Item No.	Classification:	Date:	MEETING NAME	
	Open	6 <sup>th</sup> April 2014	Overview & Scrutiny Committee	
Report title:		Tenants Fund		
Ward(s) affected:	or groups	All		
From:	_		Tenants Council & Tenant Fund Management Committee	

#### **Background**

- 1.1 The Tenants Fund was set up in the late 1980's with the purpose of funding the Southwark Group of Tenants' Organisations (SGTO) and to fund every recognised Tenants & Residents Associations of which there was, and still are, over one hundred and forty Associations.
- 1.2 The Council at that time were committed to tenant participation and supporting an independently funded movement for tenants and residents. The fund and its allocation to be under the control and guidance of the Tenants Council
- 1.3 The original decision to inaugurate the fund was agreed by the Housing Committee and the weekly levy was set at 10p per secure tenancy. At this stage there was no levy to leaseholders because of legal difficulties in applying the charge. This has now been resolved and the Homeowners Council contribute a quarter of the total yearly spend to the Tenants Fund.
- 1.4 The levy is linked to the annual rent rise and in this financial year 2014-15 amounts to 27.25p per secure tenancy. Combined with the Homeowners contribution it realises around half a million pounds each year.
- 1.5 The fund has been under the control and guidance of the Tenants Fund Management Committee for a considerable number of years. The Committee has service support from officers of the Council, three of whom are paid for through the fund; an administrator and two training officers. A member of staff from Community Involvement attends as an adviser to the fund. Members of the fund are elected at the Annual General Meeting of the Tenants Council and the Chair and Vice-chair of the TFMC are elected by the TFMC members at the first meeting following the AGM of the Tenants Council.

## 2. Managing the fund

- 2.1 It has been the practice for a number of years for the Tenants Fund Management Committee to start work on preparing a budget in December for the following financial year and on completion of this exercise to present a budget report for approval to the Tenant Council. Latterly this budget has been signed off by the Cabinet Member for Housing.
- 2.2. As a part of the budget setting process we invite the Southwark Group of Tenants Organisations to prepare a funding bid and following receipt of their bid we meet to discuss the details of the bid and where appropriate to make adjustments. This meeting usually takes place in January and includes the TFMC and key members of the SGTO, usually, the Chair, Treasurer, and Senior Manager.

- 2.3 It is also a part of the role of the TFMC to discuss the priorities of the tenants movement with the SGTO and this includes setting and agreeing their Key Performance Indicators and Smart Objectives. The TFMC meets with the SGTO every three months to monitor work rate, current budget and spend and numbers of resident using the services of the SGTO. This has been a positive arrangement and has meant that the services identified by tenants are delivered by the SGTO. It should be noted that the budget setting process and monitoring is open and transparent and involves the Officers of the Council who attend and service the TFMC.
- 2.4 The TFMC regularly reviews its role and how it financially supports the tenants and residents participatory functions and looks at ways of providing new and supportive initiatives and some details of this are set out below in this report.
- 2.5 For information and example the decision approved by the Cabinet Member for Housing in 2013-14 was as follows (our notes and actions are in italics).

A request for funding from the Southwark Group of Tenants Organisations (SGTO) for 2013/2014 of £190,828 which includes an increase of 1% applied to staff salaries and £5000 to fund the additional costs of colour printing enabling a free service to T&RAs.

It should be noted that an additional sum of £40000 was approved as a grant to the SGTO in 2012 and this was used to fund a Campaign and Research Worker to assist with the campaign on benefit changes and to provide information on the effects and outcomes of these changes. This worker did not commence employment until after the start of the 2013/14 financial year.

This was the funding that officers wanted to cut in 2014/15.

The 2013/14 is seen as a transition year during which the administration and allocation of the TF will be reviewed with a view to making it more efficient and fair. This will also include revision of the current application form to simplify it and make it available for completion on line.

The application has been completed and we are awaiting the outcome of the recommendations on the model constitution for T&RAs. The form will then be submitted to the Tenants Council and the Council for consideration. We have reduced the form from an incredible forty eight pages of questions that the Council mostly doesn't record to around five pages.

It has been practice for some time now for the TFMC to hold quarterly review and monitoring meetings with the SGTO where we check their performance and service delivery against agreed KPIs.

The TFMC are currently undertaking a full review of Resource Centres at Taplow and Albrighton Community Centre. Training currently given is being analysed and the two training officers are presenting their first report to TFMC on 23<sup>rd</sup> April 2013. The TFMC are looking to introduce new training programmes from 2014.

