rated projects with the affected organisations on Friday 28<sup>th</sup> April 2017 and provided updates and recommendations to the 9<sup>th</sup> May 2017 Grants Scrutiny Sub Committee and Grants Determination (Cabinet) Sub Committee.

### **Premises Issues**

Monitoring of Mainstream Grants recipients has identified the following premises issues for which updates are provided below.

The organisations are:

3.10 **Children Education Group (Harkness House)**

Repair items have been issued to CEG along with revised Heads of Terms on the 25<sup>th</sup> May 2017. The council's Legal Service has been instructed on the lease. CEG have been corresponded with and a lease has been drafted and sent to them in June 2017.

3.11 **Bethnal Green Weightlifting Club (229 Bethnal Green Road)**

The section 25 notice was issued on 1<sup>st</sup> June 2017, Bethnal Green Weightlifting Club have 6 months from receipt to respond to the notice although it is open to the tenant to try to agree terms for a new lease before then. Heads of Terms for a new lease were issued to the organisation on the 7<sup>th</sup> March 2017.

3.12 **Black Womens Health and Family Support (82 Russia Lane)**

Heads of Terms were issued on 22<sup>nd</sup> May 2017 and the council is awaiting a response from Black Women's Health and Family Support. Once a response has been received, an Individual Mayoral Decision Report will be prepared as the rent is over £25,000 p.a.

3.13 **Age UK East London (82 Russia Lane)**

Heads of Terms were issued on 22<sup>nd</sup> May 2017 and the council is awaiting a response from Age UK East London. Once a response has been received, an Individual Mayoral Decision Report will be prepared as the rent is over £25,000 p.a.

### 3.14 **Pollyanna Training Theatre (Wapping TRA/Raine Street)**

The review of the arrangements with Wapping TRA and Pollyanna has raised a number of issues which have been subject to further verification and Pollyanna have provided information which is being reviewed by the council.

In the meantime, the council is proposing to develop plans to convert the building into a community hub. This will allow use for Pollyanna and Wapping TRA, on a sessional/licence basis, while also allowing other community groups access to the building.

Additionally, in relation to performance, there is an underperformance issue in respect of delivery to beneficiaries and in particular project delivery to disabled beneficiaries. This has been acknowledged by Pollyanna who are being provided with support from the council and the Tower Hamlets Council for Voluntary Services.

### 3.15 **Our Base LTD (Goulston Street)**

Heads of Terms were issued to Our Base on 17<sup>th</sup> May 2017 and the council is awaiting a response from the organisation.

### 3.16 **Family Action**

The council is currently awaiting the backdated rent related to the backdated Heads of Terms in order for the current license to be completed. The organisation has confirmed their intention to pay the backdated rent.

### 3.17 **Premises Audit updates**

As previously reported, the council has reviewed 41 agreements with organisations as part of its premises audit. On-going work continues with the following organisations:

### 3.18 **Legal Advice Centre (104 Roman Road)**

A meeting has been held with the Legal Advice Centre to discuss premises issues. The council intends to issue a Section 25 notice to begin new lease proceedings. The council's Legal team will be instructed to serve a Section 25 notice which will state the council does not oppose the grant of a new lease.

### 3.19 **Tower Hamlets Community Transport**

Tower Hamlets Community Transport is part of a consortium together with the Tower Hamlets Council for Voluntary Services and Volunteer Centre Tower Hamlets. The organisation is currently holding over on their lease with the council proposing serving a Section 25 notice. This would then be followed by a valuation of the premises before Heads of Terms are offered to the organisation. The

council will be allocating a resource to commence action on this case.

### 3.20 **Wadajir**

Although the organisation returned their premises hire booking agreement, further analysis has identified that the Trustees are not permitted to share the premises. It is proposed to leave Wadajir in the Teviot Community Hall at present although this will not be a permanent solution.

### 3.21 **Splash**

The organisation has returned the premises hire booking agreement form for the use of the St Vincent's Porta-cabin (TRA) where it is using the premises as an outreach site. However further analysis of this has identified that the Trustees are not permitted to share the building, as stipulated within their agreement with the council. For the time being the council does not expect to change their arrangement with the TRA.

Heads of Terms will be issued for the new lease of the new Porta-cabins. The council met with the organisation on the 6<sup>th</sup> June 2017 to explain the process for Splash to apply for the Community Benefit Rent Reduction and to identify what support they might need during this process.

