



GRANTS ADVISORY PANEL

MONDAY 22 NOVEMBER 2004

7.30 PM

PANEL AGENDA (ADVISORY)

**COMMITTEE ROOM
HARROW CIVIC CENTRE**

MEMBERSHIP (Quorum 3)

Chair: Councillor Harrison

Councillors:

**Nana Asante
Bluston
Mrs R Shah
Thammaiah**

**Arnold
Marilyn Ashton
Mrs Joyce Nickolay
Anjana Patel**

Miss Lyne

Reserve Members:

**1. Omar
2. Lavingia
3. Idaikkadar
4. O'Dell
5. N Shah**

**1. Billson
2. Myra Michael
3. Mary John
4. Janet Mote**

**1. -
2. -**

**Issued by the Democratic Services Section,
Legal Services Division**

**Contact: Michelle Fernandes, Committee Administrator
Tel: 020 8424 1542 E-mail: michelle.fernandes@harrow.gov.uk**

***NOTE FOR THOSE ATTENDING THE MEETING:
IF YOU WISH TO DISPOSE OF THIS AGENDA, PLEASE LEAVE IT BEHIND AFTER THE MEETING.
IT WILL BE COLLECTED FOR RECYCLING.***

HARROW COUNCIL

GRANTS ADVISORY PANEL

MONDAY 22 NOVEMBER 2004

AGENDA - PART I

1. **Appointment of Chair:**

To note the appointment of at the meeting of Cabinet on 11 November 2004 under the provisions of Advisory Panel and Consultative Forum Procedure Rule 2 (Part 4E of the Constitution), of a Chair of this Panel for the remainder of the Municipal Year 2004/05.

2. **Attendance by Reserve Members:**

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) after notifying the Chair at the start of the meeting.

[Note: The Members and Reserve Members of the Panel for 2004/2005 Municipal Year are as appointed by Cabinet on 11 November 2004.]

3. **Appointment of Vice-Chair:**

To appoint a Vice-Chair of the Panel for the remainder of the Municipal Year 2004/05.

4. **Declarations of Interest:**

To receive declarations of personal or prejudicial interests, arising from business to be transacted at this meeting, from all Members present.

5. **Arrangement of Agenda:**

To consider whether any of the items listed on the agenda should be considered with the press and public excluded on the grounds that it is thought likely, in view of the nature of the business to be transacted, that there would be disclosure of confidential information in breach of an obligation of confidence or of exempt information as defined in the Local Government (Access to Information) Act 1985.

6. **Minutes:**

That the minutes of the meeting held on 13 September 2004, having been circulated, be taken as read and signed as a correct record.

7. **Public Questions:**

To receive questions (if any) from local residents or organisations under the provisions of Advisory Panel and Consultative Forum Procedure Rule 15 (Part 4E of the Constitution).

8. **Petitions:**
To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Advisory Panel and Consultative Forum Procedure Rule 13 (Part 4E of the Constitution).
9. **Deputations:**
To receive deputations (if any) under the provisions of Advisory Panel and Consultative Forum Procedure Rule 14 (Part 4E of the Constitution).
10. **Grant Aid Process 2005/06 - Implementation of New Strategy:** (Pages 1 - 8)
Report of the Director of Financial & Business Strategy.
11. **HCRE Request for Additional Funding:** (Pages 9 - 16)
Report of the Director of Financial & Business Strategy.
12. **Edward Harvist Trust Charity:** (Pages 17 - 24)
Report of the Director of Financial & Business Strategy.

AGENDA - PART II - NIL

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Meeting:	Grants Advisory Panel
Date:	22 November 2004
Subject:	Grant Aid Process 2005/06 – Implementation of New Strategy
Key decision:	No
Responsible Chief Officer:	Director Financial & Business Strategy
Relevant Portfolio Holder:	Property & Partnership
Status:	Part 1
Ward:	All
Enclosures:	APPENDIX – FINAL STRATEGY DOCUMENT

1. **Summary/ Reason for urgency (if applicable)**

- 1.1 The report seeks the Panel's approval for the timetable of the grant aid process 2005/06.

2. **Recommendations (for decision by Portfolio Holder)**

- 2.1 **That the Panel approve the timetable outlined in the report for the grant aid process 2005/06.**

REASON:

a) **Because the new strategy has only been agreed very recently, the grant aid process 2005/06 needed to be launched immediately.**

b) **This will enable Members to decide on the process for determining such grant applications.**

3. **Consultation with Ward Councillors.**

N / a

4. **Policy Context (including Relevant Previous Decisions)**

- 4.1 Grants Advisory Panel 13 September 2004 – The Panel finalised its recommendations to Cabinet on the new strategy for supporting the Voluntary Sector in Harrow.