The review of services provided at the Resource Centres is about to commence and it is intended that this will include the Resource Centre at Bells Gardens Community Centre which is managed and administered by the SGTO. The Tenants Fund has recently approved and funded new computer hardware and support services to all three resource centres at a cost of £36,000.

The TFMC in conjunction with the Tenants Halls Working Party has completed a review of training needs and have agreed to packages of funding. One programme will concentrate on management skills for halls management committees and this will amongst other skills training concentrate on legal requirements on Health & Safety, Food Hygiene, and responsibilities relating to vulnerable adults and children. The TFMC has allocated £18000 for this training. A further sum of £20000 has been allocated for training for tenants and residents of Southwark up to certification level and a further £5000 is allocated for training in general committee skills for new and existing T&RAs.

2.6 It is important to note that the Tenant Fund Management Committee does not site entirely isolated as it goes about its work. Throughout the year meetings of the committee are facilitated by officers and managers from the Community Development department whose role is to advise and guide the committee and ensure that their fiduciary duties are met. Officers

assist in the provision of management accounting information to ensure spend can be monitored against budgets, they support quarterly SGTO monitoring meetings, theyalso assist in the adjudication and appeal process the committee undertakes when T&RA grants have been refused. Officers also advise on other request for spend such as expenditure for resource centres and training, hospitality and transport costs.

#### 3. The Current Situation

- 3.1 In early January 2014 we met with and interviewed the SGTO on their funding bid which, after some adjustments, were to be discussed at the next meeting of the TFMC. When the full budget was agreed it would forwarded to the Tenants Council. Thereafter it would be forwarded to Councillor Wingfield. Their bid taking into account the additional costs of the Research and Campaigns Officer gave rise to a proposed grant of £238000 and this was agreed by the TFMC and subsequently the Tenants Council.
- 3.1The decision to recommend the employment of a Campaign and Research Officer who would be employed by the SGTO result from a number of meetings with key councillors from the Labour and Liberal Democrats Group who were, in conjunction with the tenants movement, they were concerned about the impending benefits changes and their anticipated impact on the most vulnerable residents in Southwark.
- 3.2It was decided that the work on the benefits campaign undertaken by the SGTO was of such importance and having a positive impact on providing information and support to residents that the funding for the post should continue for at least a further year.
- 3.3 After discussion it was the understanding of the TFMC that we had, in common with past practice, agreed a report that would go forward in the normal course of consultation and approval.
- 3.4 However, this year there was a considerable and fundamental departure from the normal practice in that the officers presented their own report which recommended funding to the SGTO of £203000, which if agreed, would result in the loss of one post from the SGTO. They informed the TFMC that their submission would in effect be the only report submitted to the Tenants Council and to Councillor Wingfield. We were also informed, and this was confirmed by E-mail from the Officers, that any comments we had or would make would have no effect on the final outcome. In other words they were the final arbitrators.
- 3.4 After objections from the TFMC we were invited to have input to the report. This was informed to us on Wednesday 19<sup>th</sup> February 2014. A report was submitted on 20<sup>th</sup> February 2014 and we received the response that the responsible officer was on leave until Monday the following week. The officer's report was sent out on Friday 21<sup>st</sup> February 2014 along with the agenda for the Tenants Council that was scheduled for 3<sup>rd</sup> March 2014. In these circumstances our comment could not be included.
- 3.5 The report and an alternative report from the TFMC, which could only be circulated round the table, were presented to the Tenants Council on  $3^{rd}$  March 2014. The conduct and actions of the Officers gave rise to some considerable concerns and anger. It should be noted that the recommendations of the Officers to the Tenants Council on  $3^{rd}$  March 2014 was that funding to the SGTO should be approved at £204,732. They made no specific recommendation on the future monitoring and financial control of the SGTO; although they did make reference to objections to aspects of the report prepared by the officers.
- 3.6 The Tenants Council was extremely concerned and angry by the way this situation had arisen and the fact that unanimity between the TFMC and the Officers could not be achieved. The Tenants Council agreed the overall budget proposals of the TFMC and that the SGTO be

funded in the sum of £238,000 and that the present monitoring arrangement whereby the SGTO reports to the TFMC should continue.

