

LONDON COUNCILS GRANTS COMMITTEE
23 November 2016

Minutes of the Grants Committee held at London Councils, 59½ Southwark Street, London SE1 0AL on Wednesday 23 November 2016

London Borough & Royal Borough:	Representative:
Barking and Dagenham	Cllr Saima Ashraf
Bexley	Cllr Don Massey
Brent	Cllr Margaret McLennan
Bromley	Cllr Stephen Carr
City of London	Cllr Alison Gowman
Ealing	Cllr Ranjit Dheer
Enfield	Cllr Yasemin Brett
Greenwich	Cllr Denise Scott-McDonald
Harrow	Cllr Sue Anderson
Havering	Cllr Melvin Wallace
Hounslow	Cllr Richard Foote
Islington	Cllr Kaya Comer-Schwartz
Kensington & Chelsea	Cllr Gerard Hargreaves
Lambeth	Cllr Paul McGlone (Chair)
Lewisham	Cllr Joan Millbank
Merton	Cllr Edith Macauley
Newham	Cllr Forhad Hussain
Redbridge	Cllr Bob Littlewood
Southwark	Cllr Barrie Hargrove
Sutton	Cllr Simon Wales
Tower Hamlets	Cllr Rachael Saunders
Waltham Forest	Cllr Clyde Loakes (substitute)
Westminster	Cllr Rachel Robathan (substitute)

London Councils officers were in attendance.

Yolande Burgess, Strategy Director, was introduced to the Committee as this was the last meeting to be attended by Nick Lester-Davis, Corporate Director, Services. The Chair proposed a vote of thanks for Nick's work, endorsed by the Committee. Nick Lester-Davis thanked the Chair and Committee and said he hoped that in his work with members he had supported the voluntary sector to move to a more partnership way of working.

1. Apologies for Absence

- 1.1 Apologies were received from Cllr Richard Cornelius (Barnet), Cllr Hamida Ali (Croydon), Cllr Jonathan McShane (Hackney), Cllr Sue Fennimore (Hammersmith & Fulham), Cllr Eugene Ayisi (Haringey), Cllr Douglas Mills (Hillingdon), Cllr Julie Pickering (Kingston upon Thames), Cllr Meena Bond (Richmond), Cllr Liaquat Ali (Waltham Forest), Cllr James Madden (Wandsworth), Cllr Nicki Aiken (Westminster)

2. Declarations of Interest

- 2.1 There were three declarations of interest: Cllr Joan Millbank (Lewisham) as an employee of City Bridge Trust; Cllr Alison Gowman (City of London) as Chair of City Bridge Trust; and Cllr Sue Anderson (Harrow) as a member of the National Autistic Society.

3. Minutes of the Grants Committee AGM – 13th July 2016

3.1 The minutes were agreed as an accurate record of the meeting, subject to the correction of the spelling of Cllr Comer-Schwartz's name in item 6.1 (written incorrectly as Cllr Komer-Schwartz).

3.2 The Chair raised the following points in relation to items in the minutes:

- Regarding the requirement to review Terms of Reference, it was confirmed by Simon Courage, Head of Grants and Community Services, that item 7 on this agenda would address the issues raised at the previous meeting
- The issue of clustering, raised by members on page 5 of the minutes, had been considered by staff. The Head of Grants and Community Services commented that while the clusters had made sense at the time, not enough consideration had been given to borough's needs to work together. The cluster would have to remain until the current agreements conclude at the end of 2018. However the clusters will be revisited at the end of 2016/17. Cllr Carr felt that more detail was required in order to understand the fuller picture as he felt that it was difficult to see the value added in terms of areas like employment initiatives under the present arrangements.
- Borough profiles (referred to in page 6 of the minutes) – the Head of Grants and Community Services had tabled an example of the pro forma to be sent to boroughs going forward as part of the review of the Commissioning Performance Management Framework.

3.3 Cllr Anderson asked why people on the Autism spectrum were not specifically targeted in terms of employment initiatives. The Head of Grants and Community Services responded that around 65% of people on the programme had additional needs, including Autism, but because the programme was working within the National Framework there were no specific Autism targets. However, he agreed to consider the issue and report back to the Councillor.

4. Performance of Grants Programme 2013-17

4.1 The Head of Grants and Community Services outlined the key performance areas, namely: Priority 1 – outcomes were 27% above profile; Priority 2 – outcomes were overall 12% above profile; Priority 3 - outcomes were not currently being reported as projects had closed at the end of 2015; Priority 4 – overall 5% below profile.

4.2 The number of interventions in each of the priorities was also mentioned, and that 21 projects were green and 4 amber; the amber projects were so rated because of a combination of delays in collecting data, and loss of partner organisations. It was hoped that the Women in Prison project would pick up, but section 6 of the report also set out the process for the recovery of funding. The Ashiana Network project, which had been delayed in starting up, had moved from red to amber and it was hoped to move to green by the next quarter. In response to a question from the Chair, it was confirmed that while many of the interventions were unique, there may also be some crossover between them.

