

GRANTS COMMITTEE

MINUTES AND DECISION RECORD

20 April 2011

The meeting commenced at 9.00 a.m. in the Civic Centre, Hartlepool

Present:

Councillor Robbie Payne (in the Chair)

The Mayor, Stuart Drummond
Councillor Hilary Thompson

Officers: John Mennear, Assistant Director (Community Services)
Joan Stevens, Scrutiny Manager
Sue Rybak, Community and Youth Resource Management
Jo Stubbs, Democratic Services Officer

Also present: Councillor Marjorie James, Chair of Scrutiny Co-ordinating
Committee

38. Apologies for Absence

None

39. Declarations of interest by members

Councillor James declared a non-prejudicial interest in item 6.1

40. Minutes of the meeting held on 1 March 2011

These were received by the Committee.

Members referred to the recent closure of The Studio. At their previous meeting they had awarded Community Pool funding to The Studio and declined to award funding to Red Dreams as they delivered a similar service. However given recent events members wished to reverse their decision on Red Dreams and award them 50% of the funding they had requested in line with the allocations they had made previously. Officers supported this stance, noting that The Studio had not accepted the monies offered despite being perfectly within their rights to do so. Members requested that Red Dreams be informed, pending confirmation at a future Grants Committee meeting.

41. Call-in of decision – Community Pool 2011/12 – Scrutiny Co-ordinating Committee

Type of Decision

Non key.

Purpose of Report

To report the outcome of the Scrutiny Co-ordinating Committee meeting on 7 April 2011 at which consideration was given to the Call-In of the following decisions taken by the Grants Committee on 1 March 2011 (reconvened 7 March 2011):-

Minute Number 37 – Community Pool 2011/12 (extract)

That the following grant awards in respect of the Community Pool 2010/11:-

Hartlepool Citizen's Advice Centre	£36,130
Hartlepool Credit Union	£16,793
Hartlepool Voluntary Development Agency	£12,778
Owton Manor West Neighbourhood Watch	£6,277
And Residents Association	

To refer the decision taken in Minute No 37 of the Grants Committee on 1 March 2011 (as outlined above) back to Grants Committee for further consideration.

Issues for Consideration by the Committee

The report outlined the key concerns of the Scrutiny Co-ordinating Committee which had formed a Working Group which met on 7 April 2011 to consider this call-in. The response of the Working Group was then fed back to the Scrutiny Co-ordinating committee on the same day. In relation to the grants for Hartlepool Citizen's Advice Centre, Hartlepool Voluntary Development Agency and Owton Manor West Neighbourhood Watch and Residents Association the Committee agreed that these decisions had not contravened the principles of decision making.

However, the Working Group felt that a previous decision of the Finance and Procurement Portfolio Holder was contrary to the decision of the Grants Committee to award the grant in that the Portfolio Holder had reluctantly awarded the grant and had been given assurance by the Chair of the Hartlepool Credit Union that there would be no further request for funding the next year. The Working Group had been advised that the Grants Committee were unaware of this assurance when making their decision and therefore the Working Group recommended to the Scrutiny Co-ordinating Committee that this decision be referred back to the Grants Committee for consideration in conjunction with the additional information outlined above.

The recommendations of the Working Group were accepted in full by the Scrutiny Co-ordinating Committee.

The Chair of the Scrutiny Co-ordinating Committee further highlighted an anomaly around the previous credit union arrangements whereby there had been 2 separate organisations under the Credit Union umbrella – the Credit Union Ltd and the Credit Union Forum. Credit Union Ltd had a contract with Children's Services but the Credit Union Forum had always applied for funding and managed any monies received. However following their recent amalgamation funding was now being paid to, and being managed by, Credit Union Ltd. Councillor James had highlighted this anomaly to the Assistant Chief Finance and Customer Services Officer previously but it had never been rectified. With regard to the previous decision by the Portfolio Holder members of the Scrutiny Co-ordinating Committee felt that the agreement that the Credit Union had to request no more funding should stand. She acknowledged that they were in financial difficulties but felt this was a result of mismanagement. The Council had helped them out financially on 2 separate occasions and she felt it was time for them to manage their own finances. The Assistant Director acknowledged this but officers had understood that the previous agreement made with the Portfolio Holder had not been a reference to Community Pool funding.