- 3.7 It should be noted that a meeting between Steve Hedger, the Chair of the Tenants Council, Ian Ritchie, Chair of the Tenants Fund Management Committee, and Stephen Douglass, Head of Community Engagement took place on 12<sup>th</sup> March 2014 in an attempt to break the deadlock. We felt that we had been given an opportunity to make some headway. We discussed the work already progressed and agreed a number of issues still to be considered. This included funding to the beneficiaries of the fund and it was agreed that this would be a key part of the work to be undertaken in the 2014/15 financial year.
- 3.8 Shortly after this meeting we received a copy of the report that was to be referred to the Cabinet Member for Housing. Officers were now supporting the funding of £238,000 to the SGTO and the additional condition that the monitoring and funding should transfer to Officers of the Council. It is hard not to believe this was the intention of the whole exercise and would ask obvious question. What made the officers change from the intransigent position on the amount of the grant?
- 3.9 In common with the rest of our experiences no attempt had been made to discuss this change and it effect and impact on the Tenants Council, the Tenants Fund Management Committee, and the Southwark Group of Tenants Organisations. It appears to fly in the face of the report on resident involvement from Councillor Wingfield which is attached as an appendix to this report. In particular we draw your attention to the penultimate bullet point on page 4 under the heading `We will demonstrate the value of our engagement'.
- 3.10 On 14<sup>th</sup> April 2014 the report, which had already been signed off by the Cabinet Member for Housing, was raised by Cris Claridge, who is one of the delegates to the Tenants Council, who reported that she had found the report on the Council's web site. The deadline for Call In had been published as the 18<sup>th</sup> April 2014 (subsequently amended to 22<sup>nd</sup> April 2014 because of the Bank Holiday).

It was noted that neither the Chair of the Tenants Council nor the TFMC, and the SGTO had been informed by the Officers of this decision. This is despite knowing that the recommendations were in dispute. We assumed, rightly or wrongly, that Officers were just going to let it come into effect and then tell us.

3.11 The Tenants Council was concerned by these developments and unanimously agreed to ask that the report be called in by Overview and Scrutiny Committee. It should be noted that following the decision of the Tenants Council we were informed by the Officers that the only ground we had for call in was a breach of our human right. On examination of the Rules for Overview and Scrutiny we concluded that this was not the only grounds.

#### 4Conclusions and concerns.

- 4.1 It is our concern that what has been a successful exercise in participation over a number of years has been damage by the actions of the Officers. Their actions were calculated to effect that only their recommendations of the Officers would be put into effect. Given these actions we have no faith in the effective future funding of the tenants movement.
- 4.2 The participation in the decision making process is not only a right in statute it is an important aspect of our working relationship with the council. Throughout this exercise a considerable amount of inaccurate and misleading information has been used to support the Officers position. I give below an illustration.

Stephen Douglass states that the change to the monitoring arrangement was put into effect in the 2013/14 Financial Year and quotes the recorded minutes of the Tenants Fund Management Committee of 8<sup>th</sup> October 2013 as a point of reference.

This was not agreed and was not referred to the Tenants Council for further consideration. It was not considered until 2014.

If this decision was already in effect why were the Officers not monitoring the SGTO and why would it have been necessary to restate it again.

- 4.3 As already stated these has been not been any attempt to consult on the impact and outcome of the decision and how it will be put into effect. We are of the view that the SGTO illustrates an important and independent voice for the tenants and residents of Southwark. It has a good track record of working with and in concurrence with the Council. However, there have been issues where they have not, and do not, agree with Council. Will this independent voice be stifled in the future? Given how this has progressed over the past few months we have grounds for concern.
- 4.4 Officers have stated that these are public funds and Officers are the proper guardians of it. We also see ourselves as proper guardians of the fund. We can state that in all the years that that the fund has been in existence there has never been a fraud, theft, or misappropriation of the fund, or any part of it. This fund was set up by the Council to service and support the aspirations of tenants and resident. It is a unique fund and we believe that the present arrangement works well and to the satisfaction of the recipients.
- 4.5 Stephen Douglass reported at the Tenants Council on 14<sup>th</sup> April 2014 that he had briefed the Cabinet Member for Housing on the report. We note that our report is referred to in the decision sheet we also note that our report is not attached to the final report that has been circulated. Given the fact that there were considerable areas of dispute we asked to meet with Councillor Wingfield but did not receive a response.
- 4.6The result of this decision is unclear as the implications and effects have never been discussed and we are left in the position that we can only speculate upon. We think that approximately half of Tenants Fund will be under the direct control of Officers without any input from tenants. It is assumed that whatever funding is agreed for the SGTO will be directly taken from the fund and this will make budget setting for the TFMC in future a difficult if not an impossible task.