4.2 Cabinet 14 October 2004 – Approved the new strategy for supporting the Voluntary Sector in Harrow.

5. **Relevance to Corporate Priorities**

5.1 This report addresses the Council's stated priority of strengthening Harrow's local communities by promoting social inclusion amongst all Harrow residents, both young and old by seeking to eradicate poverty and by reducing the fear of crime.

6. **Background Information and options considered**

6.1 The Council carried out a strategic review of grants to the Voluntary Sector, which included an extensive consultation process. The Grants Advisory Panel considered at length the outcome of the consultation with the Voluntary Sector at its meeting on 13th September 2004 and finalised its recommendations to Cabinet on the new strategy for supporting the Voluntary Sector in Harrow.

6.2 The Cabinet considered the Grants Panel's recommendations on the strategic review of grants to the Voluntary Sector and agreed the new strategy for supporting the Voluntary Sector in Harrow.

6.3 As the new strategy could not have been agreed earlier, it was not possible to launch the grant aid process 2005/06 by the middle of July as in previous years. This means that voluntary organisations have considerably less time to prepare and submit their grant applications for next year's funding.

6.4 **The Grant Aid Process 2005/06:** Grant application packs were dispatched on Tuesday 26th October 2004. Organisations currently in receipt of grants were sent the application packs automatically. Similarly, those organisations that have already expressed an interest were sent the packs at the same time. All other groups are being sent the packs on request. The availability of grants has been advertised in the local press, on the Council's website and other venues. As in previous years, organisations in receipt of funding under service level agreements (SLAs) are not required to fill in a grant application form. However, they may need to submit a budget for 2005/06, if they are likely to ask for growth to their funding in 2005/06.

6.5 The deadline for the receipt of completed grant application forms and supporting documentation is 5 pm on Friday 26th November 2004. Organisations have been advised that late applications will not be accepted.

6.6 On receipt of the grant applications, officers will check them to ensure that they are fully completed and the supporting documents are attached. In line with the new strategy, officers will need to discuss and agree with organisations applying for £10,000 or less the outcomes they propose to achieve in 2005/06, as these will be the subject of monitoring later in the year.

6.7 Again in line with the new strategy, organisations applying for funding in excess of £10,000 will be recommended for a service level agreement, and if approved by the Panel, they will be issued with a detailed service specification, which will include quantity and quality standards, milestones to be achieved, monitoring and reporting requirements.

6.8 All new applicants will be visited and pre-assessed in order to ensure that they meet the qualifying conditions and the common grants criteria.

- 6.9 As soon grant applications are received, if they relate to a departmental service, they will be photocopied and delivered by hand to the appropriate officer in the relevant department, so they can write the officer comment and recommendation, which will be included in the composite report to be presented to the Grants Advisory Panel.
- 6.10 It is proposed that all requests for funding will be reported to the Grants Advisory Panel on 24th January 2005 (both grants and slas). Applications for funding in relation to the Community Premises will be presented to the Grants Advisory Panel in February 2005. It is anticipated that this meeting will also deal with any outstanding grant applications, which could not be considered at the January meeting.
- 6.11 Any outstanding grants issues for 2005-06 can be considered at the Panel meeting on 2nd March 2005, which has been brought forward one week with the Chairs agreement, in order to meet report deadlines for the Cabinet meeting on 17th March.
- 6.12 Regarding the education lettings process it was necessary to extend the existing process for a further six month cycle, which will give officers and Members the time to finalise the new process and ensure both hirers and schools are properly prepared for the transition to the new grants-based process. This extension takes the education lettings service up to the end of August 2005, with the new grants-based system becoming effective from 1st September.
- 6.13 From 1st September 2005, it is proposed that the new process of allocating grants for education lettings is an annual, rather than bi-annual one. This will spread the peak workloads for the grants unit and the Grants Panel more evenly through the year and increase the ability to control the budget, as well as providing hirers with the ability to plan for a longer term.
- 6.14 Applications for funding from the grants-based education community lettings would be considered at the first meeting of the Panel in the new municipal year, probably in June 2005. Prior to this, the Panel will receive detailed proposals for the new proposed system for consideration.
7. **Consultation**
None
8. **Financial Observations**
- 8.1 This is a report of the Director of Financial and Business Strategy and deals with financial matters.
9. **Legal Observations**
- 9.1 None
10. **Conclusion**
- 10.1 The strategic review of grants was only recently completed and this resulted in a delayed launch of the Grant Aid process 2005/06. The proposed timetable needs to be agreed by Members in order to ensure that applications for funding in 2005/06 can be processed under the new strategy, within the period between now and the Cabinet meeting in March 2005. Deferral of implementation of the provisions of the strategy in relation to community

lettings will allow Members time to agree a new process for determining such applications.

