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| Individual Mayoral Decision Proforma Decision Log No: 26 |  TOWER HAMLETS |
| Report in response to a recommendation to the Executive Mayor by the Corporate Grants Programme Board held on the 11th April 2013 | Classification: Unrestricted |
| Title: MSG funding application for the Boishakhi Mela | |

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| Is this a Key Decision? | No |
| Decision Notice Publication Date: | N/A |
| General Exception or Urgency Notice published? | N/A |
| Restrictions: | UNRESTRICTED |

EXECUTIVE SUMMARY

1. Request for Advice / Recommendation

The Mayor is advised by the Corporate Grants Programme Board to :

- to approve the grant of £170,000 to the Boishakhi Mela Community Trust (BMCT / Trust) to enable the Trust to deliver a successful Mela in 2013 at Victoria Park.
- that 80% of the grant funding for 2013/14 be paid to the Trust following evidenced confirmation that the main event management contracts have been invoiced and on the basis that the Trust have met, to the Council's satisfaction, the appropriate Deloitte audit Priority 2 recommendations – with the remaining 20% of the funding paid on completion of the event following the successful conclusion of the independent audit.
- that due to the change of venue the funding support for the Trust will remain broadly at 2012 levels to take in to account the added costs of transferring locations and has not tapered, it is therefore recommended a further independent review takes place at the conclusion of the 2013 Mela rather than at the end of three years.
- that the Agreement with the Trust is amended to take account of the additional review and the change of location to Victoria Park and that this is in place before any payments are made.

2. Background Information

- 2.1 The Boishakhi Mela event was run by the Council from 2008 to 2011. Prior to this it had been delivered by community based organisations. The delivery of the Boishakhi Mela was tendered out from 2012 for a period of up to 9 years. The Boishakhi Mela Community Trust won that tender process and the broad intention was that there would be continued but tapering support for the trust from the Council over the period of the tendered period. Financial support would be considered via the standard MSG application process. The approach taken to the Mela outsourcing is set out in the Cabinet Report of the 3rd August 2011. (Appendix c attached).
- 2.2 The Corporate Grants Programme Board met on the 11th April 2013 to consider amongst other things an application for MSG funding for the Boishakhi Mela. The application by the Boishakhi Mela Community Trust and relevant context was summarised in the report attached as Appendix (a) to this form. The application would have been considered as part of the main phase of MSG decision making had it not been for the time required to conclude the audit process on the first Mela delivered by the Trust. The outcome of this was considered a material consideration for any Board recommendation to the Mayor. With the exception that its consideration was delayed by the audit process the application was considered by the Board in exactly the same way and against exactly the same criteria as the main phase of MSG grant allocations agreed by the Mayor earlier in the year.
- 2.3 The Board has no executive authority to make decisions and can only make informed recommendations to the Mayor who can either agree or reject the recommendation when making the formal executive decision. This Decision proforma is presented to the Mayor in order to present clearly the recommendations of the Board and the considerations taken in to account when reaching their conclusions.
- 2.4 It was clear from discussion at the Board that whilst all of the Priority 1 recommendations from the Year 1 audit of the BMCT had been complied with a number of the outstanding priority 2 recommendations cannot be concluded until after delivery of the Mela whilst another three were outstanding. These were minor and the Councils head of risk/audit was satisfied that these were well advanced in being addressed but had yet to be concluded. He had already confirmed in writing 'substantial assurance' regarding the audit compliance to Shazia Hussain Acting Head of Culture. The relevant e-mail is attached as Appendix (b).

3. Options

Decline the BMCT MSG application.

This will result in there being no Boishakhi Mela this year. Such an outcome would be damaging to community relations so close to the delivery date of the event and would present a missed opportunity to continue to develop the principles of one Tower Hamlets given the wide appeal of the Mela to people from all cultural backgrounds.

Agree the BMCT MSG application but for a lesser sum.

Depending on the shortfall in the funding provided to the Mela the risk to the Mela would substantially increase. This is the first year that the event will be delivered in Victoria Park and as a result financial certainty is less that would otherwise be expected. Viability of the BMCT could be affected.

Delay payment of all of the funds until after the Mela has been delivered.

The failure to advance some of the funds to the BMCT ahead of the Mela itself would present the Trust with increased risk to its cash flow position and would potentially endanger delivery of the Mela if this threatened the Trusts ability to commission the main event contractors. Given the proximity of the Mela date it is considered that some advance would need to be made as quickly as possible if this risk is to be mitigated.

4. Comments of the Chief Finance Officer

- 4.1 The report seeks Mayoral approval to award a grant of £170,000 to the Boishaki Mela Community Trust (BMCT), following consideration by the Corporate Grants Programme Board, to support the Trust in organising the Mela in Victoria Park.
- 4.2 The Council agreed a new process and governance arrangements for the administration of grants in March 2012, whereby decisions for all awards over £1000 are made by the Mayor under his executive powers.
- 4.3 The proposed award of £170,000 will be 'one-off' and funded from the additional grants provision of £954,000 set aside by the Mayor in Cabinet on 20th June 2012.
- 4.4 The report recommends that 80% of the grant will be payable following evidenced confirmation that that the main event management contracts have been invoiced and that the Trust have successfully met the appropriate Audit Priority 2 Recommendations. The remainder to be paid on conclusion of the event and on the completion of successful audit.

4.5 The SLA with the Trust is to be amended to take account of location of the event to Victoria Park and that this will happen before any payments are made.