#### **Finally**

We, that is to say, the Tenants Council, unanimously voted to seek an independent review, the Tenants Fund Management Committee similarly support a review, and this course of action is supported by the Home Owners Council.

Our grounds for such a request are set out reference to the Rules of Overview and Scrutiny Committee

- (a) We would contend that the decision was made without all the available facts being made available to the decision maker and in consequence was not open and transparent.
- (b) There has been no effort or attempt to conduct open and transparent discussions with members of the community and stakeholders affected by the decision of the Cabinet Member for Housing. In consequence the outcomes were not decided by consensus and in a fair way.
- (c) We cannot clarify the aims and desired outcomes because these have not been made available to the involved stake holders and we have not been involved in any discussions on how the changes will be put into effect and how they will impact on the existing services.

It is also important to note that this will also impact on the initiatives set out in the report agreed by the Cabinet Member for Housing in the 2013-14 financial year. Some of these are completed but some are more complex and are works in progress.

# **Resident Involvement Strategy**

#### **Foreword**

I want more residents to work with us in shaping the services they receive.

Southwark has had a long tradition of resident involvement using well established resident involvement structures. We have over 130 tenant and resident associations (TRAs) throughout the borough. As well as involvement we encourage empowerment of residents. We currently have 14 tenant management organisations (TMOs) in Southwark empowered to supply housing management services to over 3,500 homes. We work in partnership with the Southwark group of tenants' organisations (SGTO) to empower residents to form tenant and resident associations and support the resident movement.

I am proud of the achievements residents have had in shaping services but in the light of economic pressures and decreased regulation it is my desire to ensure that residents are more involved in deciding how services should be delivered. As well as continuing to support our existing structures to be effective, I recognise that there is more to do to ensure we involve a wider range of residents. Involving more people will make sure services are delivered fairly and appropriately.

As a council we are committed to making a fairer future for all by:

- protecting the most vulnerable
- looking after every penny as if it was our own
- working with local people, communities and businesses to innovate, improve and transform public services, and
- standing up for everyone's rights.

As part of the housing services key commitments towards a fairer future for all we have made eight key commitments including making it easy for residents to get involved in the delivery of housing services and involving them in the design and delivery of ongoing service improvement to housing repairs service. This strategy shows how we will involve residents in delivering our key commitments and reach out much wider to make sure we hear from more residents.

If you have any suggestions or comments on how we can improve the ways we involve residents please call 020 7525 3326 or email resident.involvement@southwark.gov.uk.

I look forward to hearing from you.

#### **Councillor Ian Wingfield**

Deputy Leader and Cabinet Member for Housing Management

## What we want to achieve

We want all residents to be able to have a genuine say and, where appropriate, control over the services they receive.

With this in mind we have set out five key aims that we will deliver through this strategy.

- 1. We will engage with residents in achieving our key departmental objectives, so that they are effectively involved in the decision making process and scrutiny of our achievements in meeting those goals.
- 2. By making sure all areas of our service engage with a wide range of residents we will increase the overall resident engagement.
- 3. **We will introduce new ways for residents to engage with us**, including developing web based engagement so it is easier to get involved.
- 4. Through training, empowerment and support we will deliver better quality engagement so that residents are equipped and able to have a more informed and constructive involvement.
- 5. By spending our money wisely, working in partnership and attracting external funds **we will demonstrate the value of our engagement** and make sure it delivers effective outcomes for residents.

# **Delivering the aims**

To deliver our aims we will carry out the following activities, which are a summary of some of the key actions within the strategy action plan.

We will engage with residents in achieving our key departmental objectives.

- warm, dry and safe
- improvements to the housing repairs service.
- improvements to customer service and increasing on-line services.
- that charges for home owners are fair
- value for money and delivering savings
- use of housing stock and temporary accommodation
- involvement of tenants and homeowners in service delivery
- meet equality objectives.
- We will prioritise the creation of a tenant compact

#### We will increase the overall resident engagement

- We will make sure that there is a culture change across the whole service through every member of staff having a resident involvement aspect to their job.
- We will promote resident participation in estate inspections, project teams and contract monitoring meetings.
- We will reach all sections of the communities we serve. We will gather information about who we have engaged with and look for any gaps between the makeup of this group and that of the general population of tenants and home owners.
- We will include a localised resident information pack with each sign-up for a new tenancy; and with each re-assignment of the lease when somebody exercises their right to buy.