11. **Background Papers**

11.1 None

12. **Author**

12.1 David Ward – Risk & Insurance Manager Ext. 2064. E-mail: david.ward@harrow.gov.uk

Harrow Council Strategic Review of Support to Voluntary Organisations: The New Strategy Commencing 2005-06

Background

The strategic review of grants to voluntary organisations commenced in January 2004. The Grants Advisory Panel considered the review at several of its meetings and this resulting strategy takes account of Members decisions which themselves have been shaped by a comprehensive consultation process with the voluntary sector.

The Grants Advisory Panel's recommendations were approved at the Council's Cabinet on 14th October 2004.

Reasons for the Strategic Review:

- Funding patterns and administrative structures have remained unchanged for many years
- New and emerging needs
- Priorities needed re-evaluating, in line with the council's Community Strategy

Aims of the Review

To establish a strategic framework for future funding that:

- Encompasses a council-wide approach to supporting the voluntary sector
- Simplifies administrative processes and establishes common criteria for different types of support
- Has maximum impact and represents best value
- Delivers Harrow Council's policy and grants priorities

Principles underpinning the Review

- The need to improve partnership working
- A desire to improve transparency and clarity about funding decisions
- A commitment to improving the capacity and accountability of voluntary organisations in Harrow.

Introduction

There has been no strategic review of the way in which the Council supports voluntary organisations across the Borough for a number of years. As well as the funds allocated to organisations via the Grants Panel, the Council provides support to voluntary organisations from a number of sources, including;

- Concessionary lettings
- Payments direct from departmental budgets
- Free / discounted use of premises
- Discretionary rate relief

The total support provided in 2003/04 was £4.3m. This included £1m allocated via the Grants Panel of which 97% was provided to previously funded organisations and 3% was given to new

applicants. Therefore it is clear that the bulk of funding is provided on a historical basis, which diminishes the Council's capacity to fund new and emerging needs.

The New Strategy

The following headings set out the new strategic principles:-

1. Common Grants Criteria

To encompass a Council-wide approach to supporting the voluntary sector, a consistent strategic approach is essential.

The Council's Community Strategy sets out the Council's commitments to strengthening Harrow's community.

Therefore the following criteria, which are based on the community strategy priorities, are to be used as an over-arching framework for supporting voluntary organisations in Harrow.

Proposals must be consistent with one or more of the headings within the Council's Community Strategy: -

- **Empowering Local Communities** - To promote the objectives of community cohesion, equality of access to services and life opportunities for all, enhancing the quality of life of older people, working with the voluntary and community sector as equal partners and celebrating the diversity of the communities of Harrow.
- **Safer Harrow** - To promote and increase the safety of the whole community by working in partnership to reduce crime, disorder and the fear of crime; to reduce the incidence of personal, home, fire and road accidents within Harrow.
- **Regenerating Harrow** - To create a more vibrant and sustainable community with a diversity of employment, thriving businesses, a broad range of good quality and affordable homes and a dynamic town centre.
- **Greener Harrow** - To create a cleaner, greener, sustainable and more attractive Harrow in which to live, work and visit.
- **Children and Young People** - To ensure that the life chances of children and young people are enhanced and supported by the provision of universal and targeted services. To ensure that services are provided for children, young people and their families at appropriate times in their development and transition in an accessible, transparent and seamless fashion across all agencies. To ensure that every child has the chance to fulfil his or her potential by reducing levels of educational failure, ill health, substance misuse, teenage pregnancy, abuse and neglect, crime and anti-social behaviour.
- **Learning for All** - To create a borough where everybody has the opportunity to fulfil their potential through improved standards of education and wider participation in lifelong learning.
- **Making ICT Work** - To develop the availability and use of Information and Communications Technology (ICT) across Harrow to enable better and faster access to information and services for the residents of Harrow and facilitate "joined up" working between all partner organisations.
- **Healthy Harrow** - To improve the health of local people by tackling health inequalities and enhancing health and social care services in Harrow.

