

Grants Determination Sub-Committee	 TOWER HAMLETS
9 September 2020	
Report of: Will Tuckley, Chief Executive	Classification: Unrestricted
Local Community Fund (LCF) Project Performance and Update Report – October 2019 – March 2020	

Lead Member	Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector
Originating Officer(s)	Robert Mee, Programme Analysis & Review Officer Emily Fieran-Reed, Senior Strategy & Policy Manager
Wards affected	All
Key Decision?	No
Forward Plan Notice Published	
Reason for Key Decision	Not a key decision
Strategic Plan Priority / Outcome	All

Executive Summary

The Mayor in Cabinet agreed on 31st July 2019 to a programme of funding for voluntary and community sector (VCS) organisations from 1st October 2019. A total of 50 projects were awarded funding totalling £9.31m up to 31 March 2023 to deliver activity across five themes - Inclusion Health and Wellbeing, Digital Inclusion and Awareness, Information Advice and Guidance, Employment and Skills, Community Safety

The programme management arrangements are set out in this report including the schedule of reporting on project performance and updates on the programme and how projects are RAG rated, the returns submitted by projects and the minimum visits planned for the programme.

From October 2019 to March 2020 the 50 projects are rated 48 Green, 1 Amber and 1 Red.

Amber projects:

Hestia Housing - Families Safe and Secure in Tower Hamlets

Red projects:

REAL DPO – NOW and THEN

Recommendations:

The Grants Determination Sub-Committee is recommended to:

1. Agree the LCF Programme Management arrangements including delegated authority to undertake appropriate actions in respect of all matters relating to the fund including but not exclusively in respect of Premises, Debtors, Projects and performance prior to payment
2. Note the performance of the Local Community Fund programme as set out in 3.3 to 3.8 for Oct 19 – Mar 20 and the impact of Covid-19 in 3.9 and Appendix 4.1 – 4.5.
3. Agree the premises condition dispensation continues for Age UK and REAL as set out in 3.8 with future decisions made by delegated authority as part of the proposed LCF Programme Management arrangements.
4. Agree that the Infrastructure & Capacity Building funding due to Tower Hamlets Community Transport be re-purposed to fund work on restructuring options to safeguard the organisation going forward as set out in 3.10.

1. REASONS FOR THE DECISIONS

- 1.1 Regular performance updates ensure that the LCF 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 Funding Agreements.
- 2.2 Grants Determination Sub Committee could request further information or alter the recommendations.

3. DETAILS OF THE REPORT

- 3.1 **Background**

The Mayor in Cabinet agreed on 31st July 2019 to a programme of funding for voluntary and community sector (VCS) organisations from 1st October 2019. A total of 50 projects were awarded funding totalling £9.31m up to 31 March 2023 to deliver activity across five themes - Inclusion Health and Wellbeing, Digital Inclusion and Awareness, Information Advice and Guidance, Employment and Skills, Community Safety

3.2 Programme Management arrangements

Each project has a named officer in Corporate Strategy & Policy who works with the projects to support the organisation and ensure the overall aims of the programme are met.

Theme and thematic areas also have named officers and they work with other teams / directorates in the Council and the wider sector to ensure the LCF programme links in with Council and wider borough aims and objectives.

RAG Rating – projects are assigned a Red, Amber or Green rating when reporting to the Grants Determination Sub Committee on project performance, summary below and Appendix 2.1 for more details.

RED

- organisation has not signed funding agreement
- significant planned delivery not taken place
- serious project management issues
- high risk that the project will not achieve planned outcomes

AMBER

- significant underperformance against targets
- some planned delivery not taken place
- some project management issues
- still able to achieve project outcomes over the lifetime of the project with support

GREEN

- on track to achieve project objectives
- delivery taken place
- any performance issues are resolved
- satisfactory project management

The schedule of visits / monitoring returns submitted and reporting to the Grants Determination Sub Committee (GDSC) is set out in Appendix 2.2.

The aim is six monthly reporting to GDSC comprising a Performance Update and an Annual Report.

Payments are scheduled quarterly in advance subject to Premises / Debtors / Project conditions and satisfactory performance.