We will ensure that equalities monitoring is part of tenancy check procedures.

#### We will introduce new ways for residents to engage with us

- Many of our residents are not involved in our traditional structure, so as well as seeking engagement
  through our existing structures we will offer more methods for others to engage, reflecting their interests
  and the time they can give.
- We will identify and engage with residents who will be particularly affected by changes in local and government policy.
- We will work together with residents to engage in modern ways of social networking.

#### We will deliver better quality engagement

- We will facilitate training, networking, good information to residents, and provide access to advice and support.
- We will develop our website as a resource for TRAs on how to access grants, training, seminars, good practice and other important information.
- We will facilitate opportunities for involvement and representation tailored for home owners. An action plan will be developed and the Home Owners Council will be consulted on this action plan.
- We will facilitate opportunities for involvement and representation tailored for people living in street properties. An action plan will be developed and the Home Owners Council and Tenants Council will be consulted on this action plan.
- We aim to increase and strengthen partnership training opportunities

#### We will demonstrate the value of our engagement

- We will work with the tenants' and home owners' fund management committees to review how funds are spent so they can be used to the greatest benefit to residents.
- We will work with partners to make the best use of halls so that they are an asset to the whole community.
- We will work with Southwark group of tenants' organisations to promote the interest of TRAs in a range of ways including providing capacity building support to residents.
- We will work with partners to promote financial inclusion by improving residents' access to financial capability and literacy.

# TENANTS FUND BUDGET 2014-15 REPORT FROM THE TENANTS FUND MANAGEMENT COMMITTEE TO CABINET MEMBER FOR HOUSING

1. The purpose of this report is to comment and make corrections on the report prepared by the officers and to make alternative recommendations in respect of recommendation (2).

The reason for the report, which is the first time a separate report from the TFMC has been necessary, is because it has not been possible to reach a consensus with the Officers involved in the discussions,

You will be aware that the Chair of Tenants Council has already written to you expressing his concerns about the current situation and has asked that he meet with you to discuss our grounds for these concerns. The tenants Fund Management Committee concurs with his views and would ask that the Chair of the TFMC be present at that meeting and involved in the discussions.

#### 2. **RECOMMENDATIONS**

In terms of recommendation (1) we agree and in terms of funding for the Southwark Group of Tenants Organisations in the sum of £238,000. This is the original sum proposed by the TFMC and endorsed by the TC. This sum was originally rejected by the officers on the grounds that a grant of this size would send out the wrong message. They do not say who the recipients of the wrong message would be.

The Officers have now, at the last minute, changed their position and recommend the full sum subject to agreement to the caveat that we sign up to the Council's Conditions of Grant Aid. We have not been given the opportunity to discuss this change. On the face of it we see this as a further attempt by officers to take control of the Tenants Fund. Neither the Chair of Tenants Council nor the Chair of TFMC has delegated authority to agree a change of such magnitude. The fact it has been proposed at the very last minute and after discussions had taken place with the TFMC and the final report had been agreed with the TC is indicative of the conduct of officers in this round of discussions.

The Chairs of TC and the TFMC met with Stephen Douglass and agreed to a number of proposals to review the fund and its effectiveness as a part of our work programme for 2014-15; the monitoring of the fund and the simplified application forms. Having agreed to that process officers have decided to unilaterally bypass it. The TFMC has been reviewing the fund and its workings over the past two years and have made a number of improving changes. We were of the understanding that the point discussed with Stephen Douglass was a continuation of that process.

#### 3. FURTHER ISSUES FROM THE OFFICERS REPORT

In the appendix setting out the TFMC Budget officers state that the current proposals are an increase of funding by 25%. The TFMC in reaching its calculations have reported that in the financial year 2013-14 the grant to the SGTO was £190,828 and £40,000 which was granted in 2012-2013 and which was intended to be spent in 2013-14 when the new

post of Research & Campaign Worker was filled. That money is meeting the costs of the worker who is now in post.

The TFMC calculated the total funding to be £230,828. The recommended funding for 2014-15 is £238,000 which amounts to an increase of £7172 or an increase of 3.1%.

You will see from clause 8 & 9 that a considerable amount of work has been undertaken to make the workings of the TFMC more efficient and the fund more clients focussed. We need to resolve with Officers a more accurate financial reporting system to allow the TFMC to have rolling and updated budget information and control. The TFMC has had considerable concerns regarding this in recent years.