4.3 Referring to Appendix Two of the report, Cllr Loakes asked why there had been so little impact of Service Area 2.1 projects in Waltham Forest? Katy Makepeace-Gray, Principal Programme Manager, responded that it was likely that the project had not reached the borough yet (there were similar low numbers in Kensington and Chelsea) but would check and respond to the Councillor. The project works on a rolling basis delivering prevention activities in schools and youth settings.

- 4.4 Cllr Scott-McDonald asked for assurances that robust delivery would be guaranteed as projects moved toward their deadline? The Principal Programme Manager confirmed that the performance management framework would ensure delivery by the end of the programme.
- 4.5 In response to a question from Cllr Carr, regarding outcomes with and without interventions, Officers confirmed that there is a need to strengthen the clarity of outcomes, which will be covered in the new specifications in July 2017. Cllr Carr asked whether an intervention in a school of, say 200 pupils would count as one intervention or 200? Members were referred to the table at Appendix 2 which includes both new service user numbers and numbers successfully achieving each outcome from the London Councils specification. The Corporate Director, Services mentioned that the complexity of these tables reflected the issues associated with plotting outcomes.
- 4.6 Cllr Hargreaves asked a question about the apparent disparity between clusters and outcomes for Kensington and Chelsea. It was agreed that the Head of Grants and Community Services would check the detail and confirm this.
- 4.7 In relation to a concern from Cllr Massey about groupings and the need to identify borough issues rather than pan London ones, the Head of Grants and Community Services said that, moving forward, borough targets have been identified in the service specifications and that quarterly reporting of this information would take place. Performance issues would then be discussed with those individual boroughs. This was supported by the Chair, who confirmed that Grants Committee had previously given a clear steer for the need for borough accountability.
- 4.8 Cllr Wales mentioned the issue regarding the discrepancy between housing and homelessness, and the general likelihood of more homelessness in central London. The Head of Grants and Community Services agreed that it can be difficult to assess this, and that the figures are more definite within, say, the poverty priority. The Corporate Director, Services, mentioned that 45% of all recorded homelessness was in outer London.
- 4.9 Cllr Robathan commented on the issue of homelessness in Westminster, and the fact that the number of people sustained in tenancies in the borough is very low. The Head of Grants and Community Services mentioned that it is often difficult to obtain statistics on sustainability, but it would be possible to use a larger sample to recognise this.
- 4.10 Cllr Carr mentioned that homeless households are often housed in outer London because the cost of housing is lower, and was concerned about people being housed in Bromley when they had declared themselves homeless in central London. The Head of Grants and Community Services confirmed that the homelessness target setting factored this movement into the calculations as far as possible. The borough targets in the new programme would reflect this. Cllr Carr also hoped that the issue of one organisation providing two projects where each individual project was below the financial scrutiny target would be looked at.
- 4.11 Cllr Millbank commented that any performance against targets would be impacted on by indirect factors, for example wider policy changes. Cllr Anderson observed that another impact on homelessness was the volatile nature of private sector rented accommodation and the actions of landlords.
- 4.12 Members agreed to note Section 1 (a – d) of the report.

5. Month 6 Revenue Forecast 2016/17

- 5.1 The Chair asked Frank Smith, Director of Corporate Resources, to introduce the report.

- 5.2 The Director of Corporate Resources reported that the projected £854,000 surplus was mainly attributable to slippage attributable to the delayed start of the new ESF programme, with slippage minor underspend projected in respect of Priority 1, 2 and 4 projects. There is also a projected small overspend in respect of preparatory work in setting up new commissions.
- 5.3 It was confirmed that, in terms of the ESF funding for the new programme, the total commitment from boroughs would not exceed £3million; £1million had been paid in 2015/16, £1million in the current financial year and the final £1million was to be paid in 2017/18. There would be no further contribution from boroughs from 2018/19 onwards.
- 5.4 The Committee noted the projected surplus of £854,000 and the projected level of reserves highlighted in the report.

6. Grants Programme 2017-21: Update on Commissioning Process

- 6.1 The Chair recognised that there had a good commissioning relationship had been developed to carry out this work, and formally thanked borough officers, who had all been involved in the process.
- 6.2 Members were informed that the next step would be a confirmation of scoring, followed by an assurance process with extensive due diligence, before officers make recommendations in 2017.
- 6.3 Cllr Millbank asked whether due diligence was carried out for sub-applicants as well as the main applicant? Officers confirmed that although it is the responsibility of the lead applicant to check the viability of sub-applicants, that all applicants are checked by LC prior to allocation of any grant.
- 6.4 Cllr Comer-Schwartz asked about the quality of the reference process, and was informed by officers that as well as taking up two references (for the applicants applying for more than £1m) relevant borough staff are also involved in the scoring. The Chair pointed out that references are in the public domain and as such could be made available to bidding organisations.
- 6.5 In response to a question from Cllr Carr, it was confirmed that the financial threshold was assessed on a per annum basis, and other capacity assessments are also be carried out.
- 6.6 Cllr Wallace asked whether organisations in Havering could now bid for other contracts in neighbouring boroughs? The Head of Grants and Community Services clarified that his earlier comments regarding clusters had meant that there would be a review of them in 2017, and that if any opportunities were presented for such bidding, this would be subject to an open process.
- 6.7 The Chair was keen that the assessment work be done as soon as possible so that the final recommendations could be done well in time for the February Committee, possibly to be sent out a little prior to the usual dispatch deadline. Officers agreed to consider this.
- 6.8 The Committee formally thanked the borough officers involved in the scoring and moderation process and noted the remainder of the report.