The intention is for delegated decision making on operational matters to Divisional Director / Head of Service level with more detail set out in Appendix 2.3.

Recommendation: Agree monitoring and reporting procedures including delegated decision making on applying Premises / Debtors / Project / Performance conditions prior to payment

3.3 Theme 1 Summary – Inclusion, Health and Wellbeing

Theme 1 is made up of five schemes and overall aims to contribute to the borough’s vision for inclusion, health and wellbeing as set out in the Tower Hamlets Plan 2019-23.

Scheme	No. of projects	RED	AMBER	GREEN
Scheme A – Children, Young People and Families	8	0	0	8
Scheme B – Older People	7	0	0	7
Scheme C – Access, Information and Self-Management	2	0	0	2
Scheme D – Healthy living and healthy choices	6	0	0	6
Scheme E – Improved inclusion, health and wellbeing outcomes for disabled people and people experiencing mental health issues	5	0	0	5

All Theme 1 projects were performing satisfactorily up to the end of March 2020. The Covid-19 and lockdown at the end of March began to have an impact with organisations contributing to the Borough’s Covid-19 response with services paused or adapted from April.

3.4 Theme 2 Summary – Digital Inclusion and Awareness

Theme 2 is made up of two schemes and priorities include access to ICT support and training for older people, digital skill development and online safety for children and young people.

Scheme	No. of projects	RED	AMBER	GREEN
Scheme A – ICT Skills and Digital Careers	3	0	0	3
Scheme B – Online Safety	2	0	0	2

All Theme 2 projects were performing satisfactorily up to the end of March 2020. The Covid-19 and lockdown at the end of March began to have an impact with organisations contributing to the Borough’s Covid-19 response with services paused or adapted from April. The focus on remote working and the increasing use of IT highlights the importance of this theme.

3.5 Theme 3 Summary – Advice and Information

Theme 3 has one scheme and priority, to fund VCS advice and information providers to provide a range of generalist and specialist social welfare and advice services across the borough including the provision of integrated, coordinated, accessible services that meet the needs and demands of local people for legal advice on welfare benefits, housing, debt, employment rights, immigration issues and other social welfare issues.

Scheme	No. of projects	RED	AMBER	GREEN
Scheme A – Advice and Information	2	0	0	2

The Theme 3 projects were performing satisfactorily up to March 2020. The onset of the Covid-19 situation has necessitated changes in how advice provision is being delivered with face to face meetings replaced by telephone and online support from mid-March.

3.6 Theme 4 Summary – Employment and Skills

Theme 4 has three schemes with priorities to promote ethical employer practices to focus on improving employment and progression opportunities for people with additional needs, reduce barriers to employment for disadvantaged groups, employment and volunteering opportunities for older people, employment skills for vulnerable young people and those who are NEET and for young people at risk of achieving poor outcomes. There is also a priority for support focused on increasing access to art and cultural industries.

Scheme	No. of projects	RED	AMBER	GREEN
Scheme A – Developing and embedding good practice in the workplace for people with disabilities, learning difficulties and physical and mental health barriers to work	1	1	0	0
Scheme B – Reducing barriers to employment for disadvantaged groups	4	0	0	4
Scheme C – Support focused on increasing access to art and cultural industries	4	0	0	4

Most Theme 4 projects were performing satisfactorily up to the end of March 2020 with one project classed as RED:

Scheme A - REAL DPO – NOW and THEN

REAL DPO were awarded funding for two projects in the Local Community Fund. Following extensive negotiations in November / December it was agreed that it would be appropriate for the projects to start in April 2020, to deliver the same project outcomes in a 3-year condensed timescale. Funding Agreements were revised with new timescales and indicators. The project in Theme 1 submitted a revised signed Funding Agreement and began delivery from April with a Project Manager being recruited.

A signed Funding Agreement was finally submitted in August for the Theme 4 project however a signed partnership agreement has not yet been submitted. The latest correspondence from REAL is that there is no problem and all documents will be submitted shortly. There has been difficulty engaging with the organisation on project management issues and there will need to be improvement in this area.

3.7 Theme 5 Summary – Community Safety

Theme 5 has three schemes with priorities to reduce the exploitation of children, improve the perceptions of young people and provide services for people affected by domestic violence.