5. Concurrent report of the Assistant Chief Executive (Legal Services)

5.1 In making any decision the Mayor needs first of all to consider whether or not this is a key decision. It is for the decision maker to make this determination and to receive appropriate advice to do so. An implication of this determination is that a non key decision does not need to appear on the Forward Plan whereas the opposite is true for a key decision. Under the LBTH constitution both Key and Non Key decisions made by the Executive can be called in by Overview & Scrutiny. This is not a legal requirement as statute only applies to key decisions.

5.2 The Council's Constitution states (in Article 13) that a key decision is an executive decision which is likely to:

- a) to result in the local authority incurring expenditure which is, or the making of savings, which are, significant having regard to the local authority's budget for the service or function to which the decision relates: or
- b) to be significant in terms of its effects on community living or working in an area comprising two or more Wards in the borough.

This is the same definition as is in the Local Authorities (Executive Arrangements) Meetings and Access to Information Regulations 2012 (SI 2012/2089)

5.3 No financial threshold has been adopted by the Council for a key decision but Article 13 does state that the Mayor, Councillors and officers will have regard to the following when determining what amounts to a key decision:

- the likely extent of the impact of the decision both within and outside of the borough;
- whether the decision is likely to be a matter of political controversy;
- the extent to which the decision is likely to result in substantial public interest.

5.5. It is for the Mayor to decide if this is key decision but given that the award of this grant represents a small percentage of the overall MSG budget

provision as detailed in the Section 151 Officer comments it is unlikely to be regarded as significant under limb (a) of Article 13 .

Under limb (b) the award of the grant is also unlikely to be regarded as significant in terms of its effect on the community living or working in two or more wards of the borough.

5.6 In having due regard to the other factors the decision relates to a funding application for a single one off public event and is not likely to be the subject of major impact in other boroughs or within in it. The Cabinet decision in February 2012 anticipated the award of a further grant so further funding is unlikely to be a matter of political controversy. Neither is the funding considered of such import to result in substantial public interest.

5.7 In making any decision the Mayor also needs to consider the reasons for his decision as any decision taken by a public body is open to a judicial review challenge. It is therefore important that the Executive Mayor has taken account of all the relevant factors in making his decision and can demonstrate this.

5.8 Such factors may include the following :-

- it is clear from the February 2012 Cabinet report when the Mela Contract was awarded that it was envisaged that in future years any funding would be provided through the grants process.
- last year's event was very popular and attracted over 20,000 people at any given time. It is now the biggest community event in Tower Hamlets.
- given the change in location to accommodate increasing numbers, there are additional costs for the organisers in planning the event in Victoria Park These include the need for reworked event plans, stewarding/crowd control, routing and organisation of Parade element.
- The Tower Hamlets Mela is the largest celebration of the Bengali New Year outside of Bangladesh and is an opportunity to showcase the best of traditional and modern Bengali culture. It is therefore important that the Council assists in sustaining this important cultural and community event

6. Implications for One Tower Hamlets;

The Mela is an important celebratory event in the Boroughs calendar and has established itself as one that brings many different cultures together in a positive and constructive way.

7. Risk Assessment;

A thorough review of the risks has been undertaken and is covered by the Board report attached and linked to the Year 1 audit recommendations. The Board recommend that a further additional review be undertaken at completion of these years Mela to act as a further control measure given the change of venue.

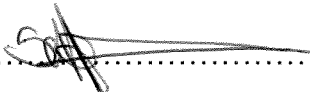
8. **Background Documents;**

Councils Constitution

APPROVALS


1. **(If applicable) Corporate Director proposing the decision or his/her deputy**

I approve the attached report and proposed decision above for submission to the Mayor.

Signed  Date 25/4/13


2. **Chief Finance Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed  Date 28/4/13

3. **Monitoring Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed  Date 25/04/13

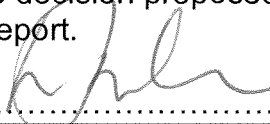
4. **(If the proposed decision relates to matters for which the Head of Paid Service has responsibility) Head of Paid Service**

I have been consulted on the content of the attached report which includes my comments where necessary.

Signed Date

5. **Mayor**

I agree the decision proposed above for the reasons set out in the attached report.

Signed  Date 25/04/13

DECISION

I have considered the above information and advice on the award of a grant of £170,000 to the Boishakhi Mela Trust

I have considered whether or not this is a Key Decision under Article 13 of the Constitution. In making this decision I am of the view that

- The application forms only a minor part of the overall MSG budget provision.
- The decision relates to a funding application for a single one off public event and is not likely to be the subject of major impact in other boroughs or within in it. Neither is the funding decision considered of such import to result in substantial public interest.

In light of the above and taking all other considerations in to account, I am content that the decision to make the award of a grant of £170,000 is a non key decision.

I have decided to accept the recommendation of the Corporate Grants Board and I agree that an award of £170,000 is made to the Boishakhi Mela Trust
My decision is based on the following reasons:-

- The application has been assessed in accordance with the processes for Corporate Grants and is recommended by the Corporate Grants Board
- Cabinet envisaged that in future years any funding would be provided through the grants process.
- This is now the biggest community event in Tower Hamlets.
- Given the change in location to accommodate increasing numbers, there are additional costs for the organisers this year
- It is an opportunity to showcase the best of traditional and modern Bengali culture in Tower Hamlets and it is important that the Council assists in sustaining this event



25/04/13

LUTFUR RAHMAN
MAYOR