

# Executive Decision Report

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| <b>Decision maker and date of Leadership Team meeting or (in the case of individual Lead Member decisions) the earliest date the decision will be taken</b> | Leadership Team 25 July 2018<br>Forward Plan reference: 05285/18/K/A<br>Portfolio<br>Councillor Emma Will (Lead Member for Families, Children and Schools) |  <p>THE ROYAL BOROUGH OF<br/>KENSINGTON<br/>AND CHELSEA</p> |
| <b>Report title</b>   | The Grenfell Children & Young People's Fund  |  |
| <b>Reporting officer</b>  | Annabel Saunders, AD Children's Commissioning  |  |
| <b>Key decision</b>   | Yes  |  |
| <b>Access to information classification</b>   | Public Part A  |  |

## **1. EXECUTIVE SUMMARY**

- 1.1. In November 2017 the Council ratified its commitment to match fund £431,505 raised by the Game4Grenfell football match that took place in the summer of 2017, the objective being to use the funding to create opportunities for young people in North Kensington.
- 1.2. The purpose of this paper is to set out the options considered for the management of, and the distribution method for, this fund and of these options the recommended approach.
- 1.3. In order to inform the recommendations officers engaged with young people in a range of forums including youth groups, parent groups, schools and key community groups in North Kensington.

## **2. RECOMMENDATIONS**

- 2.1. It is recommended that the Lead Member for Family Services and Education approves the preferred option that the £431,505 be transferred to the London Community Foundation (LCF) that will administer the funds. This option was the preferred approach identified by the young people that were consulted with.

## **3. REASONS FOR DECISION**

- 3.1. The details of the options discussed with young people and subsequent recommendations are outlined in the options appraisal section of the report. Three clear themes emerged from the engagement namely:
- 3.2. That young people preferred that the funding be managed by an organisation independent of the Council;
- 3.3. That young people wanted the money to be distributed as quickly as possible, and;
- 3.4. That young people saw the merit of combining funding streams of money raised for young people following the Grenfell fire into one larger fund where applicable (see section 3.6 and 6.10).
- 3.5. As such, the preferred option, as identified by young people and endorsed by the parents and Grenfell United, is to transfer the funds into a newly established fund called the Grenfell Children and Young People's fund that will be administered by the London Community Foundation. This fund is independent of the Royal Borough of Kensington and Chelsea.
- 3.6. This fund already consists of donations from the Evening Standard Dispossessed Fund and the Artist for Grenfell Appeal with a combined total of £768,000. Combining the Council's contribution of £431,505 would create a fund of c. £1.2 million.

## **4. BACKGROUND**

- 4.1. Following the fire at Grenfell Tower a concerted effort was put into fund raising activity nationally to support the victims, survivors, families and the wider community affected by the fire. This included two charity football matches that happened in the summer of 2017 – the Charity Shield and the Game4Grenfell which together raised £1.5m in donations and sales with the Game4Grenfell raising £431,505.
- 4.2. The Council contributed to the fund raising effort through a commitment to matching the amount raised by the Game4Grenfell match.
- 4.3. Further to the football matches the other two substantial fund raising activities on behalf of children and young people impacted by the Grenfell fire were:
- 4.4. £545,838.02 from the Evening Standard Dispossessed Fund
- 4.5. £222,732.63 from the Artist for Grenfell Appeal.
- 4.6. Whilst the funds raised by the two football matches have already been distributed the funds raised by the Evening Standard and the Artists for Grenfell have yet to be. Both organisations have engaged with the London Community Foundation (LCF) and agreed to transfer their funding amounts in order that LCF administer the combined amount of £768,570.65 as one fund over a 3-year period. It was further agreed that this funding will be used to support children and young people. If the Council contributes the additional £431.5k then the fund would be extended to a 5-year period.
- 4.7. LCF is a charity that has been working locally for over 20 years, specialising in supporting community-based organisations focused on helping disadvantaged London. LCF's core principle is to nurture and strengthen networks of local people and organisations in order to address local problems.

## **5. PROPOSAL AND ISSUES**

- 5.1. In considering the option of transferring the funding to the London Community Foundation, the Council has looked to ensure that the funding would be used appropriately and for the intended purposes. The Council has worked with the London Community Foundation to put in place necessary safeguards and processes to ensure this, which are outlined below.
- 5.2. **Ensuring the funding is used appropriately: stages of the grant making process**
- 5.3. Young people and community groups have told us that it is key to have strong oversight and transparency in relation to how this funding is distributed. Organisations that apply need to meet clear criteria as part of a publically visible agreement. The LCF have a clear process for awarding grants which ensures they are used appropriately.
- 5.4. The process includes:

- **Advertising:** LCF will advertise the fund on their website, newsletter and social channels. It will work with RBKC and the local voluntary sector to ensure that knowledge of the Fund is disseminated thoroughly.
  - **Online application:** Organisations can apply online
  - **Shortlisting:** LCF will vet applications to ensure they are eligible to apply and meet the criteria set out.
  - **Due Diligence:** LCF have developed a detailed and extensive due diligence checklist to apply to all applications received prior to these going to their decision making body. In this way, LCF ensures that only appropriate applications are submitted and approved. Examples of due diligence include eligibility with Fund's themes/priorities, assessment of the organisation's legal framework and governing documents, review of the organisation's accounts/records of income and expenditure and an assessment of their financial management processes, assessment of the organisation's safeguarding policies and procedures, in accordance with our own safeguarding guidance.
  - **Assessment/evaluation of bid:** LCF will assess the applications that have been shortlisted, speaking to the applicant to gather any further information, clarify their plans and provide any advice as needed, before writing a recommendation for the panel.
  - **Panel:** LCF's will provide training for panel members on effective grant making. This includes training on how to participate in a deliberative process, ensuring all voices are heard. LCF will support the administration of each panel. LCF will provide the panel with terms of reference and guidance on conflicts of interest should they arise. The decisions will be effectively recorded by LCF and monitored to ensure they are within the allocated budget.
  - **Post Panel Notification:** LCF will notify applicants of the decision, support grantees to fulfil any conditions, provide any feedback, collect grant agreements and make grant payments. The decisions of the panel will be published on LCF's website to ensure transparency.
  - **Monitoring and evaluation:** LCF will use their online monitoring form to capture quantitative and qualitative data, as detailed in the monitoring section of this paper.
- 5.5. **Developing criteria for the Council funding:** The Council has worked closely with the London Community Foundation to develop criteria to ensure that the funds are used appropriately for the purposes intended, examples of this include that awards can only be granted if the application is for young people (aged 0 – 25) who are victims of Grenfell, young people living in North Kensington who have been affected by Grenfell or that organisations must pass LCF's due diligence checklist for safeguarding assurances. It has been agreed already that the existing funds from the Evening Standard should be used with approximately 45% of the fund being available to support children and young people who were victims of the fire and 55% being available for children and young people in the wider community affected by the fire. It is agreed that the same formula is applied to the funds contributed by the Council.

## 5.6. Reporting and monitoring

- 5.7. The London Community Foundation will submit regular reports to donors on the kinds of grants that have been awarded in order to provide assurance that the funding is being used appropriately. The report will include: types of activities or services awarded and corresponding volumes and uptake of activity; breakdown of sums being directly awarded to organisations or awarded to organisations on behalf of individuals or groups of individuals; types of need evidenced in applications; need by area at ward level; profile of children and young people involved in the activity; number of children and young people with Special Educational Needs and outcomes against priority areas achieved.
- 5.8. The Council will meet with LCF after each panel has taken place to discuss the applications and ensure the criteria has been applied.
- 5.9. The panel will be made up of eight local residents. Half of these will be young people. There will also be two representatives from the Evening Standard on the panel. Together these panel members will have the power to vote on decisions about how the funding is spent. The panel will have an independent Chairperson who will not have voting powers. The Chairperson's role will be to ensure all panel members have a say when making decisions.
- 5.10. LCF will hold a series of meetings with the panel starting in July in order to establish the Terms of Reference of the fund including what it means to be a panel member, the priorities for the fund and the frequency of the panels.
- 5.11. The fund will be launched and organisations invited to bid at the end of September 2018.

## 6. OPTIONS AND ANALYSIS

- 6.1. In order that young people could make an informed decision, three scenarios regarding the use and management of the funds were shared but these were used as a tool to frame the discussions rather than a strict menu of options. These were:
- 6.2. **Option 1:** The Council retains the £431,505 and manages the distribution of the funds with a panel of young people taking a key role in deciding the priorities; evaluating the bids and decided where the funds would be allocated.
- 6.3. One of the benefits of this option discussed with young people is that because the funds remain held by the Council then the Council can ensure from the outset that young people will be central to the decision making process of how the fund is distributed. The other benefit is that this option can be set up at pace and the funding distribution can happen quickly.
- 6.4. The young people consulted with liked the idea of having ownership of the decision making processes but preferred that the funds were managed externally by an organisation independent of the Council.