The Chair of Scrutiny Co-ordinating Committee also highlighted that the Credit Union had failed to adequately conform to another of the Portfolio Holder's requests – namely that 4 councillors would be added to the board of the Credit Union. The names of 4 councillors had been submitted to the Credit Union, herself included, but so far only 3 councillors had been appointed. Councillor James' nomination had been turned down by the Credit Union which she felt was a slur on herself and the Council she was part of. In addition the 3 councillors whose nominations had been accepted were not participating in any of the sub-groups and were therefore unable to take part in the decision-making process or effect real change. Members queried whether this would make any substantial difference, the Chair of Scrutiny Co-ordinating felt it would provide an effective conduit between the Council and the Credit Union.

The Assistant Director had contacted the Credit Union prior to Scrutiny Co-ordinating Committee's consideration of this matter. They had responded, describing their situation as "quite delicate at present". They had made 8 funding applications to a variety of sources and hoped to have £10-15,000 to transfer in the new year. At a forthcoming board meeting they would be expected to show funding for staffing and other costs otherwise there was a risk of redundancies and possible closure.

Members discussed the issues raised. The Chair, who as Portfolio Holder for Finance and Procurement had made the previous decision referred to, was adamant that no more monies should be forthcoming however the other members felt that given the important service they provided further investigation should be undertaken before any decisions were made. The Chair queried whether any other funding avenues were available to them.

The Assistant Director advised that they had a contract with Children's Services and were awaiting the result of bids to a number of organisations including the Shemans Trust and the Hospital of God. Members acknowledged that grants were not designed to keep unviable institutions running however they noted that previously they had taken action to support institutions in financial difficulties, sometimes with great success. The application fulfilled all the criteria for the Community Pool and therefore they felt the Credit Union should be given a chance to pull themselves round, with stipulations if necessary. They suggested that representatives of the Credit Union meet with the Grants Committee to look at a possible way forward. The Chair indicated that he was happy to agree to a meeting but was firmly opposed to any additional funding being awarded. He queried whether officers had seen the Credit Union accounts and was advised that the draft accounts had been submitted and there appeared to be some inconsistencies. However it was highlighted that they were not the final accounts. Members asked whether the Chair, as Portfolio Holder, had made it clear at his previous meeting that the Credit Union should not apply for a Community Pool grant. The Chair indicated that he had been referring to any Council-based funding. He had made a number of suggestions to alleviate their financial problems including a move to new premises and nothing had been done. Members requested that the Assistant Director arrange an informal meeting between themselves and representatives of the Credit Union to discuss measures to rectify their current financial problems. The Chair emphasised his strong objection to any further funding being given to the Credit Union.

With reference to the forthcoming review of the criteria for the awarding of Community Pool Grants the Chair of Scrutiny Co-ordinating Committee asked that Scrutiny Co-ordinating Committee be consulted prior to the implementation of the new Community Pool criteria in order to save on any delays to the process.

Decision

- I. That the decisions previously taken by the Grants Committee in relation to the following groups be enacted with immediate effect:
 - a. Hartlepool Citizens Advice Bureau
 - b. Hartlepool Voluntary Development Agency
 - c. Owton Manor West Neighbourhood Watch and Residents Association
- II. That the following be taken into consideration as part of the review of the grant criteria currently being undertaken:
 - a. Submissions for grant monies to contain comprehensive detail of the services each organisation will provide to the people of Hartlepool and that this service be provided for the length of the grant awarded

- b. That following the award of grants the performance of groups be closely monitored to ensure that the provision of services meets the level and standard agreed as part of the grant approval
 - c. That the Scrutiny Co-ordinating Committee be involved and consulted on the process for the review of the criteria and process for the award of Community Pool Grants.
- III. That officers facilitate an informal meeting between the Grants Committee and representatives of Hartlepool Credit Union in order to find appropriate solutions to the issues raised by Scrutiny Co-ordinating Committee
- IV. That following this informal meeting the application by the Hartlepool Credit Union come back to the Grants Committee for consideration at a future meeting to be arranged.

The meeting concluded at 9:45 am

P J DEVLIN

CHIEF SOLICITOR

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