Scheme	No. of projects	RED	AMBER	GREEN
Scheme A – Reduction in the exploitation of children, young people and other vulnerable	3	0	0	3

groups				
Scheme B – Improving the perception of young people in the community	2	0	0	2
Scheme C – Services for people affected by domestic violence or other unsafe circumstances	1	0	1	0

With one exception the Theme 5 projects were performing well up to the end of March 2020.

An example of the work done by a Theme 5 project is included in Appendix 3 – Project Spotlight, highlighting Four Corners' Into Focus project in Jan-Mar 20.

1 project classed as AMBER:

Scheme C – Hestia Housing - Families Safe and Secure in Tower Hamlets

The October – December 19 and January – March 20 Monitoring Reports have not been submitted and payments have been withheld as a result. The April – June 20 Monitoring Report has been submitted with a comprehensive update on project delivery, but the previous reports are required to confirm that activity did take place from October. Hestia Housing is a large organisation with a high turnover so withholding grant payments has not had the same impact as it would with a small organisation. The grant officer is arranging a meeting with the organisation and it has been escalated to the Senior Strategy & Policy Manager, who will also attend.

3.8 Premises

There are several organisations in receipt of Local Community Fund in Council buildings. The list below are those organisations that have an LCF funding agreement with the Council and does not include project partners.

- Age UK East London
- DeafPlus
- Limehouse Project
- Mudchute Association
- Osmani Centre
- REAL
- Stifford Centre
- Wapping Bangladesh Association
- Working Well Trust

The Asset Management team is working with the organisations to ensure appropriate property agreements are in place. Premises issues that require an update are below:

At the GDSC 6 November 2019 a dispensation was agreed to pay LCF payments to Age UK and REAL.

Age UK East London

The Heads of Terms have been drawn up, but the lease has not yet been finalised. The organisation is negotiating in good faith and it is recommended this dispensation continues.

REAL

This organisation is based in Jack Dash House and the Council was deliberating on the future of these premises, so no lease had been offered to REAL. Recently, Asset Management have been in contact to discuss the possibility of a lease. It is recommended that the dispensation continues.

Recommendation: It is recommended that the dispensation continues for these two organisations if the organisations are negotiating in good faith with the Council on agreeing an appropriate property agreement. In line with the Recommendation on the Programme Management arrangements, decisions on the impact of the premises conditions on future payments to be delegated to the Divisional Director for Strategy, Policy and Performance in consultation with Corporate Director Place and Cabinet Member for Resources and the Voluntary Sector.

3.9 Impact of Covid 19

The Local Community Fund has been impacted by Covid-19 both in how the provider organisations have been affected, with staff members self-isolating and offices closed, and in how services have had to stop or be adapted.

With the onset of the Covid-19 emergency the Mayor wrote to all LCF projects in March 2020 confirming that the next three months funding will be paid as normal even though it was recognised that achieving planned targets would be challenging. It was expected that groups would use these resources to support the boroughs Covid-19 response.

During the period projects adapted their services and did what they could to support residents. All organisations have been able to adapt at least some of their services with remote working and engaging their users online.

Appendix 4 – April – June 2020 Project Reports collates the project reports submitted detailing the activity taken place and the impact of Covid-19 on services and KPIs.

3.10 Infrastructure & Capacity Building

In the previous Mainstream Grant (MSG) 2015-18 programme the equivalent funding was a distinct theme within the overall programme.

Although the current Infrastructure & Capacity Building funding was awarded through a separate process the management and reporting arrangements are the same as the Local Community Fund and it is proposed that performance reporting is included as part of this report going forward.

The Tower Hamlets Council for Voluntary Services (THCVS) are the lead organisation in a partnership that contains the Volunteer Centre Tower Hamlets (VCTH) and Tower Hamlets Community Transport (THCT).