2. Grants Conditions

In future applicants must satisfy the following conditions:

- The applicant must be a voluntary group based in Harrow, with 80% of its members either living or working in Harrow.
- The organisation must be properly constituted, have a management committee and a bank account in the name of the organisation.
- The organisation must not promote or oppose any political party.
- The activities the organisation provides must not be of a religious nature.
- The organisation must not be profit making.
- The organisation must demonstrate commitment to the Council's equal opportunities policy.
- The organisation must set out in its application any existing funding provided, from whatever source.
- For community premises applications – the organisation must have no accommodation of their own. The Council reserves the right to review the tenure after a period of 3 years.
- The organisation should be able to accept all financial transactions from the Council electronically.
- The organisation must agree to provide a report on the use of the grant, and audited accounts (where audited accounts are not available, management accounts and copy bank statements as appropriate).
- Organisations in receipt of funding in excess of £1,000 per annum from Harrow Council, must display the Council logo on their stationery acknowledging they are "supported by Harrow Council".
- Organisations must commit themselves to explore alternative / additional sources of funding

The criteria and conditions will apply to the central grants and SLA's, and community lettings, but not the departmental arrangements or discretionary rate relief. The latter are necessarily based on separately identified needs and criteria.

3. Emphasis on Certain Organisations and Activities

Emphasis may be placed on the following types of organisation and activity:

- Have been awarded the Community Legal Services quality mark, or any other recognised quality assurance award.
- Are proposing projects dealing with consumer advice, debt counselling, immigration, housing, and mental health.
- Are serving disadvantaged groups and communities.

4. Grants v SLAs

A threshold of £10,000 has been established for SLA funding. Grants below this threshold will be subject to a simple funding letter setting out the purpose of funding and reporting requirements.

New SLAs (i.e. £10,000 +) will include details of any conditions attached to the funding, objectives and performance measures, clear reporting requirements linked to staged

payments, and “clawback” arrangements.

In addition, funding for grants and grants-based SLA’s will be based on up to a 3 year term.

5. The Balance of Funding

In order to shape funding decisions, it was agreed that the application forms and monitoring requirements are amended to collect information on :-

- Location of activity
- Type of activity
- Equality issues (for the organisation itself and its service users).

In addition, the Council’s overall financial support to voluntary organisations will be collated centrally and shared with all relevant parties within the Council in order to ensure funding is based on the wider understanding of how the Council supports the voluntary sector.

6. Transitional Funding

With the introduction of new community strategy-based funding for 2005-06, transitional arrangements have been established to enable historically funded groups that may no longer qualify for funding, to make other arrangements. Transitional funds may also be available to provide start-up grants for emerging organisations not yet meeting the new criteria. The Council will endeavour to assist groups affected by these changes.

7. Community Lettings

Under the new strategy, community lettings will encompass the education lettings service, community premises and any other appropriate Council facility which will come under the remit of the Grants Advisory Panel. The system of allocation will change from the current system involving the allocation of space to one of grant funding to enable the applicant to purchase the let. These will be administered by the grants unit.

If an organisation finds alternative and / or lower cost premises, favourable consideration will be given by the Grants panel to the difference in cost. There will be a separate application pack for community lettings.

8. The Role of the Grants Unit

A staffing review is currently being undertaken and the new team will have a more proactive and outward facing role and will start to build up a stronger relationship with the voluntary sector. In addition, the Council will provide wider support to voluntary organisations and give them access to the Council’s procurement service.

LONDON BOROUGH OF HARROW

Meeting:	GRANTS ADVISORY PANEL
Date:	22 NOVEMBER 2004
Subject:	HARROW COUNCIL FOR RACIAL EQUALITY (HCRE) – REQUEST FOR ADDITIONAL FUNDING IN 2004/05
Key decision:	NO
Responsible Chief Officer:	DIRECTOR FINANCIAL & BUSINESS STRATEGY
Relevant Portfolio Holder:	PARTNERSHIP & PROPERTY
Status:	PART 1
Ward:	N / A
Enclosures:	LETTER FROM HCRE DATED 25.5.04 (APPENDIX 1) LETTER FROM HCRE DATED 23.8.04 (APPENDIX 2)

1. **Summary/ Reason for urgency (if applicable)**

1.1 HCRE are requesting additional funding in 2004/05 for additional work they have been carrying out since 1st April 2004.

2. **Recommendations (for decision by Portfolio Holder)**

2.1 That Members consider the request from HCRE for additional funding of £3,000 in 2004/05.

REASON: To enable HCRE to finalise its budget for the current financial year, or seek funding from alternative sources in relation to the additional duties they have been undertaking since 1st April 2004.

3. **Consultation with Ward Councillors.**

3.1 Not applicable

4. **Policy Context (including Relevant Previous Decisions)**

4.1 Grants Advisory Panel 26 November 2003 - The Panel agreed to recommend to Cabinet funding for HCRE in the sum £45,855, inclusive of salary inflation.

- 4.2 Grants Advisory Panel 8 March 2004 – Members considered a request from HCRE for additional funding to cover accommodation costs at their new premises and agreed additional funding of £6,220 in 2004/05.
- 4.3 Grants Advisory Panel 13 September 2004 – The Panel discussed the HCRE request, but decided to defer decision, pending the receipt of more information.