### 3.22 **Tower Hamlets Youth Sports Foundation (use of various Schools)**

Further to the concerns raised by the organisation in completing the Premises hire booking agreements, as they work from around 30 different venues across the borough, further time was given to the organisation to gather the agreements. The council is still awaiting a response from the organisation in this respect, but this issue will be addressed with THYSF as part of some wider monitoring work currently being undertaken with them.

### 3.23 **City Gateway**

The organisations project concluded on the 31<sup>st</sup> March 2017 however their final payment has not yet been released as they have not provided a completed booking form for their use of the Harford Street Multi-Centre. An email has been submitted from the Ocean Regeneration Trust, who manage the Harford Street Centre, detailing City Gateway's use of the premises however a completed booking form is still required.

### 3.24 **Community of Refugees from Vietnam - East London – Home-School Liaison Project**

The organisation is using the Aberfeldy Community Centre as an outreach site for the delivery of the project. The council has an interest in the building which is being leased to Poplar HARCA. The organisation is yet to obtain a completed booking form for the premises.

### **3.25 Citizens Advice Bureau (32 Greatorex Street)**

The council has an interest in 32 Greatorex Street as freeholders. A long lease is in place between the council and the Chicksand Citizens Forum Limited who are in turn sub-letting it to the East End Citizens Advice Bureau. The lease is currently being renewed between the Chicksand Citizens Forum Limited and the East End Citizens Advice Bureau. Due to the complexities of the lease, this is currently with the solicitors of each party. The organisation and their solicitors have been updating the council on progress.

### **3.26 Performance related issues**

3.27 Performance related issues are contained within the update reports which the Grants Determination (Cabinet) Sub Committee considered at the meeting of 9<sup>th</sup> May 2017 and decisions were taken accordingly.

3.28 Of all 124 live projects for period 6, 114 projects (92%) are currently Green rated for performance.

3.29 Attached to this report are the regular appendices provided as part of the full performance monitoring report, the appendices detail each project, their performance rating and grant details.

## **4 COMMENTS OF THE CHIEF FINANCE OFFICER**

4.1 This report provides an update on the councils MSG programme, budgeted at approximately £3.1m per annum or £9.3m, over the three year period 2015/18.

4.2 There are sufficient resources within directorate budgets to fund the agreed programme over the 3 year period.

## **5. LEGAL COMMENTS**

5.1. 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 paragraph 7 of the report.

5.2. 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.

- 5.3 This report provides the Sub-Committee with a performance update advising as to the MSG Themes and whether individual projects are on track to deliver the agreed outputs and outcomes.

## **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.
- 7.5 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.
- 7.6 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, are required to fully comply with all necessary safeguarding requirements.

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## Linked Reports, Appendices and Background Documents

### Linked Reports:

- MSG 2015/18 Programme – available via the following link:  
<http://moderngov.towerhamlets.gov.uk/documents/b16444/Item%205.4%20Main%20Stream%20Grants%20201518%20Programme%2029th-Jul-2015%2018.30%20Commissioners%20Decision%20Making%20M.pdf?T=9>
- MSG Quarterly Performance Monitoring Report (January-March 2017)  
<http://democracy.towerhamlets.gov.uk/documents/g7415/Public%20reports%20pack%2009th-May-2017%2017.00%20Grants%20Determination%20Cabinet%20Sub-Committee.pdf?T=10>
- MSG Quarterly Performance Monitoring Report (January-March 2017) supplementary report  
<http://democracy.towerhamlets.gov.uk/documents/b22254/2nd%20Supplement%20-%20Item%206.6%20Addendum%2009th-May-2017%2017.00%20Grants%20Determination%20Cabinet%20Sub-Committ.pdf?T=9>

### Appendices:

- Appendix 1 – Project Performance Period 6 January to March 2017
- Appendix 2 – Project Performance by RAG status
- Appendix 3 – MSG Beneficiary data
- Appendix 4.1 – MSG Theme 1 summary
- Appendix 4.2 – MSG Theme 2 summary
- Appendix 4.3 – MSG Theme 3 summary
- Appendix 4.4 – MSG Theme 4 summary
- Appendix 4.5 – MSG Theme 5 summary

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

- None

### Officer contact details for documents:

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