THVCS Infrastructure Partnership brings together the main Voluntary and Community Sector (VCS) infrastructure support agencies in Tower Hamlets to increase the range and number of VCS organisations that are well-run,

resilient and sustainable; and to strengthen the VCS as a key Public Sector Strategic Delivery Partner in Tower Hamlets. £260,000 was awarded per year for a 3-year programme – October 2019 to September 2022

While this partnership has been supporting VCS organisations through the impact of Covid-19 there have been difficulties with the partnership. The THCT staff were furloughed in March due to most of the team being vulnerable and at risk from Covid-19. This means that THCT have undertaken no activities since being furloughed in mid-March and have not been paid their proportion of the Infrastructure grant which is held by THCVS.

The team are starting to plan to re-open services but THCT, like many other VCS organisations dependent on earned income, is facing significant financial problems as a result of an expected drop off in demand when they re-open.

This challenge comes on top of a longer-term financial challenge THCT was facing and the recent loss of their Dial A Ride contract, all of which has created the possibility that THCT could have to wind up activities in the year.

To avoid this happening and protect this service, THCT have engaged a consultant to explore restructuring options for keeping THCT going and protecting the service they provide to community groups.

It is proposed that their proportion of the Infrastructure grant could be used to pay for this consultancy service, with any outstanding balance returned to LBTH. Early indications are that there are restructuring options that may result in a viable service going forward.

THCT manage a fleet of minibuses that support voluntary & community sector organisations including those providing services ranging from social care for the elderly, people with learning and/or physical disabilities, faith organisations and groups supporting leisure and sports activities.

Recommendation: Agree the change of use of the THCT funding.

3.11 Next Steps

Grant Officers are working with groups to plan the next 12 months with the Annual Report due in from groups in October covering Oct 19 – Sept 20. This information will help confirm the planned delivery with key areas including:

- Budget, any underspends from the first 12 months re-purposed
- Activity, with contingency plans in place for a 2nd wave / future lockdown
- Outcomes / Indicators including KPIs

It is not anticipated there will be any 'significant variations' to projects, either changes to the aim of the project or significant changes to the lifetime targets. If any significant changes are proposed they would come to the Grants Determination Sub-Committee (GDSC) in November for decision.

The programme Annual Report produced from the individual project annual reports is due to go to a future GDSC. This will include a more in-depth look at achievements against outcomes, an equalities and geographical breakdown

of beneficiaries and a review of the impact of Covid-19 on the first 12 months of the programme.

4. EQUALITIES IMPLICATIONS

4.1 A strategic assessment was undertaken of the proposed Local Community Fund (LCF) programme with the Equality Analysis comprising part of the report recommending funding as agreed at the 31 July 2019 Cabinet. This included looking at the change from Mainstream Grants (MSG) to the Local Community Fund and whether the recommended projects were able to deliver against identified need.

4.2 The analysis identified some potentially negative impacts relating to age, race and disability and these were addressed by initiating activity outside the LCF programme including:

- New themes developed for the Small Grants Programme
 - Access and Participation
 - Community Support Services for Older People
- Commissioned Services contracts to address key areas:
 - Young People's Mental Health
 - Early Years
 - Young People's Disability Sports
 - Young Carers

4.3 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.
- Data Protection / Privacy Impact Assessment.

5.2 There are no other specific statutory implications relevant to consideration of this report.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report updates on the performance of Local Community Fund programme and the impact of Covid-19 on delivery of objectives.
- 6.2 The Council's Local Community Fund programme has total funding allocation of £9.31m until March 2023, approximately £3.1m per annum. The council has also included a claim for central government funding of £1.464m to support the Covid-19 voluntary and community sector response.

7. COMMENTS OF LEGAL SERVICES

- 7.1 There are two organisations who do not have Green status in respect of their performance of the relevant fund agreements. This could indicate that the Council is currently failing in its legal Best Value Duty in respect of these two organisations. Therefore, it is appropriate that the Council considers appropriate action and support to remedy the position.
- 7.2 There are no other legal considerations arising from this report

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Appendix 1 – Project Performance Oct 19 – Mar 20
- Appendix 2 – LCF Programme management arrangements
- Appendix 3 – Project Spotlight Report – Four Corners–Into Focus Jan-Mar 20
- Appendix 4.1 - 4.5 – LCF Theme 1 - 5 - April–June 20 Project Reports

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

- NONE

Officer contact details for documents:

Or state N/A