5. Relevance to Corporate Priorities

- 5.1 This report addresses the Council's stated priority of "strengthening Harrow's local communities by promoting social inclusion amongst all Harrow residents both young and old, by seeking to eradicate poverty and by reducing the fear of crime."

6 Background Information and options considered

- 6.1 From 1st April 2004, HCRE have assumed responsibility for monitoring cases of racial incidents reported to Harrow Police. The monitoring amounts to contacting by telephone the people who have been the victims of racial harassment to check if they are satisfied with the way the Police dealt with their case.
- 6.2 The Racial Harassment Sub Committee of the Harrow Police Community Consultative Group, whose funding was not renewed by the Council in the current financial year, previously carried out this task. Officers have been informed that the HPCCG Racial Harassment Sub-Committee was disbanded soon after the withdrawal of funding from the Council. It is not envisaged that this organisation will be reconstituted in the foreseeable future, if at all.
- 6.3 Monitoring of racial harassment cases has always been within the HCRE's potential remit. Members will need to decide whether HCRE could undertake these tasks with their existing resources, or whether they would need additional funding. Following further consultation with HCRE, officers have been informed (see letter dated 23rd August 2004, attached as Appendix 2) that "cases arising from these new duties number roughly 25-30 new per month; these are dealt with in addition to the existing caseload at HCRE. I estimate that around 25 hours per month are devoted to the completion of these new duties by HCRE staff..."
- 6.4 In view of the fact that HPCCG Racial Harassment Sub Committee no longer exists, and bearing in mind that HCRE have been carrying out this monitoring work since last April, Members are asked to decide on HCRE's application for additional funding of £3,000 to cover the costs of associated with this work.

7. Consultation

- 7.1 Not applicable

8. Finance Observations

- 8.1 Members are reminded that the grants budget for 2004/05 has been committed already and that budgets are cash limited. Any additional grant would therefore require compensatory savings. However, this may in fact now be available as ADHD support group (Attention Deficit and Hyperactive Disorder) may not qualify for £3,000 funding reserved by the Grants Panel in the current year, as they have already secured funding from alternative sources.

9. **Legal Observations**

9.1 None

10. **Conclusion**

10.1 HCRE have been undertaking some additional work in relation to the monitoring of racial incidents reported to Harrow Police. The organisation stated that the additional work involves monitoring about 25 – 30 cases a month, which amounts to about 25 hours extra work per month.

10.2 Given the fact that this work is not being carried out by the (now defunct) Racial Harassment Sub-Committee, Members may wish to consider agreeing HCRE's request in order that this monitoring task continues.

11. **Background Papers**

11.1 None

12. **Author**

12.1 David Ward – Risk & Insurance Manager Ext. 2064. E-mail: david.ward@harrow.gov.uk

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Partnership at work
Harrow Council for Racial Equality
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Tel: 020 8427 6504 Fax: 020 8863 0005 E-mail: hcre@hotmail.com

Cllr. Cyril Harrison
Chairman of the Grants Sub-Committee
Harrow Council
Civic Centre
Station Road
Harrow, Middlesex

Tuesday 25th May 2004

Dear Councillor Harrison,

From the 1st April 2004, Harrow Council for Racial Equality (HCRE) has assumed responsibility for the monitoring of cases of racial incidents reported to Harrow Police, a responsibility which was bestowed upon HCRE by the Race Relations (Amendment) Act 2000, empowering the CRE to monitor Police action on reports of racial incidents. Harrow Police had also indicated that they wished to work solely in conjunction with HCRE in matters relating to race hate crimes.

The monitoring work will involve HCRE liaising with all people who report racial incidents, and enquiring as to their satisfaction with the service which has been provided to them by the Police in the process of investigating their report.

As I am sure you are aware, this monitoring function was previously undertaken by the HPCCG Racial Harassment Sub-Group, a group which was funded by both Harrow Council and Harrow Police to carry out such a task. As HCRE is at present not in receipt of any funding for the purpose of monitoring reported racial incidents, and with reference to the description of the duties given above, I am requesting a grant of £3,000 to carry out the duty which has been placed on HCRE by Harrow Council and Harrow Police. I would be grateful if you were to bring this matter to the attention of the Grant Sub-Committee members at the next meeting, and inform me of the decision reached. Please contact me in the meantime if you have any further questions, or if I can provide further information.

