

4th July 2016

Sir Ken Knight
Chief Commissioner
London Borough of Tower Hamlets
Mulberry Place
5 Clove Crescent
London E14 2BG

Dear Sir Ken,

**Public submission from THCVS for Commissioners' Decision Making Meeting on
Tuesday 5th July 2016**

We write in relation to the 'MSG 2015/18 Performance Report - January-March', which has been published for the Commissioners' Decision Making Meeting on the 5th July 2016. THCVS is pleased to note that the MSG report shows the continuing positive performance of the programme overall. We would also like to add our support to the proposal that allows for green rated projects to receive their funding once their monitoring has been received by their monitoring officer, as this will assist with smaller organisations' cash flow issues.

We note from pg. 8 of the report that two projects, having been rated as red in two consecutive quarters, are now 'recommended to be withdrawn'. Whilst the reasons for withholding, suspension or cancellation of grant payments are made clear in the Standard Terms and Conditions of the Grant Agreement and the RAG rating and Performance by Results criteria have been provided to MSG funded organisations, we are concerned that the report presented lacks the evidence of underperformance (and any efforts taken to address it) to warrant the withdrawal of these projects from the MSG programme.

Both of the organisations recommended for withdrawal are known to THCVS and have engaged with our support offer following referral by Officers. One of them, Shadwell Community Project, wrote to the Grants Scrutiny sub-committee last week to dispute the reasons presented for stopping their funding. Whilst the late submission of their letter (re-submitted for this meeting) meant that it could not be discussed, we were interested to hear the

discussion it provoked about red rated projects, the evidence that might be required in order to assure decision makers that cessation of funding is necessary, and the possibility of organisations making representations to the panel before a final decision is made.

In the light of this discussion we ask that you delay the decision to withdraw funding from the two projects at this meeting and seek additional evidence from Officers about the reasons for recommending withdrawal, including any remedial actions taken and engagement with external support. We also ask that a clear process around withdrawal of funding is developed, including timely notifications of red or amber ratings so that projects have time to develop and present action plans to Officers, and a process for organisational representations to the Grants Scrutiny sub-committee before the decision to cease funding is made.

Appendix 4 of the MSG report makes reference to the emergency funding scheme for the sector. We would like it noted that at the date of writing this letter there is still no published criteria on the council website for the emergency fund.

Lastly, Agenda item 6.7 of the meeting refers to the council's plans to move from grants to commissioning. We strongly believe that this needs to be done in discussion with the voluntary and community sector in order to meet the objectives of the VCS strategy and action plan in relation to collaborative commissioning, and a transparent and well communicated move from grants to commissioning.

Thank you for your time in considering our letter,

Yours sincerely,



Kirsty Cornell

CEO

THCVS

Cc Zena Cooke, Steve Hill, Everett Haughton