It should also be noted that an interim sum of £18,000 from the training budget is to meet the cost of specific training for tenants' halls and community centres Management Committees to assist them understand and apply such legal requirements, health & safety, food hygiene, public liability and organising activities for vulnerable persons, This is not a complete list but is intended to reduce liabilities to people who give their services free of charge.

## 4. With reference to (17),(18) and (19)

The TFMC would refer you again to our comments at 2 above and specifically in respect of our conclusions on recommendation (2). The TFMC is happy to discuss changes and to move forward and we have always made this clear. The monitoring and control of the fund is an agreed issue for further discussion which you are now being asked to bypass. It will require discussions with the recipients of the fund across the board and with the TFMC and TC and we recommend that you allow those discussions to take place and where appropriate implemented. The alternative currently recommended by officers envisages major problems with the Tenants Movement and its relationship with the Council and its officers.

We are also concerned that the additional recommendation on SGTO funding and the report at (17), (18) and (19) have not been referred to the TFMC for discussion and were not included in the officers report to Tenants Council.

In terms of overall budget we can report that following discussions at the TC and input by the TFMC the figure is substantially correct, although the figure in respect of the outturn cost of the Tenants Conference may need to be adjusted upwards and we have yet to receive an accurate costing for taxi fares. Hopefully this will be resolved in future years with a more accurate reporting system.

#### 5. General Comments

The TFMC meets with the SGTO on a quarterly basis. The SGTO reports in writing on its activities, its footfall and its current budget and cash flow. It is practice that the Chair of the SGTO and the Senior Manager attends and reports and is available to clarify points and answer questions by the Officers and TFMC members. We believe that these conditions are as stringent and strident as any monitoring applied by the Council.

The TFMC takes the view that the SGTO, given its wide range of activities including:

\* Their work on campaigning on benefit changes and the 'Bedroom Tax' which concurs with the views and aspirations and with support of the Council.

- \* Their free account verification services to a large number of T&RAs
- \* Their support and advice to Southwark tenants and residents trying to get back into work and in particular their help with CVs and in contacts with the DWP
- \* Their support and assistance to people suffering the effects of the 'Bedroom Tax' and the reduction of Council Tax Benefit.

The TFMC is also involved in the wider issues currently being agreed with the Council such as the Tenancy Conditions and Handbook which is almost completed, the Futures Steering Board, the Tenants Council, Digital Inclusion, and a considerable number of other working parties. They consider the SGTO to be value for money.

Officers originally recommended an overall reduction in funding which would have resulted in a loss of staff by one person. In effect this would likely have been the Campaign and Research Officer.

The officers have now shifted their position and are recommending conditional funding in line with that recommended by the TFMC and the TC. We take the view that this is an attempt to get control of a substantial part of the Tenant Fund and seems to imply that tenants are not capable of running their own financial affairs.

If the SGTO warrants funding of £238,000 now, then they warranted it when this figure was recommended by the TC and the TFMC. We can only speculate on the activities and change of position by the officers.

- (1) We also meet on a quarterly basis with the Training Officers funded through the Tenants Fund to monitor their work and training programmes. One Training Officer now attends our meetings to advise in training, skills development and technology support.
- (2) The Tenants Fund is unique to Southwark. It allows Tenants & Residents Associations to meet their running costs and affords a degree of financial autonomy. It supports tenant's democracy and participation. The fund enjoys an excellent reputation within and outside Southwark. Tenants' involvement in its management is important.

#### 6. Conclusions

- 1. The TFMC, when asked to consider the original recommendations of the officers took the view that if we agreed this would lead to anger and confrontation with the Tenants Movement at a time when we have much in common with the Council's aims and objectives. This includes a number of committees and working groups that are making real and progressive changes for the future. The TFMC acknowledge the unanimity of purpose and felt it would be ill advised to create conflict that neither the Council nor the Tenants Movement would benefit from, or welcome at this time.
- 2. For the first time in the history of the Tenants Fund there has been a situation when it was not possible to reach a conclusion in our submission to the Tenants Council. We are anxious that this is not a recurring situation and would welcome the opportunity for the Chair of the TC and the TFMC to discuss and resolve the situation that has arisen this year with you.
- 3. The TFMC, for all the reasons previously stated, would ask that you agree the budget as submitted and you do not agree the additional condition with recommendation (2)

that the SGTO funding be approved subject to the agreement that the SGTO signs acceptance of the Council's Standard Conditions of Funding.