Yours sincerely,

Prem Pawar

Director

cc. Cllr. Asad Omar (Chairperson)



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Partnership at work

Harrow Council for Racial Equality

Exchequer Building, Civic Centre, Station Road, Harrow, Middlesex HA1 2UT
 T: (020) 8427 6504 F: (020) 8863 0005 E: hcre@hotmail.com W: <http://www.hcre.org.uk>

Charlotte Clark
 Grants Officer
 Harrow Council
 PO Box 57, Civic Centre
 Station Road
 Harrow, Middlesex
 HA1 2XF

Monday 23rd August 2004

Dear Ms. Clark,

Thank you for your letter of the 13th August regarding my request for additional funding for the Harrow Council for Racial Equality. As I am sure you are aware, the remit of the HPCCG Racial Harassment Sub-Group was passed over in its entirety to HCRE, as yet without any financial recompense for the services rendered.

Under the terms of this hand-over, HCRE is required to:

- Take from Harrow Police a list of all complainants involved in cases with a racial element, and follow up both in writing and per telephone their satisfaction with the work of the Police in their case;
- Collate and report these results to the Police in a meeting convened specifically for that purpose;
- Present and report results to the Multi-Agency Forum (MAF) and other interested parties;
- Maintain and act upon the calls received on a hotline set up specifically for the use of victims of racial harassment.

Cases arising from these new duties number roughly 25-30 new per month; these are dealt with in addition to the existing caseload at HCRE. I estimate that around 25 hours per month are devoted to the completion of these new duties by HCRE staff, and HCRE also incurs a certain amount of attendant administrative costs.

If you require any further information, please do not hesitate to contact me.

Yours sincerely,


 Prem Pawar

Director

cc. Madan Badale (*Chairperson*); John Solomon (*Committee Member*)

Hon. President: The Mayor of London Borough of Harrow

Chairperson: Mr. Madan Badale; *Vice-Chairpersons:* Mr. A. Aggarwal, Mr. T. Chisholm; *Treasurer:* Mr. Zia Baig;
Asst. Treasurer: Mrs. A Diamond; *Director Secretary:* Mr. Prem Pawar

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Meeting:	GRANTS ADVISORY PANEL
Date:	22 NOVEMBER 2004
Subject:	THE HARVIST TRUST
Key decision:	NO
Responsible Chief Officer:	DIRECTOR FINANCIAL & BUSINESS STRATEGY
Relevant Portfolio Holder:	PARTNERSHIP & PROPERTY
Status:	PART 1
Ward:	N / A
Enclosures:	APPENDIX – REPORT TO TRUSTEES 1.11.2004

1. **Summary/ Reason for urgency (if applicable)**

- 1.1 Portfolio Holders decided on 18th December 2003 that the Grants Advisory Panel will be responsible for the allocation of funds from the Harrow element of the Harvist Trust. Members are recommended to agree the criteria and basic standards approved by the Trustees on 1st November 2004, before they begin to consider applications for funding from the Trust.

2. **Recommendations (for decision by Portfolio Holder)**

- 2.1 That the Grants Advisory Panel notes the objects of the Harvist Charity;
- 2.2 Agree the criteria and basic standards of governance approved by the Trustees on 1st November 2004.

REASON: To enable the Grants Advisory Panel to consider future applications for funding from the Harvist Trust.

3. **Consultation with Ward Councillors.**

N / A

4. **Policy Context (including Relevant Previous Decisions)**

- 4.1 Social Services Committee 19th November 1996 - reviewed the allocation of Harvist charity funds and the then approved criteria for determining funding requests.

4.2 Portfolio Holders Meeting 18th December 2003 – Agreed to recommend to Cabinet that decisions on the allocation of funds from the Harrow element of the Harvist Trust be determined by the Grants Advisory Panel; that the present balance on the account be reported to the Panel together with the present two outstanding requests for funding; and that the existing long standing commitments against the fund be continued pending a review by the Grants Advisory Panel.

5. **Relevance to Corporate Priorities**

5.1 This report addresses the Council's stated priority of "strengthening Harrow's local communities by promoting social inclusion amongst all Harrow residents both young and old, by seeking to eradicate poverty and by reducing the fear of crime.

6. **Background Information and options considered**

6.1 The Harvist Trust is a charity established from the estate of Edward Harvist, who died in 1609, and its proceeds are divided between the 5 London Boroughs through which the Edgware Road passes. Harrow receives 5.594% of the yearly income, which is intended for charitable purposes.