7. Leadership in the Third Sector: the Role of London Boroughs and London Councils

- 7.1 The Chair informed members that in July 2016 Grants Committee Members had agreed that officers make provision in the 2017-18 budget proposals to be considered by the November meeting of the Grants Committee for resources to cover London Councils officer time to deliver on the work with City Bridge Trust (CBT). The report provided to Grants Committee was as a result of a requirement to provide with a report back on the financial comment required, capacity issues and a workplan.
- 7.2 The Head of Grants and Community Services drew members' attention to Appendix One of the report which set out, within three aims of providing local government leadership, a voice for boroughs and working in partnership with CBT, a series of shorter and longer term objectives, which had been a specific requirement from members. He commented that discussion with boroughs was ongoing to build up intelligence that CBT would turn into a strategy linked to funding deliverables.
- 7.3 The Chair added that the CBT offer asked the Committee to provide leadership in the Third Sector, an offer which he felt should be taken up, and with which members agreed. This could be undertaken by the Grants Committee, and members may wish to consider whether the terms of reference needed to be enhanced to adequately reflect working with City Bridge Trust and an enhanced leadership role within the sector. Should members wish to do this it would require an agreement from Leaders' Committee. The Chair also proposed the establishment of a separate Sub Committee. He asked officers to facilitate both of these requirements.
- 7.4 Cllr Comer-Schwartz supported this and felt that the boroughs were well placed to know their own needs.
- 7.5 Cllr Millbank supported this but felt that, as 'The Way Forward' report was in her opinion not always clear, this echoed the need for the mechanism of a Sub Committee to help work out a set of detailed outcomes and to help make the work sustainable. This comment was endorsed by Cllr Wales. Cllr Hargreaves supported the setting up of a sub-group, and that the outcomes would need to be strengthened going forwards, given that it was an early stage in the process.
- 7.6 Cllr Carr felt that £75,000 was a lot to expect in terms of year one delivery. It was confirmed that this figure was net of salaries but included accommodation costs.
- 7.7 Cllr Scott-McDonald felt that as this was a new role for Grants Committee that a conversation with the Deputy Mayor would be useful. Officers confirmed that this was factored in as was a link to London Funders. The Chair had been contacted by Matthew Ryder, Deputy Mayor Social Integration, Social Mobility and Community Engagement at the GLA, who would work with the Sub Committee.
- 7.8 The Committee noted the budget proposals, agreed the workplan and agreed to propose to Leaders' Committee an extension of its Terms of Reference to accommodate this wider role in providing leadership in the third sector, including the establishment of a new Sub Committee.

8. London Boroughs Grants Scheme – Budget proposals 2017/18

- 8.1 The Director of Corporate Resources introduced the report, which detailed the indicative overall budget for the Grants scheme for 2017/18 of £8.668 million. He also reported that

£156,000 would be repaid to boroughs, and that £75,000 be transferred to fund a post to work with City Bridge Trust.

8.2 Members were informed about the projected shortfall in overhead recovery in respect of the new borough ESF programme over the three year programme period. The borough programme is managed by the Leaders' (Joint) Committee, not the Grants Committee. To contribute to the projected shortfall, the Grants Committee was being asked to approve that the proportion of the proposed £156,000 repayment to boroughs from uncommitted Grants Committee reserves that relates to the 21 boroughs participating in the borough ESF programme be transferred to the Leaders' Committee. This proposal was approved by the Committee.

8.3 Members agreed to:

- the overall level of expenditure in 2017/18 of £8.668 million
- borough contributions for 2016/17 at £7.668 million
- the transfer of £156,000 to be returned to the boroughs in the form of repayment
- the transfer of £75,000 to fund a post to work with City Bridge Trust
- assumptions in the apportionment of 2017/18 contributions
- setting aside provision for £555,000 for staff and support services to ensure delivery of grants responsibilities

9. Commissioning Performance Management Framework Review

9.1 The Chair introduced the report, telling members that a lot of work had been done on the framework in 2012/13, and that before the revised framework was reported back to Committee in February 2017, he was keen that Members should have the opportunity to comment fully. Members agreed this, and raised several issues under the item:

- There needs to be a clear definition of what 'not for profit' means, as there were a number of new charitable structures with different governance arrangements
- The term 'qualified accounts' needs clarifying in that smaller charities need only have an 'independent examination' of their accounts
- A glossary of abbreviations and their meanings would be useful

9.2 The Chair asked for any further comments by no later than the end of January 2017. On this basis members noted the other parts of the report.

The meeting finished at 12:25pm