- 6.5. This was not their preferred option.
- 6.6. **Option 2:** The Council transfers the funds to an external organisation to manage and distribute the funding.
- 6.7. Young people liked that the funds would sit with and be managed by an organisation independent of the Council. They expressed a strong desire to have some ownership over the decision making process and concern over the fact that young people's voices might get 'drowned out' by the adults and professionals or with competing priorities from the external organisation. Young people also preferred to keep the administration fees for running the fund as low as possible.
- 6.8. One of the issues with this option is that the management arrangements, distribution methods and fees charged would vary from organisation to organisation and that young people may not be able to influence this (although would be in a position to support the selection of the organisation). A number of organisations that offer Fund management arrangements charge c. 12% for the administration and distribution of funds. The other issue is the selection process and setting up a new fund would take time.
- 6.9. This was not their preferred option.
- 6.10. **OPTION 3:** The Council transfers the funds to London Community Foundation (LCF) who will join up the Council funds with the funding that LCF already manages on behalf of the Evening Standard Dispossessed Fund and Artists for Grenfell to create a fund of approximately £1.2m in total and for a 5-year duration.
- 6.11. Young people clearly saw the benefit of increasing the volume and reach of the funding available and the merits of it being managed by a body independent to the Council. The concern was expressed again over the fact of having their voice central to the decision making process and that London Community Foundation be mindful of this in forming the decision making body and they requested that young people could sit also sit on the panel that makes funding decisions. LCF have allocated the same number of votes to young people as adults in its decision making body which means that young people will have an equal say. LCF will charge a 5% administration fee.
- 6.12. This was the preferred option.

## **7. CONSULTATION AND COMMUNITY ENGAGEMENT**

- 7.1. Two Engagement Outreach Workers employed by the Council engaged with young people and community groups to gain their views for the management of the Council contribution. This focussed engagement work took place over of period of 5-6 weeks. They organised discussion groups across a range of settings including youth clubs, supplementary schools and community locations in the North Kensington area.

- 7.2. The Engagement Outreach Workers met with young people who were asked to vote for their preferred option. The option to transfer the funds to the London Community Foundation was the clear favourite.
- 7.3. The Council continues to engage with young people and community groups in North Kensington including the Youth Action Alliance at the Curve and Harrow Club, Rugby Portobello Trust and Octavia Foundation.
- 7.4. Young people's preferred option was taken to a Grenfell United meeting on the 21<sup>st</sup> June 2018 in order to seek their views. Grenfell United endorsed this option with the caveat that the newly forming Junior Grenfell Group (name to be confirmed) will be able to be involved and influence the distribution of the funding by having a representative on the funding panel.

## **8. HUMAN RESOURCES AND EQUALITIES IMPLICATIONS**

- 8.1. There are no human resources implications for this proposal.
- 8.2. As a public body we have a duty to ensure that all the adults and children who use our services are taken care of. These services will support the needs of vulnerable families and children, and so will have a positive impact on the equality agenda.

## **9. LEGAL IMPLICATIONS**

- 9.1. What is proposed is payment of a grant and as such there is no requirement to run a procurement process.
- 9.2. The Council has the power to give the grant funding on the basis of its general power of competence (under s1 of the Localism Act 2011).
- 9.3. There is no specific procedure required by law to be followed in choosing the recipient of the grant. However, the Council should make sure that it has properly considered its options and has an audit trail showing why this is considered to be the best option.
- 9.4. It is recommended that a grant agreement setting out the terms on which the funds are being given are in place before the grant is made since it is important to ensure that the grant is characterised in a legal agreement with appropriate wording for grants.
- 9.5. Implications by Angela Hogan, Senior Solicitor, Tel. 07825 237494

## **10. FINANCIAL, PROPERTY AND ANY OTHER RESOURCES IMPLICATIONS**

- 10.1. Corporate Finance has been consulted and comments that the financial implications of this decision are explained in this report. The value of the grant is £431,505. As with the other grants that have already been approved and paid, this expenditure would be charged to the corporate cost code that has been set up for

the Grenfell response, namely KC29009, with the costs covered through the Council's reserves.

10.2. The Grenfell tragedy has required the Council to take a number of actions that are outside its normal business activities. Often these require flexibility and departure from normal protocols and procedures. However, the Council retains a fiduciary duty to taxpayers to ensure that public funds are used appropriately and in a way that represents value for money.

10.3. Implications by Francis Austin, Head of Finance for Grenfell. Tel. 07712506248

Annabel Saunders  
**Assistant Director, Children's Commissioning**

**Local Government Act 1972 (as amended) – Background papers used in the preparation of this report**

*[Note: Please list only those that are not already in the public domain, i.e. you do not need to include Government publications, previous public reports etc.]*

**Contact officer(s):** *Etiene Steyn, Head of Children's Commissioning – Etiene.steyn@rbkc.gov.uk*

**Formal clearance requirements for all key decision reports**

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| Cleared by Finance (officer's initials)                               | [FA] |
| Cleared by Director of Legal Services (officer's initials)            | [AH] |
| Cleared by Communications & Community Engagement (officer's initials) | [MC] |