6.2 The overriding conditions relating to the use of the distributed income from the main Harvist Trust are:

a. The Trustees do not have to approve grants – the Council has the power.

b. The object of the Charity shall be to further all or any of the following purposes:

- The relief of the aged, impotent and poor inhabitants of the London Boroughs of the City of Westminster, Barnet, Brent, Camden and Harrow (the inhabitants of the said London Boroughs being hereinafter referred to as "the said inhabitants").
- The relief of distress and sickness among the said inhabitants;
- The provision of support (with the object of improving the conditions of life for the said inhabitants in the interest of social welfare) of facilities for recreation and other leisure-time occupation;
- The provision and support of educational facilities for the said inhabitants;
- Any other charitable purpose (whether or not of a nature similar to any of those hereinbefore specified) for the benefit of the said inhabitants; provided always that such purposes shall extend to those purposes for which provision is made out of rates, taxes or other public funds, only if and to the extent to which in the opinion of the Councils of the said London Boroughs further provision (in addition to that made out of rates, taxes or public funds) can properly be made for such purposes.

6.3 In Harrow, the following criteria were previously agreed by the Social Services Committee as being practical in their application and meeting the legal obligations imposed by the main Trust fund:

- a. The projects should be of a one-off nature with no (or at least very little) ongoing annual commitment.
 - b. There should be a clearly identifiable benefit to a broad-based group of clients.
 - c. Projects that generate improved efficiency or a saving in annual expenditure will receive some priority.
 - d. There are no alternative funds available within the currently approved Social Services revenue or capital budget.
- 6.4 The Trustees on 1st November 2004 approved the following good governance rules, which they recommend to their respective authorities to adopt:
- a. No charge whatsoever shall be imposed by the Councils for their own administration or other expense on Harvist money.
 - b. So far as possible, it shall be the objective to distribute or use the Harvist money during the year of receipt.
 - c. Councils shall allow interest to accrue on Harvist money from receipt until use at the average 7 day LIBOR rate.
 - d. Councils must be explicitly clear that Harvist money is further provision in addition to the Councils' own expenditure from their own funds.
 - e. Recipients of grants allocated from the Harvist Trust must be so informed; the trustees' preference is that Harvist money is a discrete fund/ budget to which organisations may apply who would not qualify for an award from the relevant Council's own grants programme.
 - f. If an authority uses Harvist money for expenditure on its own facilities, it must be clear that that expenditure is for an "extra" which simply would not be provided but for the Harvist money, and not simply as a contribution to revenue expenditure which the Council should itself properly bear.
 - g. Each Council must provide a fully reconcilable account of money held and spent whenever required by the trustees or the Hon Treasurer.
- 6.5 The interim distribution payment to Harrow Council for the period 1 April 2004 to 31 August 2004 was £2,570.22. The accrued balance at 1st April 2004 was £57,556.
- 6.6 Given that the Panel will in future have responsibility for allocating Harvist Charity funds, Members will need to consider how the new grants strategy links with the recently approved minimum governance rules of the Charity.
- 6.7 At the next meeting of the Panel, a report will be presented outlining all ongoing commitments and outstanding applications, for consideration.

7. **Consultation**

Not applicable

8. **Finance Observations**

8.1 The criteria proposed will enable grants applications to be approved from the trust funds.

9. **Legal Observations**

9.1 None

10. **Conclusion**

10.1 Now that the responsibility for allocating Harvist Trust Charity funds falls under the Panel's remit, Members will need to formally adopt the Trustees recommendations for minimum standards of good governance.

10.2 Future funding decisions will be based on these, taking into account the Panel's new funding strategy.

11. **Background Papers**

11.1 None

12. **Author**

12.1 David Ward – Risk & Insurance Manager Ext. 2335. E-mail: david.ward@harrow.gov.uk



Meeting:	Edward Harvist Trust Charity
Date:	1 st November 2004
Subject:	Basic Standards for Beneficiary Authorities
Responsible Officer:	David Ward 020 8424 1064
Contact Officer:	As above
Portfolio Holder:	Not Applicable
Key Decision:	No

Section 1: Summary

Decision Required

To approve the proposed basic standards as good governance rules, which Trustees could encourage their own authorities to adopt.

Reason for report

To recommend that all beneficiary authorities adopt the same basic standards, thus ensuring the same degree of accountability and transparency.

Benefits

By adopting basic minimum standards beneficiary authorities will comply with the letter and spirit of the Charity's objects and will conform to the requirements of the Charity Commission.

Cost of Proposals

Not applicable.

Risks

Without a common approach from beneficiary authorities there is a risk of inconsistencies in the application of the objects of the charity, leading to criticism from the Charities Commission or other regulator.

Implications if recommendations rejected

The beneficiary authorities may render themselves in breach of the Charity's objects and of the Charity Commission regulations.

Section 2: Report

2.1 Brief History

2.1.1 Trustees will recall that at their last meeting on 17th May 2004, they asked the Hon Secretary to report on this matter. There was concern that sooner or later the Charity Commission, or another regulator, would express concern about the ultimate expenditure of funds allocated to each of the five beneficiary authorities, and that it would not be good enough for trustees simply to say that they had a certificate from an officer of each of the authorities. This was in the context that:

- Some authorities were allocating interest to unspent money and others were not
- One or more authorities were charging administration or other expenses to the money allocated to them by the charity
- Some authorities were holding significant unspent balances
- One or more authorities were treating the Harvist money as part of their general Grants budget so it was difficult to tell whether any allocation was additional to its own spend
- For some authorities it was difficult to reconcile sums allocated with grants allocated and balances held
- One or more authorities had had a policy of confining grants from Harvist money to capital expenditure
- One or more authorities had contemplated using Harvist money to grant aid individual sports-persons.

2.1.2 The Westminster position is now resolved: Westminster's policy is described in the attached 26th May letter.

2.1.3 The Hon Secretary was asked to contact Camden, a letter has been sent and Camden's reply dated 18th June 2004 is attached.

2.1.4 Harrow Council is currently carrying out a strategic review of grants to voluntary organisations which aims to create common grants criteria and minimum qualifying conditions for organisations applying to the Council for support.

A new strategy for supporting the voluntary sector was reported to the Grants Advisory Panel on 13th September 2004 and will be reported to Cabinet for final approval on 14th October 2004.

After the Trustees meeting on 1st November 2004, the Grants Advisory Panel will consider a report at its November 22nd meeting recommending

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that they approve the minimum standards agreed by the Trustees and proposing a policy on utilising the annual allocation from the Trust as well as of the balances held.

2.1.5 Trustees are reminded that the object of the charity is as follows:

“The object of the Charity shall be to further all or any of the following purposes: -

- (1) The relief of the aged, impotent and poor inhabitants of the London Boroughs of the City of Westminster, Barnet, Brent, Camden and Harrow (the inhabitants of the said London Boroughs being hereafter referred to as “the said inhabitants”)
- (2) The relief of distress and sickness among the said inhabitants;
- (3) The provision and support (with the object of improving the conditions of life for the said inhabitants in the interests of social welfare) of facilities for recreation and other leisure-time occupation;
- (4) The provision and support of educational facilities for the said inhabitants;
- (5) Any other charitable purposes (whether or not of a nature similar to any of those hereinbefore specified) for the benefit of the said inhabitants:

Provided always that such purposes shall extend to those purposes for which provision is made out of rates, taxes or other public funds, only if and to the extent to which in the opinion of the Councils of the said London Boroughs further provision (in addition to that made out of rates, taxes or other public funds) can properly be made for such purposes”.

2.1.6 The essence of the above is that Councils can spend Harvist money on anything charitable or for which they have statutory powers to spend their own money provided that the Harvist money is spent on further provision to the Councils’ expenditure from their own funds.

2.1.7 Trustees will be aware that annually an officer from each authority gives a Certificate of Proper Expenditure to the Charity’s Hon Treasurer and these are included in the annual accounts.

2.1 Options considered

2.2.1 While trustees are aware that the beneficiary Councils can determine what Harvist money shall be spent on, the following suggestions are offered as good governance rules which trustees could encourage their own authorities to adopt:

- (a) No charge whatsoever shall be imposed by the Councils for their own administration or other expense on Harvist money

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- (b) So far as possible, it shall be the objective to distribute or use the Harvist money during the year of receipt
 - (c) Councils shall allow interest to accrue on Harvist money from receipt until use at the average 7 day LIBOR rate
 - (d) Councils must be explicitly clear that Harvist money is further provision in addition to the Councils' own expenditure from their own funds
 - (e) Recipients of grants allocated from Harvist money must be so informed; the trustees' preference is that the Harvist money is a discrete fund/budget to which organisations may apply who would not qualify for an award from the relevant Council's own grants programme
 - (f) If an authority uses Harvist money for expenditure on its own facilities, it must be clear that that expenditure is for an "extra" which simply would not be provided but for the Harvist money, and not simply as a contribution to revenue expenditure which the Council should itself properly bear
 - (g) Each Council must provide a fully reconcilable account of money held and spent whenever required by the trustees or the Hon Treasurer.
- 2.2.2 Whilst the Hon Officers can inform the beneficiary authorities of the foregoing and any others which trustees may deem appropriate, trustees need to seek to ensure their adoption and compliance within their own authorities. As trustees are aware the distribution is unequal, and for some authorities the annual amounts are relatively small. Therefore those boroughs may well incline to the view that they do not wish to accept any restrictions which may increase their costs.

2.3 Equalities Impact

- 2.3.1 The proposed governance rules for the Edward Harvist Charity aim to ensure greater transparency and accountability as well as a fairer distribution of grants throughout the beneficiary authorities.